Bright Start℠ College Savings Program—Advisor-sold Plan

Program Disclosure Statement
and
Participation Agreement

November 1, 2010

Trustee and Administrator

OFI Private Investments®
The Right Way to Invest

Program Manager

OFI Private Investments Inc. and its affiliates perform the investment, administrative and recordkeeping functions for the Bright Start College Savings Program—Advisor-sold Plan (the "Advisor-sold Plan"). OppenheimerFunds Distributor, Inc. is the distributor of interests in the Advisor-sold Plan.

The Bright Start College Savings Program (the "Program") was established on March 27, 2000. Prior to July 23, 2007, the Illinois State Treasurer operated the Program with a different program manager and different investment managers; OFI Private Investments did not act as Program Manager, and none of OFI Private Investments, OppenheimerFunds, Inc. (an affiliate of the Program Manager), OFI Institutional Asset Management (an affiliate of the Program Manager), Baring International Investment Limited (an affiliate of the Program Manager), Galliard Capital Management or American Century Investments acted as investment managers for the Program. This Program Disclosure Statement addresses only the Advisor-sold Plan and not any other plan in the Program. The Program is designed to operate in accordance with Section 529 of the Internal Revenue Code of 1986, as amended (the "Code") and promote savings for Qualified Higher Education Expenses.

Applicable federal and state laws governing the Program may change in a manner that will adversely affect the Program as described in this Program Disclosure Statement, and such adverse effects may be retroactive. In particular, the Internal Revenue Service ("IRS") has not issued final tax regulations concerning qualified tuition programs and, when issued or published, such regulations may have a significant impact on the Program and your investment in your account (the "Account") with the Bright Start College Savings Trust (the "Trust").

The Illinois income tax deduction, as described in this Program Disclosure Statement, is only available to Illinois taxpayers. If you are not an Illinois taxpayer, depending upon the laws of your home state or the home state of your Beneficiary, favorable state tax treatment or other benefits offered by such home state for investing in Section 529 plans may be available only if you invest in the home state's Section 529 plan. Any state-based benefit offered with respect to a particular Section 529 plan should be one of many appropriately weighted factors considered in making an investment decision. You should consult with your financial, tax or other advisor to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. You also may wish to contact your home state or other Section 529 plans to learn more about the features, benefits and limitations of that state's Section 529 plans. In addition, some states may offer an income tax deduction to any qualified tuition program. Consult a tax advisor for more information.

Interests in the Trust have not been registered with the U.S. Securities and Exchange Commission. Such interests also have not been registered with any state securities commission where there are applicable exemptions from registration (as of the date of this Program Disclosure Statement). This Program Disclosure Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

You may not pledge, assign or otherwise use as collateral or security for a loan amounts you invest in the Trust.

Your investment in the Trust will not be insured by the Federal Deposit Insurance Corporation (the "FDIC"), or any other state or federal governmental agency. Interests in the Program are not deposits or other obligations of OFI Private Investments or any of its affiliates or American Century Investments. None of your Account, the principal you invest nor any investment return is insured or guaranteed by the State of Illinois or any of its agencies, the Treasurer, the Trust, OFI Private Investments Inc. or OppenheimerFunds, Inc., OFI Institutional Asset Management, Baring International Investment Limited, Galliard Capital Management or American Century Investments (collectively, the "Program Parties") any other state or federal governmental agency, or the FDIC. You could lose money (including the principal invested), or not make money, if you invest in the Trust. None of the Program Parties insures any Account or guarantees any rate of return or any interest rate on any Contribution, and none of the Program Parties is liable for any loss incurred by any person as a result of participating in the Program.

Before you make Contributions to the Advisor-sold Plan, carefully read and understand this Program Disclosure Statement. It gives you important information about the Advisor-sold Plan and discusses the risks of investing, through the Advisor-sold Plan, in the Trust. See "The Portfolios—Risk Factors and Special Considerations" and "Principal Investment Risks of the Underlying Investments".

To learn more about the Advisor-sold Plan, please call a Program representative toll free at 1-877-43-BRIGHT (1-877-432-7444), visit the Program website at **www.brightstartadvisor.com** or contact your financial professional.

The information contained in this Program Disclosure Statement is believed to be accurate as of the date hereof and is subject to change without notice and neither delivery of this Program Disclosure Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Program since the date of this document. No one is authorized to provide information that is different from the information contained in this Program Disclosure Statement.

The Bright Start College Savings Program currently includes two separate plans. The Bright Start College Savings Program—Advisor-sold Plan, which is offered by this Program Disclosure Statement, is sold exclusively through financial advisors, and may offer different investment options than those that are available under the Bright Start—Direct-sold Plan. The fees and expenses of the Bright Start—Direct-sold Plan, which is sold directly by the Program pursuant to a separate Disclosure Statement, are lower and do not include

financial advisor compensation. Be sure to understand the options available before making an investment decision.

In addition to this Advisor-sold Plan, the Treasurer also offers the Bright Start College Savings Program—Direct-sold Plan and the advisor sold Bright Directions College Savings Program. In addition, the Illinois Student Assistance Commission ("ISAC") offers College Illinois!, a prepaid tuition Section 529 Plan. Such other Section 529 plans are not described in this Program Disclosure Statement, and may (i) offer different investment options with different investment advisers or different risks or benefits from the Advisor-sold Plan; (ii) be marketed differently from the Advisor-sold Plan; and (iii) assess fees, withdrawal penalties and sales commissions, if any, that are different from those assessed by the Advisor-sold Plan. Offering materials describing such other Section 529 Plans are available from ISAC, in the case of College Illinois!, from OppenheimerFunds Distributor, Inc., in the case of the Bright Start College Savings Program—Direct-sold Plan, and from the distributor of the Bright Directions College Savings Program.

For more information concerning College Illinois!, you may call toll free 1-877-877-3724 or see the ISAC website at www.collegeillinois.com. For more information concerning the Bright Start College Savings Program—Direct-sold Plan, you may call toll free 1-877-43-BRIGHT (1-877-432-7444) or see the Bright Start website at **www.brightstartsavings.com**. For more information concerning the Bright Directions College Savings Program, you may call toll free 1-866-722-7283 or see the Bright Directions website at **www.brightdirections.com**.

Section 529 plans, including the Advisor-sold Plan, are intended to be used only to save for Qualified Higher Education Expenses, and are not intended to be used, nor should they be used, by any taxpayer for the purpose of evading federal or state taxes or tax penalties. Taxpayers may wish to seek tax advice from an independent tax advisor based on their own particular circumstances.

Any tax information contained in this Program Disclosure Statement is not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed under the Code. Any such information was written to support the promotion or marketing of the Advisor-sold Plan. A taxpayer should seek advice based on the taxpayer's particular circumstances from a qualified tax advisor.

BRIGHT START COLLEGE SAVINGS PROGRAM

SUMMARY OF KEY FEATURES

This summary is intended to provide an overview of the key features of the Advisor-sold Plan and is subject to the more detailed information contained in this Program Disclosure Statement and Participation Agreement. **Before investing, you should read carefully and understand all of the information contained in this Program Disclosure Statement and Participation Agreement.**

PROGRAM OVERVIEW

- Designed to be a "qualified tuition program" under Section 529 of the Code.
- Provides an opportunity to invest on a tax-favored basis towards the "Qualified Higher Education Expenses" of a Beneficiary associated with attending an "Eligible Educational Institution."

For more complete information, please see:

Introduction .... Page 10
Tax Matters .... Pages 37-42

STATE ISSUER AND ADMINISTRATOR

- The Treasurer of the State of Illinois (the "Treasurer") is the administrator of the Program.

For more complete information, please see:

Introduction .... Page 10

PROGRAM MANAGER

- OFI Private Investments Inc. serves as Program Manager.

For more complete information, please see:

Introduction .... Page 10
The Portfolios—Risk Factors and Special Considerations .... Pages 20-26
Management and Other Service Providers .... Page 42

ACCOUNT OWNERSHIP

- Open to United States citizens and resident aliens with a valid Social Security number.
- Individuals (must be 18 years old or older for accounts opened after November 1, 2010) or entities can open an account, but they must have valid Social Security or tax identification numbers.
- There can be only one Account Owner and one Beneficiary for each account. An Account Owner can be the Beneficiary of the account.
- Custodians of UGMA or UTMA accounts can open an account.
- The Account Owner can designate a successor Account Owner who becomes the owner of the account in the event of the Account Owner's death.

For more complete information, please see:

Opening and Maintaining an Account .... Pages 10-13

BENEFICIARY

- Can be any age, must have a valid Social Security number, and does not need to be related to the Account Owner.
- Can be changed to a Family Member of the existing Beneficiary without income tax consequences.
- Accounts established by not-for-profit and governmental entities to fund scholarship programs need not have a Beneficiary.
- Beneficiary of minor held accounts (opened before November 1, 2010) or UGMA/UTMA account cannot be changed.

For more complete information, please see:

Opening and Maintaining an Account .... Pages 10-13
Tax Matters .... Pages 37-42

CONTRIBUTING TO AN ACCOUNT

- Minimum Contribution: initial—$25; subsequent—$15. Exceptions apply with respect to Contributions made by Automatic Investment Plan or accounts established pursuant to employer relationships.
- Contributions to an account can be made by anyone, but the Account Owner retains ownership and control of all account assets.
- Contributions can be made by checks and bank transfers drawn on a United States bank. Checks should be made payable to "Bright Start College Savings Program."
- Contributions can be made periodically via AIP or on a one time basis from a United States bank checking or savings account.
- Contributions can be made from the redemption of certain savings bonds and from distributions from a Coverdell Education Savings Account or from another Section 529 plan.
- Contributions can be made from payroll deductions through a participating employer.

For more complete information, please see:

Contributing to an Account .... Pages 13-14
Tax Matters .... Pages 37-42

ACCOUNT BALANCE LIMIT

- Aggregate Account Balance Limit currently in place is $320,000, subject to adjustment in the future ("Account Balance Limit").
- No additional Contributions (including rollover Contributions) may be made to an account for a particular Beneficiary if the Account Balance Limit is reached.
- The Account Balance Limit applies to the aggregate balance in all accounts for a particular Beneficiary under the Advisor-sold Plan and all other Illinois Section 529 plans.
- Once the aggregate balance in all such accounts falls below the $320,000 limit, additional Contributions can be made.

For more complete information, please see:

Contributing to an Account .... Pages 13-14
Tax Matters .... Pages 37-42

INVESTMENT OPTIONS

- The Advisor-sold Plan offers the following investment options:
  - Age Based Portfolios
  - Choice Based Portfolios
- Account Owners can change how previous Contributions (and any earnings thereon) have been allocated among the available investment options for all Illinois 529 accounts for the same Beneficiary once per calendar year or upon a change of the Beneficiary.
- Account Owners may hold more than one Portfolio within an account. Certain exceptions may apply.
- Account Owners can only hold one share class within an Account.
- Portfolio asset allocations, investment guidelines and Underlying Investments may change from time to time.

For more complete information, please see:

Investment Options and Program Portfolio Performance .... Pages 15-20
The Portfolios—Risk Factors and Special Considerations .... Pages 20-26
Tax Matters .... Pages 37-42

INVESTMENT PERFORMANCE

- Performance information for the Portfolios is updated each trading day on the Advisor-sold Plan's website at **www.brightstartadvisor.com**.
- **Past performance is not a guarantee of future performance. Investment results may be better or worse than the performance shown.**

For more complete information, please see:

Investment Options and Program Portfolio Performance .... Pages 15-20

FEES AND EXPENSES

- Total Plan Fees (including Underlying Investment expenses and Plan Fees) range from

Class A Units	0.75% to 0.96%
Class C Units	1.00% to 1.21%
Class G Units	0.75% to 0.96%
Class H Units	0.50% to 0.71%

- Other fees and charges may apply.

For more complete information, please see:

Sales Charges, Fees and Expenses .... Pages 26-35

WITHDRAWALS; TRANSFERS TO OTHER SECTION 529 PLANS

- Withdrawals used to pay for Qualified Higher Education Expenses ("Qualified Withdrawals") are not taxable income to the Account Owner or Beneficiary.
- The earnings portion of withdrawals that are not Qualified Withdrawals ("Non-Qualified Withdrawals") are subject to certain federal and state taxes and may be subject to the recapture of any previous Illinois tax deductions taken for the Contributions portion of the withdrawal.
- A tax-free rollover to an account in a non-Illinois Section 529 plan for the same Beneficiary may be made if it has been at least 12 months since the most recent rollover for that Beneficiary. However, such rollovers may be subject to the recapture of any previous Illinois tax deductions taken for Contributions to the Account.
- A tax-free rollover to an Advisor-sold Plan account for a different Beneficiary or to an account for a different Beneficiary under another Section 529 plan may be made if the new Beneficiary is a Family Member of the existing Beneficiary. Rollovers must occur within 60 days of withdrawal. However, such rollovers may be subject to the recapture of any previous Illinois tax deductions taken for Contributions to the Account.
- A transfer from an Advisor-sold Plan account into an account in another Illinois Section 529 plan for the same Beneficiary will be treated as a nontaxable investment reallocation, rather than as a rollover or transfer, which may be made once in any calendar year or upon any change in the Beneficiary of your Account.
- Please see the Program Disclosure Statement for a discussion of the tax considerations associated with transfers to other Illinois Section 529 plans and transfers to non-Illinois Section 529 plans.

For more complete information, please see:

Opening and Maintaining an Account .... Pages 10-13
Withdrawals .... Pages 35-37
Tax Matters .... Pages 37-42

FEDERAL TAX MATTERS

- Earnings accrue free from federal income tax while in the account.
- Qualified Withdrawals are withdrawals used to pay for the Beneficiary's Qualified Higher Education Expenses, which include tuition, fees, books, supplies and equipment required for the enrollment or attendance of a student at an "Eligible Educational Institution" plus, subject to certain limitations, room and board expenses for a student attending such an institution on at least a half-time basis. Qualified Higher Education Expenses may also include certain expenses for the purchase of computer technology or equipment or Internet access and related services, if such technology, equipment or services are to be used primarily by the Beneficiary while enrolled at an Eligible Educational Institution and are paid or incurred in 2009 or 2010.
- The earnings portion of a Qualified Withdrawal is not taxable income to the Account Owner or Beneficiary.
- The earnings portion of a Non-Qualified Withdrawal is includable in the taxable income of the Account Owner or possibly the Beneficiary if paid to the Beneficiary.
- Subject to certain exceptions, the earnings portion of a Non-Qualified Withdrawal also will be subject to an additional 10% tax.

Applicable tax rules are complex, certain rules are uncertain, and their application to any particular person may vary according to facts and circumstances applicable to that person. You should consult a qualified tax advisor regarding the application of the law to your circumstances.

For more complete information, please see:

Tax Matters .... Pages 37-42

ILLINOIS TAX BENEFITS

- Individuals who file individual Illinois state income tax returns may deduct up to $10,000 per tax year ($20,000 for married couples filing jointly) for their total, combined Contributions to the Advisor-sold Plan and other Illinois Section 529 plans during that tax year.
- The earnings portion of Qualified Withdrawals is exempt from Illinois income tax.
- The amount of any deduction previously taken for Illinois individual income tax purposes for Contributions to the Program is subject to recapture if such assets are rolled over to non-Illinois Section 529 Plan.
- Special rules apply in the case of rollover Contributions.

- For taxable years ending on or after December 31, 2009 and on or before December 30, 2020, employers may receive an Illinois State income tax credit if, during the taxable year, such employer makes a matching student-assistance Contribution on behalf of an Account Owner who is also an employee.
- Non-Qualified Withdrawals (other than due to the Beneficiary's death or disability) are subject to recapture of any previous Illinois tax deductions taken for Contributions to the Account.

For more complete information, please see:

Tax Matters .... Pages 37-42

FEDERAL ESTATE AND GIFT TAX

- Contributions to accounts are completed gifts which are potentially subject to federal gift tax if in any calendar year they exceed $13,000 ($26,000 for spouses electing to split gifts).
- Subject to certain limitations, the value of an account will not be included in the Account Owner's estate if the Account Owner dies while there is still money in his or her account.
- An Account Owner can elect to treat Contributions of up to $65,000 ($130,000 for spouses electing to split gifts) as having been made ratably over a five-year period for gift tax purposes.

For more complete information, please see:

Tax Matters .... Pages 37-42

RISK FACTORS

- An investment in the Portfolios is subject to investment risks. You could lose money, including the principal you invest.
- There is no guarantee or assurance that the investment objective of any Portfolio will be achieved or that you will have sufficient assets in your account to meet your Beneficiary's Qualified Higher Education Expenses or that your investment goals will be realized.
- Portfolio asset allocation and investment guidelines, Underlying Investments, fees, and applicable federal or state tax laws may change from time to time.
- A change in Program Manager upon expiration of the Services Agreement between the Treasurer and OFI Private Investments Inc. on July 19, 2014 or earlier under certain circumstances.
- The Program Disclosure Statement contains a description of various risks associated with an investment in the Advisor-sold Plan.

None of the State, the Treasurer, the Program Manager (in its capacity as service provider to the Advisor-sold Plan) or any of its affiliates or other investment managers who provide services to the Advisor-sold Plan is responsible for investment losses incurred by the Underlying Investments.

For more complete information, please see:

The Portfolios—Risk Factors and Special Considerations .... Pages 20-26

PRIVACY POLICY

As an Account Owner of the Bright Start College Savings Program—Advisor-sold Plan (the "Advisor-sold Plan"), you are entitled to know how we protect your personal information and how we limit its disclosure.

Information Sources

We obtain nonpublic personal information about our Account Owners and Beneficiaries from the following sources:

- Applications or other forms
- When you create a user ID and password for online Account access
- When you enroll in our electronic document delivery service
- Your transactions with us, our affiliates or others
- When you set up challenge questions to reset your password online
- A software program on the Advisor-sold Plan's website, often referred to as a "cookie," which indicates which parts of our site you've visited

If you visit **www.brightstartadvisor.com** and do not log on to the secure Account information areas, we do not obtain any personal information about you. When you do log on to a secure area, we do obtain your user ID and password to identify you. We also use this information to provide you with products and services you have requested and assist you in other ways.

We do not collect personal information through the Advisor-sold Plan's website unless you willingly provide it to us, either directly by email or in those areas of the website that request information. In order to update your personal information (including your mailing address, email address and telephone number), you must first log on and visit the "Your Account" section and select the "Maintenance" menu.

If you have set your browser to warn you before accepting cookies, you will receive the warning message with each cookie. You can refuse cookies by turning them off in your browser. However, doing so may limit your access to certain sections of the Plan's website.

We use cookies to help us improve and manage the Plan's website. For example, cookies help us recognize new versus repeat visitors to the site, track the pages visited, and enable some special features on the website. This data helps us provide a better service for the Advisor-sold Plan's website visitors.

Protection of Information

We do not disclose any non-public personal information about current or former Account Owners and Designated Beneficiaries to anyone, except as permitted by law.

Disclosure of Information

We send your financial advisor (as designated by you) copies of confirmations, account statements and other documents reporting activity in your Accounts.

Right of Refusal

We will not disclose your personal information to unaffiliated third parties (except as permitted by law), unless you, the person who provides the information or the person who is the subject of the information gives express written consent to such disclosure.

Internet Security and Encryption

In general, the email services provided by the Advisor-sold Plan's website are encrypted and provide a secure and private means of communication with us. To protect your own privacy, confidential and/or personal information should only be communicated via email when you are advised that you are using a secure website.

As a security measure, we do not include personal or Account information in nonsecure emails, and we advise you not to send such information to us in nonsecure emails. Instead, you may take advantage of the secure features of the Advisor-sold Plan's website to encrypt your email correspondence. To do this, you will need to use a browser that supports Secure Sockets Layer (SSL) protocol.

We do not guarantee or warrant that any part of the Advisor-sold Plan's website, including files available for download, are free of viruses or other harmful code. It is your responsibility to take appropriate precautions, such as use of an antivirus software package, to protect your computer hardware and software.

- All transactions are secured by SSL and 128-bit encryption. SSL is used to establish a secure connection between your PC and the Bright Start College Savings Program – Advisor-sold Plan server. It transmits information in an encrypted and scrambled format
- Encryption is achieved through an electronic scrambling technology that uses a "key" to code and then decode the data. Encryption acts like the cable converter box you may have on your television set. It scrambles data with a secret code so that no one can make sense of it while it is being transmitted. When the data reaches its destination, the same software unscrambles the data
- You can exit the secure area by either closing your browser, or for added security, you can use the log out button before you close your browser

Other Security Measures

We maintain physical, electronic and procedural safeguards to protect your personal Account information. Our employees and agents have access to that information only so that they may offer you products or provide services, for example, when responding to your Account questions.

How You Can Help

You can also do your part to keep your Account information private and to prevent unauthorized transactions. If you obtain a user ID and password for your Account, do not allow it to be used by anyone else. Also, take special precautions when accessing your Account on a computer used by others.

Who We Are

This joint notice describes the Privacy Policy of OFI Private Investments Inc. and OppenheimerFunds Distributor, Inc. as the Program Manager and Distributor, respectively, of the Bright Start College Savings Program. This notice was last updated on November 1, 2010. In the event it is updated or changed, we will post an updated notice on the Advisor-sold Plan's website. If you have any questions about this Privacy Policy, write to us at P.O. Box 6498, Chicago, IL 60680-6498, email us by clicking on the "Contact Us" section of the Advisor-sold Plan's website at **www.brightstartadvisor.com** or call us at 1-877-43-BRIGHT (1-877-432-7444).

BRIGHT START COLLEGE SAVINGS PROGRAM

PROGRAM DISCLOSURE STATEMENT AND PARTICIPATION AGREEMENT

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GLOSSARY OF KEY TERMS

Set forth below are definitions of certain key terms used in this Program Disclosure Statement.

Account. An account established in the Advisor-sold Plan by an Account Owner pursuant to a Participation Agreement for purposes of investing in a particular unit class for one or more Portfolios.

Account Application. Account application refers to the Bright Start College Savings Program Account Application.

Account Owner. The individual or entity establishing an Account or any successor to such individual or entity. References in this document to "you" mean you in your capacity as the Account Owner.

Advisor-sold Plan. Bright Start College Savings Program—Advisor-sold Plan.

Age Based Portfolios. A Portfolio that invests in a combination of Underlying Investments, according to a fixed asset allocation based on the ages of specified Beneficiaries.

Automatic Investment Plan/AIP. An Automatic Investment Plan or AIP allows you to contribute a fixed amount of money in regular intervals. Funds are automatically deducted from your checking or savings account.

Beneficiary. The individual, designated by the Account Owner, whose Qualified Higher Education Expenses are expected to be paid from the Account or, for Accounts owned by a state or local government or qualifying tax-exempt organization otherwise known as a 501(c)(3) entity as part of its operation of a scholarship program, the recipient of a scholarship.

Broker. Any individual or entity that is appropriately licensed to distribute Participation Agreements and interests in the Advisor-sold Plan represented by Accounts to public investors and with whom the Program Distributor has entered into an agreement to distribute Advisor-sold Plan interests. This term also may include other financial intermediaries such as investment advisors or banks.

Code. The Internal Revenue Code of 1986, as amended.

Contribution. An amount contributed to an Account.

Eligible Educational Institutions. Accredited post-secondary educational institutions offering credit toward a bachelor's degree, an associate's degree, a graduate level or professional degree, or another recognized post-secondary credential, which are eligible to participate in certain federal student financial aid programs. Certain proprietary institutions, foreign institutions and post-secondary vocational institutions are included, as are certain specified U.S. Military Academies.

Family Member. Family Member means a member of the family, as defined in Section 529(e)(2) of the Code.

ISAC. Illinois Student Assistance Commission.

Non-Qualified Withdrawals. Non-Qualified Withdrawal refers to a withdrawal from an Account other than a Qualified Withdrawal.

Participation Agreement. The contract between the Account Owner and the Treasurer, which establishes the Account and the obligations of the Treasurer and the Account Owner.

Policy Statement. Policy Statement refers to the Investment Policy Statement established by the Treasurer. The Policy Statement sets forth the policies, objectives and guidelines that govern the investment of Trust assets. The current Policy Statement is available at **www.treasurer.il.gov.**

Portfolio. An Advisor-sold Plan portfolio, which may (a) invest in registered and unregistered funds, (b) have its assets managed in a separate account by OFI Private Investments Inc. in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies), or (c) a combination of the two, that the Treasurer may authorize the Advisor-sold Plan to offer and in which the Advisor-sold Plan invests Contributions and earnings thereon.

Program. Bright Start College Savings Program.

Program Disclosure Statement. The then-current Bright Start College Savings Program Disclosure Statement and Participation Agreement, as amended and supplemented from time to time.

Program Distributor. OppenheimerFunds Distributor, Inc.

Program Manager. OFI Private Investments Inc.

Qualified Higher Education Expenses. Qualified Higher Education Expenses, defined by Section 529(e)(3) of the Code, includes tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution, as well as expenses for special needs services in the case of a special needs beneficiary who incurs such expenses in connection with enrollment or attendance at an Eligible Educational Institutional. Qualified Higher Education Expenses also include expenses for room and board for Beneficiaries attending school at least half-time in a degree or certification program and the purchase of certain computer technology or equipment or Internet access and related services, if such technology, equipment or services are to be used primarily by the Beneficiary while enrolled at an Eligible Educational Institution and are paid or incurred in 2009 or 2010. (However, expenses for computer technology and equipment do not include expenses for computer software designed for sports, games, or hobbies unless the software is predominantly educational in use.)

Qualified Withdrawal. Qualified Withdrawal refers to a withdrawal from an Account to pay the Qualified Higher Education Expenses of the Beneficiary.

Section 529 Plan. A qualified tuition program established under and operated in accordance with Section 529 of the Code.

Services Agreement. Services Agreement means the Bright Start College Savings Program Services Agreement, between the Treasurer and OFI Private Investments Inc., as from time to time supplemented and amended.

State. State refers to the State of Illinois.

Treasurer. Treasurer refers to the State Treasurer of the State, a constitutional officer and an instrumentality of the State. The Treasurer is the administrator of the Program and the trustee of the Trust.

Trust. Bright Start College Savings Trust.

Underlying Investments. Underlying Investments are, collectively, the investments in which the Treasurer chooses to invest each Portfolio's assets in accordance with the Policy Statement, which may include registered and unregistered funds, and pools of assets which are managed in a separate account by the Program Manager in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies).

Units. Units of interest in one or more of the Portfolios to which the assets in your Account are allocated.

U.S. Military Academy. United States Military Academy, the United States Air Force Academy, the United States Coast Guard Academy, the United States Merchant Marine Academy and the United States Naval Academy.

UGMA/UTMA. The Uniform Gifts to Minors Act or Uniform Transfers to Minors Act.

BRIGHT START℠ COLLEGE SAVINGS PROGRAM

INTRODUCTION

Issuer and Administrator

In May 1999, the General Assembly of the State of Illinois (the "State") adopted Public Act 91-0607 (the "Act"), authorizing the State Treasurer of the State of Illinois (the "Treasurer") to establish and administer a program designed to be a "qualified tuition program" under Section 529 of the Internal Revenue Code of 1986, as amended (the "Code"). The program is known as the Bright Start College Savings Program (the "Program").[1]

Purpose of Program

The Program provides an opportunity for investors residing in Illinois or residing anywhere else in the United States of America (referred to herein as "Account Owners") to invest on a tax-favored basis toward the Qualified Higher Education Expenses of a beneficiary (the "Beneficiary") associated with attending an Eligible Educational Institution.

About the Treasurer

Under the Act, the Treasurer has the authority to establish and administer the Program. The Treasurer has established and administers the Program in accordance with the Act, and generally oversees the activities of the Program Manager in providing services for the Program.

The Program Manager

The Treasurer has retained OFI Private Investments Inc. (the "Program Manager") to recommend to the Treasurer possible investments for Trust assets as well as to provide other services relating to establishing accounts for Account Owners, marketing the Advisor-sold Plan and keeping records for the Advisor-sold Plan. OppenheimerFunds Distributor, Inc., an affiliate of OFI Private Investments Inc., is the distributor of interests in the Advisor-sold Plan. The Program Manager will be acting on behalf of the Treasurer, who is Trustee of the Trust subject to the terms of the Service Agreement. The Treasurer retains ultimate authority to manage the investments of the Trust.

Investment Managers

OFI Private Investments has, with the approval of the Treasurer, retained OppenheimerFunds, Inc. (an affiliate of the Program Manager), OFI Institutional Asset Management (an affiliate of the Program Manager), Baring International Investment Limited (an affiliate of the Program Manager), Galliard Capital Management and American Century Investments to be investment managers for the Advisor-sold Plan. OFI Private Investments is also an investment manager for the Advisor-sold Plan. In such capacity, each investment manager serves as the investment manager of the Underlying Investment(s) in which a particular Portfolio invests. The board of trustees and/or investment manager for a particular Underlying Investment, and not the Program Manager, manage (in its capacity as a service provider to the Advisor-sold Plan) and operate and determine the investment policies of the Underlying Investment.

Bright Start College Savings Trust

Contributions made to the Advisor-sold Plan will be invested in the Bright Start College Savings Trust (the "Trust"). The Treasurer has established the Trust to hold the assets of the Advisor-sold Plan, including Contributions to accounts established by Account Owners (the "Accounts"). The Treasurer has established the Trust by a Declaration of Trust dated as of March 27, 2000, as from time to time supplemented and amended, under which the Treasurer is appointed as trustee of the Trust. The assets in the Accounts will be allocated to Portfolios and invested by the Program Manager. Each Portfolio is a segregated asset account of the Trust. Trust assets are held in one or more segregated custody accounts. Assets of the Trust are held "in trust" for the exclusive benefit of Account Owners and Beneficiaries in the Program.

Overall Investment Objectives of Program and Portfolios

There are two overall long-term investment goals of the Program and the Portfolios within the Advisor-sold Plan. The first goal is to seek to provide a long-term competitive rate of return on investments that is equal to or exceeds the applicable benchmarks set forth in the Policy Statement. The second goal of the Advisor-sold Plan is to seek to provide an investment program flexible enough to provide each individual Account Owner with the ability to invest in a diversified portfolio of investments that seeks to meet his or her college savings investment goals. There can be no assurance that the Advisor-sold Plan and the Portfolios will achieve any of these goals.

OPENING AND MAINTAINING AN ACCOUNT

General

The Advisor-sold Plan is open to both residents and non-residents of the State of Illinois. Regardless of your state of residency, you can participate in and receive benefits (other than Illinois state tax benefits) from the Advisor-sold Plan. **The Illinois income tax deduction, as described in this Program Disclosure Statement, is only available to Illinois taxpayers. If you are not an Illinois taxpayer, depending upon the laws of your home state or the home state of your Beneficiary, favorable state tax treatment or other benefits offered by such home state for investing in Section 529 plans may be available only if you invest in the home state's Section 529 plan. Any state-based benefit offered with respect to a particular Section 529 plan should be one of many appropriately weighted factors considered in making an investment decision. You should consult with your financial, tax or other advisor to learn more about how**

1. BRIGHT START is a service mark of the State of Illinois Treasurer's Office.

state-based benefits (including any limitations) would apply to your specific circumstances. You also may wish to contact your home state or other Section 529 plans to learn more about the features, benefits and limitations of that state's Section 529 plans.

Account Application

To participate in the Advisor-sold Plan, an Account Owner must open an Account. The Program Manager will open the Account when it receives a completed and signed Bright Start College Savings Program Account Application. To open an Account, an Account Owner must complete and submit a signed Bright Start College Savings Program Account Application by working with their financial advisor or Broker. Each Account will be established as a separate account under the Program for a single Beneficiary. The Account Application incorporates the Participation Agreement between the Account Owner and the Treasurer.

Account Owners

Those eligible to open Accounts and act as Account Owners under the Advisor-sold Plan include (but are not limited to):

- parents, grandparents and other relatives of the Beneficiary;
- friends of the Beneficiary (if age 18 or older);
- local governments, not-for-profit organizations, corporations, trusts and partnerships; and
- the Beneficiary.

Accounts may only be established by individuals and entities that are residents in the United States for tax purposes. To be an Account Owner, (i) an individual must be a U.S. citizen or resident alien and have a valid Social Security number or (ii) an entity must have a valid tax identification number. Only one person (18 years old or older) or entity can be identified as the Account Owner of an Account. An individual may establish an Account and designate himself/herself as the Beneficiary. You must be 18 years old or older to open an Account, but there is no limit on the age of your Beneficiary. An Account opened by an entity must designate one or more individuals authorized to act on behalf of the entity. An Account Owner can open multiple Accounts for the same Beneficiary as long as the total of the balances in all Accounts and in all accounts in all other Illinois Section 529 plans for the Beneficiary (including Accounts with different Account Owners) do not exceed the Account Balance Limit. See "Contributing to an Account—Account Balance Limit."

As an Account Owner, you may change the Beneficiary of your Account (see "Opening and Maintaining an Account—Changing the Beneficiary on Your Account"), transfer assets to another Account or to another Section 529 Plan (see "Tax Matters—Transfers between Accounts of Different Designated Beneficiaries or Different Section 529 Plans"), or withdraw assets from the Account (see "Withdrawals"), in each case subject to any applicable additional tax or regular taxes. For example, you can do any of the foregoing if money remains in your Account after the Beneficiary has completed his or her education.

You can keep your Account open until the Beneficiary goes to school, whenever that may be, or until any other time you choose. If the Beneficiary delays going to school or decides not to go to school and you choose not to keep the Account open for the Beneficiary, you have several options. First, you may request a Non-Qualified Withdrawal (as defined in the section entitled "Withdrawals"), but the portion of the withdrawal that represents earnings on the investment will be subject to an additional 10% federal tax, as well as any applicable state and federal income taxes at your ordinary income tax rates. In addition, the portion of the withdrawal that represents Contributions may be subject to the recapture of any previous Illinois tax deductions taken. Second, you may transfer Account assets to another Account or to another Section 529 Plan for the same Beneficiary or another Beneficiary, which transfer also may be subject to any applicable additional tax or regular taxes. For a description of the tax consequences of transfers to another Account or to another Section 529 Plan for the same Beneficiary or another Beneficiary, see "Tax Matters—Transfers between Accounts of Different Designated Beneficiaries or Different Section 529 Plans."

Changing the Account Owner

You may transfer your Account to another Account Owner without changing the Beneficiary of your Account. Such a transfer will be effective only if it is irrevocable and transfers all rights, title, interest and power over the Account to the new Account Owner. The tax consequences associated with a transfer of ownership are uncertain. You should consult with a qualified tax advisor concerning the potential income, gift and estate tax consequences of a transfer of ownership before effecting such a transfer. To effect a transfer of ownership, please contact the Program Manager.

Successor Account Owners

If on the death of the Account Owner the Account Owner has not designated a successor Account Owner, the deceased Account Owner's estate will become the Account Owner.

Beneficiaries

When establishing an Account, the Account Owner generally must designate a Beneficiary. Accounts established by governmental entities and not-for-profit 501(c)(3) organizations to fund scholarship programs need not have a Beneficiary. Only one person can be designated as the Beneficiary of each Account, and joint Beneficiaries on a single Account are not permitted.

There is no limit on the age of the Beneficiary to participate in, or benefit from, the Advisor-sold Plan. Only the Account Owner can change the person designated as the Beneficiary of an Account.

Changing the Beneficiary of Your Account

With the exception of Accounts funded by proceeds from a Uniform Transfers to Minors Act ("UTMA") or Uniform Gift to Minors Act ("UGMA") account, Account Owners may change the Beneficiary of an Account. See "Tax Matters—Transfers Between Accounts of Different Designated Beneficiaries or Different Section 529 Plans." If the new Beneficiary is a Family Member (see paragraph below) of the existing Beneficiary, there is no penalty or adverse income tax consequences resulting from such change. If you wish to change the Beneficiary to someone who is not a Family Member of the existing

Beneficiary, you would make a Non-Qualified Withdrawal, which would be subject to any applicable state and federal income taxation of the investment earnings withdrawn, as well as an additional 10% federal tax on such investment earnings withdrawn as a Non-Qualified Withdrawal, unless an exception applies, and which may also be treated for federal gift tax purposes as a new Contribution of the entire amount transferred. Additionally, the portion of the withdrawal that represents Contributions may be subject to the recapture of any previous Illinois tax deductions taken. See "Tax Matters—Transfers Between Accounts of Different Beneficiaries or Different Section 529 Plans." Upon a change in Beneficiary for an Account, the Account Owner may also select a different investment option, as hereinafter described. See "Opening and Maintaining an Account—Changing Investment Options."

In order to qualify for favorable income tax treatment, a new Beneficiary must be a Family Member of the existing Beneficiary. Thus, the new Beneficiary must have one of the following relationships to the existing Beneficiary: (i) a child, or a descendant of a child; (ii) brother or sister; (iii) stepbrother or stepsister; (iv) father or mother, or an ancestor of either; (v) stepfather or stepmother; (vi) son or daughter of a brother or sister; (vii) brother or sister of the father or mother; (viii) son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law; or (ix) first cousin. A spouse of a Family Member described in clauses (i) through (viii) above or the spouse of the Beneficiary also is considered a Family Member. For purposes of these rules, a legally adopted child is treated as a child by blood, and the terms "brother" and "sister" include a brother or sister by halfblood.

Changing the Beneficiary of an Account can have significant gift tax or generation-skipping-transfer tax consequences. You are advised to consult with a tax advisor prior to changing the Beneficiary of your Account.

Changing the Beneficiary of UGMA/UTMA Account

If an investment in an Account consists of the proceeds from a UGMA/UTMA account, the Beneficiary of the Account cannot be changed, the Account cannot be transferred to another Account Owner (other than to another UGMA/UTMA custodian for the benefit of the same Beneficiary), and there cannot be any withdrawals other than for the benefit of the Beneficiary.

Requesting a Change in Beneficiary

You may request a change of the person designated as Beneficiary only by completing a specific form which you may obtain from the Program Manager. If you change the person designated as Beneficiary of your Account, you may select a new investment option for the new Beneficiary based on the circumstances of the new Beneficiary. (Note that you also may transfer Account assets to another Account or to another Section 529 plan for a new Beneficiary as described under "Tax Matters—Transfers Between Accounts of Different Beneficiaries or Different Section 529 Plans.")

Selecting an Investment Option

Persons who are considering opening an Account should consider the overall structure of the Advisor-sold Plan, the differing investment goals and investment strategies of the Portfolios under each investment option, and the risks associated with the Portfolios under each investment option. Account Owners can choose to invest in one or more investment options and should determine which Portfolios are most appropriate for them, given the other resources expected to be available to fund the Beneficiary's Qualified Higher Education Expenses, the age of the Beneficiary, the target date for withdrawing funds from the Advisor-sold Plan to pay the Qualified Higher Education Expenses of the Beneficiary, the risks associated with each investment option, the lack of investment control following the selection of an investment option and the ability of the Account Owner and the Beneficiary to bear the investment risks associated with a particular Portfolio. Under federal tax law, you are not permitted to direct the actual investment of your Account assets other than selecting from among the investment options described in "Investment Options and Program Portfolio Performance."

The Program Manager will allocate your Account assets based on the investment option(s) you specify in the Account Application or upon a permitted change in investment option(s) as described below.

You must verify that the investment options indicated in written materials furnished by the Program Manager upon your enrollment in the Advisor-sold Plan and, in the case of the Age Based Options, that the age of the Beneficiary, corresponds to the investment options you have selected. You have 60 days after receiving your first quarterly statement concerning your Account to notify the Program Manager if you believe that your assets have been invested in the wrong Portfolios. After such 60 days, your Account assets will remain invested pursuant to the investment option you have chosen until you withdraw all such assets or subsequently change your investment options.

While the Advisor-sold Plan is designed to help an individual meet the costs of higher education, investing in the Trust is not appropriate for every investor. Furthermore, even if you invest in the Trust, a particular investment option may not be appropriate for you. If you do not believe that the Advisor-sold Plan or any of the investment options will meet your needs, you should consider other investment alternatives.

Changing Investment Options

Pending the issuance of final regulations, guidance from the IRS permits you to change your investment option for previous Contributions (and any earnings thereon) to your Account for any reason once in any calendar year and also upon any change in the Beneficiary of your Account. The once per calendar year limitation on changing investment options applies on an aggregate basis to all Accounts under the Advisor-sold Plan and all accounts under other Illinois Section 529 plans, including the Bright Start College Savings Program—Direct-sold Plan (which is offered by the Treasurer), the Bright Directions College Savings Program (which is offered by the Treasurer) and College Illinois! (which is offered by the Illinois Student Assistance Commission), having the same Account Owner and the same Beneficiary. Thus, you will not be permitted to change the investment option for previous Contributions (and any earnings thereon) to your Account (assuming you do not change the

Beneficiary on the Account) if, within the same calendar year, you have already changed the investment option for another Account you maintain under the Advisor-sold Plan for the same Beneficiary or for an account you maintain for the same Beneficiary under another Illinois Section 529 plan. In addition, any transfer between an Account in the Advisor-sold Plan and an account you maintain for the same Beneficiary under another Illinois Section 529 plan is considered a change of investment option for purposes of the investment change limitation. **You may, however, change the investment option on more than one Account (and/or accounts under other Illinois Section 529 plans) for the same Beneficiary without violating the investment change limitation if all such changes are made on the same trading day. All such simultaneous changes are treated as a single change of investment option for purposes of the limitation.** If you wish to invest future Contributions in a different investment option, you may do so at any time. Under federal tax law, you are not permitted to direct the actual investment of your Account assets other than selecting from among the investment options described below in "Investment Options and Program Portfolio Performance." Consequently, you may not choose the particular investments in which a Portfolio invests.

Account Balances and Statements

To find out the amount of your Account balance, call the Program Manager toll-free at 1-877-43-BRIGHT (1-877-432-7444) or call your financial professional. You can also do so online through the Advisor-sold Plan website, **www.brightstartadvisor.com**. The Program Manager will send you an Account statement quarterly with a description of your Account activity and the value of your Account.

CONTRIBUTING TO AN ACCOUNT

Who Can Contribute

Anyone may make a Contribution to your Account and, if applicable, deduct such Contribution from his or her taxable income for purposes of the Illinois state income tax. See "Tax Matters—State of Illinois Income Tax Consequences." However, any Contribution to the Account may have gift or other tax consequences to the contributor or the Account Owner. Anyone making such a Contribution, other than the Account Owner, will forfeit any rights to such Contributions. So, for example, for purposes of withdrawals from the Account, changes in the Beneficiary and all other Account-related purposes, only the Account Owner may give directions regarding the Account.

Minimum Contribution

The minimum initial Contribution to an Account is $25, and the minimum subsequent Contribution is $15, except in the case of Contributions by Automatic Investment Plan (AIP) and an Account established pursuant to corporate and other employer relationships where there is no minimum initial or subsequent Contribution amount. The Program Manager may waive or vary such minimums for one or more Accounts in its sole discretion.

Account Balance Limit

The Account Balance Limit for Accounts under the Advisor-sold Plan and accounts under all other Section 529 plans established and maintained by the State of Illinois for a particular Beneficiary (regardless of Account Owner) is $320,000, subject to adjustment as hereinafter described. This means that no additional Contributions (including rollover Contributions) may be made to an Account if the aggregate Account Balance Limit is reached. If the Program Manager determines that a Contribution (including rollover Contributions) that you wish to make would result in the Account balances for all Accounts and all accounts in other Section 529 plans established and maintained by the State of Illinois (including the Bright Start College Savings Program—Direct-sold Plan, College Illinois! and the Bright Directions College Savings Program) for a particular Beneficiary (regardless of Account Owner) to exceed the $320,000 limit (an "excess Contribution"), the excess Contribution either will not be accepted or will be returned to you. You may resume making Contributions if the aggregate balance in the Account and accounts under all other Illinois Section 529 plans for the Beneficiary falls below $320,000.

The minimum investment requirement and Account Balance Limit are subject to change. In particular, if the IRS adopts final regulations, the IRS may require or permit an Account Balance Limit that differs from the $320,000 limit set under the Program. In such event, you may be required to reduce the level of your Account by making Non-Qualified Withdrawals from the Account, which could be subject to the applicable penalty and taxes. The Program Manager will review annually the Account Balance Limit to determine continued compliance with Section 529 of the Code, and will make recommendations to the Treasurer concerning such Account Balance Limit.

How to Contribute

All Contributions must be in cash. For these purposes, checks drawn on a U.S. bank and bank transfers are considered cash. Checks should be made payable to "Bright Start College Savings Program." Third-party checks will only be accepted at the Program Manager's discretion. You may be able to make subsequent Contributions over the phone or online via the internet, Automatic Investment Plans or by payroll deductions through a participating employer who is able to meet the Program Manager's operational and administrative requirements. You should verify with your employer that the employer is willing to process Contributions through payroll direct deposit. You may not charge Contributions to your credit card, nor may you contribute stocks, bonds or other property that you own to your Account. You may not contribute by money order. Contributions may be made through your financial advisor or Broker, online at www.brightstartadvisor.com, or may be made by mail as follows:

Bright Start College Savings Program
P.O. Box 6498
Chicago, Illinois 60680-6498

Automatic Investment Plan (AIP)

Account Owners may authorize the Advisor-sold Plan to perform periodic automatic debits from a checking or savings account at another financial institution to execute Contributions to their Accounts. To initiate an AIP, Account Owners must either (i) complete the Automatic Investment Plan section of the Account Application and submit a voided bank check or savings account deposit slip, or (ii) (if the Account has been established)

submit to the Program Manager an AIP and Electronic Transfer Form and a voided bank check or savings account deposit slip. An authorization to perform automatic periodic Contributions will remain in effect until the Program Manager has received notification of its termination. Changes to, or termination of, an AIP must occur at least 5 business days before the cycle date. The cycle date is the day of the month you designate on which the investment is regularly scheduled to occur. Normally, the debit will be made 2 business days prior to the cycle dates you selected. If no date is indicated, debits will be made on the 10th of the month. Account Owners or the Plan may terminate enrollment in the Advisor-sold Plan's AIP at any time. There is no charge for enrolling in the Advisor-sold Plan's AIP. Use of AIP does not assure either a profit or protect against a loss in a declining market. Information about the Advisor-sold Plan's AIP is available from your financial advisor or Broker or from the Program Manager.

Payroll Deduction

An Account Owner may make an automatic periodic Contribution to his or her Account(s) by an electronic transfer in connection with a payroll deduction relationship between the Account Owner and the Account Owner's employer, if their employer offers such a service and is able to meet the Program Manager's operational and administrative requirements. You should verify with your employer that the employer is willing to process Contributions through payroll direct deposit. Contributions by payroll deduction will only be permitted through employers able to meet the Advisor-sold Plan's operational and administrative requirements for Section 529 Plan payroll Contributions.

Systematic Exchange Feature

The Advisor-sold Plan allows Account Owners the ability to invest Contributions in the Plan and take advantage of dollar cost averaging via monthly or quarterly Systematic Exchanges. Account Owners may choose an originating Portfolio and designate a destination Portfolio into which specified dollar amounts (a minimum of $25 per Portfolio) will be transferred on a monthly or quarterly basis. Account Owners must have at least $1,000 in the originating Portfolio to start the Systematic Exchange. An election to invest previously invested Account assets pursuant to the Plan's Systematic Exchange Feature will be considered use of the Account Owner's once-per-calendar year Account reallocation. An election to invest new Contributions pursuant to the Plan's Systematic Exchange Feature will not be considered use of the Account Owner's once-per-calendar year Account reallocation.

Contributing via Rollovers and Transfers

Contributions can also be made from a transfer or rollover from another qualified investment. See "Tax Matters" for restrictions and tax treatment.

An Account Owner can transfer (i.e., "rollover") an amount from an Advisor-sold Plan Account to an Account for another Beneficiary or from an account for a different Beneficiary under another Section 529 plan (provided such rollover occurs within 60 days of the withdrawal and provided the new Beneficiary is a Family Member of the existing Beneficiary) without the amount distributed having to be characterized as a Non-Qualified Withdrawal subject to certain state and federal tax consequences.

Federal tax-free treatment is also available for a rollover from an account in another Section 529 plan to an Account under the Advisor-sold Plan for the benefit of the same Beneficiary, provided that it has been at least 12 months since the most recent such rollover for that Beneficiary.

Contributions to an Account can be made with the redemption proceeds of Series EE Savings Bonds issued January 1990 and later, or all Series I Savings Bonds. Interest on such savings bonds may be completely or partially excluded from federal income tax if the redemption proceeds are contributed to an Account in the same calendar year the bonds are redeemed. Provided appropriate documentation is furnished to the Advisor-sold Plan, the original purchase price of the bonds redeemed and contributed to an Account will be added to the Contribution portion of the Account, with the interest added to earnings.

You may make Contributions to your Account in the Advisor-sold Plan and to a Coverdell Education Savings Account ("ESA") in the same year. Through 2010, the 2001 Tax Act permits contributions to be made to both Section 529 Plans and ESAs in the same year on behalf of the same Beneficiary without adverse tax consequences, but beginning in 2011, a 6% excise tax will be reinstated on ESA contributions that are made in any year when amounts are also contributed to a Section 529 Plan for the same Beneficiary. You may also take a distribution of part or all of your ESA and invest it as a Contribution to your Account. Such a distribution is considered a qualifying ESA distribution that is not subject to federal income tax. Taxpayers receiving tax-free distributions from a Section 529 Plan or ESA for qualified education expenses will not be able to claim an Education Tax Credit for the same expenses. Furthermore, expenses used in determining the allowed Education Tax Credits will reduce the amount of a Beneficiary's Qualified Higher Education Expenses to be paid from a Section 529 Plan Account and may result in a taxable withdrawal. An Account Owner should consult a tax advisor regarding his or her eligibility to contribute to an ESA, the availability of Education Tax Credits and the coordination of rules applicable to ESAs, Section 529 Plans, and the Education Tax Credits.

Contributing Assets of an UGMA/UTMA Account

If you are the custodian of an UGMA/UTMA account for a Beneficiary, you may elect to place part or all of the UGMA/UTMA account assets into an Account after converting such assets to cash. The conversion of non-cash UGMA/UTMA account assets to cash for Contribution to the Account will be a taxable transaction. It is also important to note that when opening an Advisor-sold Plan Account, the Beneficiary must be the same as the Beneficiary of the UGMA/UTMA account. Also, while the Beneficiary is a minor, the Beneficiary of the Account cannot be changed, and there cannot be any Non-Qualified Withdrawals (as defined in "WITHDRAWALS") other than for the benefit of the Beneficiary in accordance with the terms governing the UGMA/UTMA account. Also, when the Beneficiary reaches the age of majority under the applicable UGMA/UTMA, he or she will be entitled to become the sole Account Owner with complete control over the Account.

Pricing of Units

Contribution orders for your Account that are received in good order before the close of regular trading (normally 4:00 p.m.,

Eastern time) on the New York Stock Exchange ("NYSE") on a business day and accepted by the Program Manager or its designee will be invested in Units in a Portfolio at the next available unit value for that Portfolio. Contribution orders that are received in good order before the close of regular trading on the NYSE and that are accompanied by payment made via electronic transfer will be invested in Units in a Portfolio at the calculated unit value for that Portfolio on the day of transfer or, in certain circumstances, on the day that the funds become available for investment. Contribution orders that are received in good order after the close of regular trading on the NYSE on a business day, or on a day other than a business day, will be invested in Units in a Portfolio at the calculated unit value for that Portfolio no earlier than on the next business day. The unit value of each Portfolio is calculated as of the close of regular trading on the NYSE each day that the NYSE is open for trading. A properly completed and signed application must have been accepted by the Program Manager before your Account may be established to receive your initial Contribution.

The net asset value ("NAV") of a Portfolio per Unit is calculated by dividing the value of its net assets by the total number of Units of the Portfolio outstanding. NAV per Unit is based on the value of the investments of the Portfolio, including its holdings in the Underlying Investments. The NAV per share of each Underlying Investment is determined as of the close of regular trading on the NYSE. Each Portfolio will be closed for wire purchases and redemptions on days when the Federal Reserve Wire System is closed.

The Portfolios generally do not make distributions of their income, including dividends, interest and capital gains. All income is reflected in the Portfolio's calculated unit value each business day.

INVESTMENT OPTIONS

General Information

All information contained in this Section has been provided by the Program Manager, Galliard Capital Management and American Century Investments. Such information has not been independently verified by the Treasurer, and no representation is made by Treasurer as to its accuracy or completeness. No Underlying Investment's financial information is included in this Program Disclosure Statement. For information concerning Underlying Investments, please see Appendix C.

The Advisor-sold Plan offers the following investment options.

- Age Based Portfolios
- Choice Based Portfolios

Contributions to the Advisor-sold Plan are invested in Portfolios selected by the Account Owner. Each Portfolio has a different investment objective and asset allocation mix because investors have different investment goals, savings needs, investment time horizons, risk tolerances and financial and tax situations. Each Portfolio invests in one or more Underlying Investments that are recommended by the Program Manager, approved by the Treasurer and consistent with the Policy Statement.

Portfolios may (a) invest in registered or unregistered funds; (b) have their assets managed in a separate account by OFI Private Investments Inc. in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies); or (c) a combination of the two.

The actual allocation of assets in Portfolios that invest in more than one Underlying Investment will vary over time due to market performance and will be rebalanced at least quarterly in order to maintain the Portfolio's target asset allocation. In seeking to meet the investment objective of each Portfolio, Underlying Investments, allocations to individual Underlying Investments and their weightings may change without prior notice to Account Owners in response to changing market or economic conditions subject to applicable law and regulations and the Treasurer's approval. The Program Manager will allocate each Portfolio's assets among Underlying Investments within the guidelines of each Portfolio's investment objective. For information regarding the current target allocations to particular Underlying Investments for each Portfolio, please refer to page 18, the Plan's website at **www.brightstartadvisor.com** or speak to your financial advisor or Broker. In addition, from time to time, a Portfolio may not be fully invested and may hold a limited amount of cash as needed to avoid overdrafts due to redemption requests, securities settlements or similar situations. Portfolios with higher allocations in fixed income and money market Underlying Investments tend to be less volatile in investment performance than those with higher allocations in equity Underlying Investments. None of the Portfolios is designed to provide any particular total return over any particular time period or investment time horizon. Account Owners own interests in a Portfolio; they do not have a direct beneficial interest in the separate accounts and other instruments held by that Portfolio and, therefore, do not have the rights of an owner or shareholder of such instruments.

Because the Portfolios have different investment objectives and risks Account Owners have the opportunity to diversify their investment in the Advisor-sold Plan. When investing in the Advisor-sold Plan, an Account Owner should consider, among other factors, the risks of investing in the Advisor-sold Plan and in particular Portfolios, when Contributions will be made to the Account, the Contribution amounts, the time Contributions will be held in the Account before withdrawals are directed, other resources expected to be available to fund the Beneficiary's Qualified Higher Education Expenses and the age of the Beneficiary.

The Treasurer reserves the right, from time to time, to change the investment objectives and policies of the Portfolios, to change the type and number of Portfolios that are available, and to change or eliminate target allocations and Underlying Investments at its discretion, or take other actions that may result in a Portfolio not being fully invested and/or holding a portion of its assets in cash or cash equivalent investments for a period of time.

Under federal tax law, once a Portfolio selection has been made, an Account Owner may only change how previous Contributions (and any earnings thereon) have been allocated among the available Portfolio options for all Accounts for the same Beneficiary once per calendar year or upon a change of the Beneficiary.

None of your Account, the principal you invest nor any investment return is insured or guaranteed by the FDIC or any

Program Party. None of the Program Parties insures any Account or guarantees any rate of return or any interest rate on any Contribution, and none of the Program Parties is liable for any loss incurred by any person as a result of participating in the Program. You could lose money (including the principal invested), or not make money, if you invest in the Advisor-sold Plan.

Description of Investment Options

Age Based Portfolios

If an Account Owner selects the Age Based Approach, Contributions are invested in a Portfolio based upon the current age of the Beneficiary. As the Beneficiary gets older and moves into the next age group, the existing Account balance and new Contributions will automatically be invested into the next Portfolio in the Age Based Approach. Accounts for younger Beneficiaries will be invested in a Portfolio that seeks to capitalize on the longer investment time frame, which tends to maximize returns. As time passes and the Beneficiary approaches college age, investments are automatically moved to more conservative Portfolios that seek to preserve capital as the expected time for disbursement approaches. For all Accounts, the movement between Portfolios will automatically take place in the appropriate year on the Beneficiary's date of birth or the next business day in the case of a weekend or holiday. At that time, Units of such Portfolio will be exchanged for an equal dollar value of Units of the next Portfolio in the sequence. This process will continue until Units of the Advisor Age Based 15-17 Years Portfolio are exchanged for an equal dollar value of Units of the Advisor Age Based 18 Years Portfolio, in which assets will remain until withdrawn or reinvested. Please note that the age ranges in the names of the Age Based Portfolios indicate the ages of the Beneficiaries for whom such Portfolio may be appropriate; they do not refer to the number of years remaining until a typical Beneficiary is expected to need such assets for Qualified Higher Education Expenses. It is expected that assets invested in the Age Based Portfolios will not be withdrawn from an Account to pay for Qualified Higher Education Expenses until such assets are invested in the last Portfolio in the applicable Age Based Portfolio option. There is no guarantee that investing in the Age Based Portfolios will insure investment gain, or protect against investment losses over time.

If the Beneficiary is likely to need Portfolio assets at an earlier or later date than a typical Beneficiary is expected to need Portfolio assets, you may want to consider whether the Age Based Portfolios are appropriate for your Beneficiary.

The Program Manager relies on your representation as to the age of the Beneficiary of your Account to allocate your assets to a particular Portfolio at the outset. An Account Owner's execution of the Participation Agreement will confirm the truthful representation of the age of the Beneficiary of the Account. Whether or not this representation is accurate, the Account Owner bears the risk that the Portfolio to which assets have been allocated will not meet the Account Owner's investment needs.

The investment objective of each Age Based Portfolio is as follows:

Advisor Age Based 0-6 Years Portfolio invests primarily in equity investments in order to seek long-term growth. A percentage of assets will be invested in fixed income investments to provide some protection from equity volatility. This Portfolio has a target allocation of 72% domestic equity, 18% international equity and 10% fixed income.

Advisor Age Based 7-9 Years Portfolio invests in a combination of equity and fixed income investments in order to seek capital appreciation and income. This Portfolio seeks growth by investing in an asset allocation weighted toward equity investments versus fixed income investments. This Portfolio has a target allocation of 56% domestic equity, 14% international equity and 30% fixed income.

Advisor Age Based 10-11 Years Portfolio invests in a combination of equity and fixed income investments in order to seek capital appreciation and income. This Portfolio seeks moderate growth by investing in a balanced asset allocation slightly weighted toward equity investments over fixed income investments. This Portfolio has a target allocation of 48% domestic equity, 12% international equity and 40% fixed income.

Advisor Age Based 12-14 Years Portfolio invests in a combination of equity and fixed income investments in order to seek capital appreciation and income. This Portfolio seeks moderate growth by investing in a balanced asset allocation weighted equally between equity investments and fixed income investments. This Portfolio has a target allocation of 40% domestic equity, 10% international equity and 50% fixed income.

Advisor Age Based 15-17 Years Portfolio invests in a combination of equity, fixed income and money market investments in order to seek capital appreciation and income. This Portfolio seeks conservative growth by investing in an asset allocation weighted toward fixed income investments over equity investments. This Portfolio has a target allocation of 24% domestic equity, 6% international equity, 60% fixed income and 10% money market.

Advisor Age Based 18 Years Portfolio invests primarily in fixed income and money market investments in order to seek income and protection of principal. This Portfolio seeks preservation of capital with minimal growth by investing primarily in fixed income investments to maintain stability. This Portfolio has a target allocation of 8% domestic equity, 2% international equity, 75% fixed income and 15% money market.

Choice Based Portfolios

Account Owners who prefer to select a Portfolio for its asset allocation target may do so through the Choice Based Portfolio Approach instead of having it selected for you under the Age Based Approach. Selection of Portfolios under the Choice Based Portfolio Approach allows Account Owners to select a combination of Portfolios. While the asset allocations for the Choice Based Portfolios are not expected to vary, the Underlying Investments in which the Portfolios invest will be reviewed at least annually and may change. If you invest in the Choice Based Portfolio Approach, your money will remain in the Portfolio(s) of choice until you instruct the Advisor-sold Plan to move it to another investment approach or Portfolio or upon a withdrawal. None of the Choice Based Portfolios is designed to provide any particular total return over any particular time period or investment time horizon.

The investment objective of each Choice Based Portfolio is as follows:

Advisor Equity Portfolio seeks long-term growth by investing all of its assets in equity investments. This Portfolio has a target allocation of 80% in domestic equity and 20% in international equity.

Advisor Balanced Portfolio invests in a combination of equity, fixed income and money market investments in order to seek capital appreciation and income. This Portfolio seeks moderate growth by investing in a balanced asset allocation weighted equally between equity and fixed income investments. This Portfolio has a target allocation of 40% domestic equity, 10% international equity, 35% fixed income and 15% money market.

Advisor Fixed Income Portfolio seeks current income by investing primarily in investment-grade bonds, U.S. government securities and money market instruments. This Portfolio has a target allocation of 75% fixed income and 25% money market.

Principal Protection Income Portfolio seeks higher current returns than most money market portfolios, while attempting to protect an investor's principal investment from fluctuations in value typically associated with fixed income portfolios. The Principal Protection Income Portfolio may be appropriate for investors who are seeking current returns with stability of principal and who are willing to forego the return potential that the stock market offers. The Principal Protection Income Portfolio may also be appropriate as a part of an overall college savings strategy that includes more aggressive investments.

The Principal Protection Income Portfolio attempts to reduce significantly under normal circumstances fluctuations in the value of its assets, other than money market securities and money market fund securities, by investing in Security Backed Investment Contracts (also called Synthetic Guaranteed Investment Contracts or Synthetic GICs). Security Backed Investment Contracts are comprised of two components: investment contracts (also called wrapper agreements) and an underlying portfolio of marketable fixed income securities which are held and owned by the Portfolio.

Wrapper agreements are issued by high quality financial institutions such as an insurance company or a bank (a "Wrapper Provider") whose long-term credit rating at the time the wrapper agreement is entered into is in the highest two categories as determined by S&P and Moody's. A wrapper agreement enables the Portfolio, regardless of market fluctuations, to value the assets of the Portfolio covered by the wrapper agreement (the "Covered Assets") at their book value. Book value generally means all Contributions allocated to the Portfolio that are invested in Covered Assets, plus all income accrued at the "Crediting Rate" described below, as in effect from time to time, less the sum of withdrawals from the Covered Assets. Should the amount received from liquidating all of the Covered Assets ever be insufficient to satisfy requested withdrawals from the Portfolio that are covered by the wrapper agreements, under normal circumstances the Wrapper Provider would be obligated to pay the amount of the shortfall to the Portfolio. It is expected that the Portfolio will value the wrapper agreements at the difference between the book value and the market value of the Covered Assets. See "Principal Risks of Investing in the Principal Protection Income Option" for additional information that could affect the value of the wrapper agreements. If the market value of the Covered Assets exceeded their book value, the difference would not be reflected in the Portfolio's valuation of the Covered Assets. Transamerica Life Insurance Company serves as the initial Wrapper Provider.

The fixed income portfolio underlying the security backed investment contract is actively managed by Galliard Capital Management. See Appendix C, "Investment Objectives, Strategies and Risks of the Underlying Investments" for additional information about how the portfolio is invested.

The "Crediting Rate" is designed to result in the accrual of income over time equal to the cumulative market return on the Covered Assets, but without the fluctuations in value typically associated with fixed-income securities. The formula for setting the Crediting Rate is provided for in each wrapper agreement, and is designed, with reference to current interest rates on high quality intermediate-term debt obligations, to generate a rate of income on the book value of the Covered Assets that equates the book value of the Covered Assets to their market value over a period approximating the duration of the Covered Assets. The Crediting Rate is generally reset quarterly. The Crediting Rate will reflect movements in market interest rates, but will generally lag market interest rate changes. At any time, the Crediting Rate may be more or less than both current market interest rates and the actual return on the Covered Assets. The Crediting Rate will in no event be less than zero.

The Principal Protection Income Portfolio's total return is generally the sum of its income on the Covered Assets calculated at the Crediting Rate applicable from time to time and the actual income earned on the Portfolio's securities. The Portfolio may be adversely affected if it holds assets, that do not benefit from the protection typically afforded by a wrapper agreement, as described above.

Changes in Policy Statement or Underlying Investments

The Policy Statement sets forth the policies, objectives and guidelines that govern the investment of Program assets, including without limitation asset allocation guidelines. From time to time, the Treasurer may change the investment guidelines for the Program. If a change in the Policy Statement requires, the Program Manager will cause a Portfolio to divest itself of ownership of shares of one or more Underlying Investments. During the transition from one Underlying Investment to another Underlying Investment, a Portfolio may be temporarily uninvested and lack market exposure to an asset class. During such transition period, a Portfolio may temporarily hold a basket of securities to the extent that the Underlying Investment from which it redeems chooses to satisfy the Portfolio's redemption out of such investment on an in kind basis. In such event, the Program Manager will seek to liquidate the securities received from the Underlying Investment as promptly as practicable so that the proceeds can be promptly invested in the replacement Underlying Investment. The transaction costs associated with such liquidation, as well as any market impact on the value of the securities being liquidated, will be borne by the Portfolio and Accounts invested in such Portfolio. An Underlying Investment from which a Portfolio redeems may impose redemption fees. In such event, the Portfolio, and Accounts invested in such Portfolio, will bear such redemption fees.

Below are the Underlying Investments and target allocations for each Program Portfolio. See "Principal Investment Risks of the Underlying Investments" for more detailed information regarding the investment risks of the Underlying Investments.

	OFIPI Rising Dividends Strategy	OFIPI Value Strategy	OFIPI Capital Appreciation Strategy	OFIPI Main Street Small Cap Strategy	Baring Focused EAFE Equity Strategy	Oppenheimer Developing Markets Fund	American Century Diversified Bond Fund	Oppenheimer International Bond Fund	OFIPI Enhanced Short Term Government Index Strategy	Oppenheimer Institutional Money Market Fund	GIC[1]
Advisor Age Based 0-6 Years Portfolio	25%	16%	16%	15%	13%	5%	9%	1%	0%	0%	0%
Advisor Age Based 7-9 Years Portfolio	21	12	12	11	10	4	15	3	12	0	0
Advisor Age Based 10-11 Years Portfolio	18	10	10	10	8.5	3.5	20	4	16	0	0
Advisor Age Based 12-14 Years Portfolio	15	8.5	8.5	8	7	3	22.5	5	22.5	0	0
Advisor Age Based 15-17 Years Portfolio	9	5	5	5	4.5	1.5	25	7	28	10	0
Advisor Age Based 18 Years Portfolio	3	2	2	1	1.5	0.5	16	4	55	15	0
Advisor Equity Portfolio	25	19.5	19.5	16	14	6	0	0	0	0	0
Advisor Balanced Portfolio	15	9	9	7	7	3	25	0	10	15	0
Advisor Fixed Income Portfolio	0	0	0	0	0	0	30	10	35	25	0
Principal Protection Income Portfolio	0	0	0	0	0	0	0	0	0	0	100

1. See description for the Principal Protection Income Portfolio on page 17.

PROGRAM PORTFOLIO PERFORMANCE

The following table presents Average Annual Total Returns for each Portfolio for the period shown to September 30, 2010. The Portfolio performance information represents past performance and is no guarantee of future results. The Average Annual Total Returns presented below reflect past performance and are net of Total Plan Fees (including Underlying Investment Expenses and Plan Fees) and do not consider the impact of any federal or state taxes.

In evaluating the Portfolio performance information, the Account Owner should consider that the Portfolios are relatively new and do not have a significant operating or investment performance history. Performance information for the Portfolios should not be viewed as a prediction of future performance of any particular Portfolio. Moreover, in view of anticipated periodic revisions of allocations and possible changes in the Underlying Investments, the future investment results of any particular Portfolio cannot be expected, for any period, to be similar to the past performance of any Underlying Investment or group of Underlying Investments.

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

Updated Portfolio performance information current to the most recent month-end is available online at **www.brightstartadvisor.com** or by calling **1-877-432-BRIGHT (1-877-432-7444)**. If you have questions regarding any of the OFIPI Strategies, please call the Program Manager at **1-877-43-BRIGHT (1-877-432-7444)**. For more information, including performance information on the underlying American Century mutual fund in which the Portfolios invest please visit **www.americancentury.com** or call American Century at **1-800-345-2021** and obtain a free prospectus or Annual or Semi-Annual Report.

Past performance—and especially short-tern past performance—information for the Program Portfolios should not be viewed as an indication of future performance of any particular Program Portfolio.

Period Ended: 9/30/10[1]		Excluding Sales Charge[2]			Including Sales Charge[3]			
Portfolio Name	**Unit Class**	**1 Yr**	**3 Yr**	**Since Inception[4]**	**1 Yr**	**3 Yr**	**Since Inception**	**Inception Date[3]**
Advisor Age Based 0-6 Years Portfolio								
	A	9.07%	-7.77%	-7.00%	5.25%	-8.86%	-8.03%	7/26/07
	C	8.79	-7.97	-7.06	8.29	-8.12	-7.21	7/25/07
	G	9.15	-7.74	-7.39	9.15	-7.74	-7.39	7/23/07
	H	9.41	-7.53	-7.11	9.41	-7.53	-7.11	7/23/07
Customized Portfolio Benchmark[4]		10.62	-4.60	-2.96	n/a	n/a	n/a	
Advisor Age Based 7-9 Years Portfolio								
	A	8.46	-6.68	-5.15	4.67	-7.78	-6.21	8/02/07
	C	8.12	-6.91	-4.97	7.62	-7.06	-5.13	8/13/07
	G	8.37	-6.67	-6.21	8.37	-6.67	-6.21	7/23/07
	H	8.62	-6.44	-5.97	8.62	-6.44	-5.97	7/23/07
Customized Portfolio Benchmark[4]		9.56	-1.88	-0.51	n/a	n/a	n/a	
Advisor Age Based 10-11 Years Portfolio								
	A	8.02	-7.00	-5.54	4.24	-8.10	-6.60	8/01/07
	C	7.82	-7.24	-5.83	7.32	-7.39	-5.98	8/02/07
	G	8.14	-6.98	-6.46	8.14	-6.98	-6.46	7/23/07
	H	8.37	-6.76	-6.23	8.37	-6.76	-6.23	7/23/07
Customized Portfolio Benchmark[4]		9.12	-0.51	0.71	n/a	n/a	n/a	
Advisor Age Based 12-14 Years Portfolio								
	A	7.63	-5.83	-5.12	3.87	-6.94	-6.18	7/26/07
	C	7.32	-6.08	-4.49	6.82	-6.23	-4.64	8/06/07
	G	7.53	-5.86	-5.33	7.53	-5.86	-5.33	7/23/07
	H	7.86	-5.59	-5.07	7.86	-5.59	-5.07	7/23/07
Customized Portfolio Benchmark[4]		8.47	0.69	1.77	n/a	n/a	n/a	
Advisor Age Based 15-17 Years Portfolio								
	A	6.05	-4.73	-4.08	2.34	-5.85	-5.15	7/26/07
	C	5.85	-4.96	-3.82	5.35	-5.12	-3.97	8/21/07
	G	6.13	-4.73	-4.16	6.13	-4.73	-4.16	7/23/07
	H	6.27	-4.48	-3.93	6.27	-4.48	-3.93	7/23/07
Customized Portfolio Benchmark[4]		6.63	2.54	3.32	n/a	n/a	n/a	
Advisor Age Based 18 Years Portfolio								
	A	3.76	-2.34	-2.04	0.13	-3.49	-3.18	9/14/07
	C	3.42	-2.63	-2.08	2.92	-2.79	-2.23	8/24/07
	G	3.65	-2.37	-1.80	3.65	-2.37	-1.80	7/23/07
	H	3.89	-2.13	-1.55	3.89	-2.13	-1.55	7/23/07
Customized Portfolio Benchmark[4]		4.12	3.74	4.20	n/a	n/a	n/a	
Advisor Equity Portfolio								
	A	9.05	-7.39	-6.51	5.24	-8.48	-7.55	7/25/07
	C	8.74	-7.64	-7.35	8.24	-7.79	-7.50	7/24/07
	G	9.11	-7.39	-7.04	9.11	-7.39	-7.04	7/23/07
	H	9.37	-7.16	-6.82	9.37	-7.16	-6.82	7/23/07
Customized Portfolio Benchmark[4]		10.80	-6.19	-4.40	n/a	n/a	n/a	

Period Ended: 9/30/10[1]		Excluding Sales Charge[2]			Including Sales Charge[3]			
Portfolio Name	**Unit Class**	**1 Yr**	**3 Yr**	**Since Inception[4]**	**1 Yr**	**3 Yr**	**Since Inception**	**Inception Date[3]**
Advisor Balanced Portfolio								
	A	7.00%	-10.21%	-9.26%	3.25%	-11.27%	-10.27%	7/25/07
	C	6.78	-10.44	-9.09	6.28	-10.59	-9.23	8/03/07
	G	7.03	-10.21	-9.52	7.03	-10.21	-9.52	7/23/07
	H	7.23	-9.99	-9.30	7.23	-9.99	-9.30	7/23/07
Customized Portfolio Benchmark[4]		8.09	0.08	1.11	n/a	n/a	n/a	
Advisor Fixed Income Portfolio								
	A	3.83	-14.00	-12.87	0.20	-15.02	-13.85	8/15/07
	C	3.54	-14.21	-13.05	3.04	-14.36	-13.19	8/08/07
	G	3.84	-14.00	-12.94	3.84	-14.00	-12.94	7/23/07
	H	4.05	-13.80	-12.72	4.05	-13.80	-12.72	7/23/07
Customized Portfolio Benchmark[4]		3.85	4.96	5.31	n/a	n/a	n/a	
Principal Protection Income Portfolio								
	A	1.13	1.91	2.19	-2.41	0.70	1.05	7/31/07
	C	0.86	1.50	1.56	0.36	1.34	1.41	8/08/07
	G	1.15	1.79	1.87	1.15	1.79	1.87	7/23/07
	H	1.47	2.03	2.13	1.47	2.03	2.13	7/23/07
Customized Portfolio Benchmark[4]		n/a	n/a	n/a	n/a	n/a	n/a	

1. Performance data is based on the Underlying Investments of each Portfolio as of September 30, 2010. Performance data for each Portfolio is based on the total return of a hypothetical account, including reinvestment of dividends and distributions, net of the Advisor-sold Plan Program Management and State Administrative Fees.
2. Performance is not load adjusted.
3. A Unit's reported performance is load adjusted based upon the current maximum 3.50% sales charge applied to the Portfolio's net asset value at the beginning of the investment period.
4. Benchmark returns for the period Since Inception begin on August 1, 2007. The Benchmarks for the Advisor-sold Plan Portfolios are based on a blend of the benchmarks applicable to each Underlying Investment, as follows: for the OFIPI Capital Appreciation Strategy, the Russell 1000 Growth Index; for the OFIPI Value Strategy, the Russell 1000 Value Index; for the OFIPI Rising Dividends Strategy, the Russell 1000 Index; for the OFIPI Main Street Small Cap Strategy, the Russell 2000 Index; for the Baring Focused EAFE Equity Strategy, the Morgan Stanley Capital International Inc. Europe, Australia and the Far East ("MSCI EAFE") Index; for the Oppenheimer Developing Markets Fund, the Morgan Stanley Capital International Inc. ("MSCI") Emerging Markets Index; for the Oppenheimer International Bond Fund, the Citigroup World Government Bond Ex-U.S. Index; for the OFIPI Enhanced Short-Term Government Index Strategy, the Barclays Capital 1-3 Year Government Index; for the Oppenheimer Institutional Money Market Fund, the iMoney Net First Tier Institutional Index; and for the American Century Diversified Bond Fund, the Barclays Capital U.S. Aggregate Bond Index. Investors cannot directly invest in a compilation of benchmark indices.

THE PORTFOLIOS—RISK FACTORS AND SPECIAL CONSIDERATIONS

Prospective Account Owners should carefully consider the information in this section, as well as the information in the rest of this Program Disclosure Statement and the accompanying Advisor-sold Plan materials, before making any decisions to establish an Account or make Contributions. This Program Disclosure Statement should not be construed to be legal, financial or tax advice. Prospective Account Owners should consult an attorney or financial or tax advisor with any legal, business, or tax questions they may have.

The Advisor-sold Plan is an investment vehicle. Accounts in the Advisor-sold Plan are subject to certain risks. In addition, certain investment approaches carry more or different risks than others. Account Owners should weigh such risks with the understanding that they could arise at any time during the life of an Account.

No Guarantee of Income or Principal, No Insurance. Investments in the Advisor-sold Plan are subject to standard investment risks, including (but not limited to) market and interest rate risk. You could lose money (including the principal invested) by investing in the Advisor-sold Plan. The value of an Account may increase or decrease over time based on the performance of the Portfolio(s). The value of the securities in which the Portfolios invest will change due to a number of factors, most of which will not be in the control of the Treasurer, the Program Manager or the Distributor. This may result in the value of the Account being more or less than the amounts contributed. None of the Program Parties, or any of their affiliates makes any guarantee of, nor has

any legal obligations to ensure, the ultimate payout of any amount, including a return of Contributions made to an Account. There is no guarantee that the future Account value will be sufficient to cover Qualified Higher Education Expenses at the time of withdrawal. In addition, no level of investment return is guaranteed by any of the Program Parties.

Limited Liquidity. The circumstances under which Account assets may be withdrawn without a penalty or adverse tax consequences are limited. This reduces the liquidity of an investment in the Account.

Limited Investment Direction. In general, an Account Owner or contributor may not direct the investment of an Account, once an investment option has been selected with respect to a particular Contribution. However, once an investment selection has been made at the time an Account is established, an Account Owner may only change how previous Contributions (and any earnings thereon) have been allocated among the available investment approaches for all Accounts for the same Beneficiary once per calendar year or upon a change of the Beneficiary. A Portfolio's assets are invested in accordance with an investment policy that is established by the Treasurer, who may change the investment policy for the Advisor-sold Plan at any time.

Limited Operating History. The Advisor-sold Plan commenced operations on July 23, 2007 and the current Portfolios commenced operations on July 23, 2007. Prior to July 23, 2007, the Treasurer operated the Advisor-sold Plan with a different program manager and investment managers.

Potential Plan Adjustments. The Treasurer may, during the life of the Advisor-sold Plan, make enhancements to the Advisor-sold Plan, such as additional investment approaches. There are no current plans to discontinue or suspend offering the Advisor-sold Plan. Account Owners who have established Accounts prior to the time an enhancement is made available may be required by the Treasurer to participate in such changes or, conversely, may be limited in their ability to participate in such enhancements under federal tax law, unless they open a new Account. OFI Private Investments Inc. may not continue as Program Manager and one or more of the current investment managers may not continue as an investment manager for the entire period an Account is open. OFI Private Investments' term under its contract with the Treasurer extends to July 19, 2014, subject to earlier termination in certain circumstances. The contract may be extended at the option of the Treasurer for an additional three-year period after the initial term ends. The term of each investment manager's subcontract with OFI Private Investments is perpetual, subject to termination in certain circumstances. The Treasurer may, at its sole discretion, hire new or additional program managers or investment managers in the future to manage all or part of the Advisor-sold Plan's assets. The investment guidelines, Portfolios and the Underlying Investments may be changed at any time, without notice to or consent by Account Owners. Keep in mind that if the investments selected for the Portfolios change in the future, the risks associated with investing in the Trust may change. During a transition from investment in one Underlying Investment to investment in another Underlying Investment, a Portfolio may be temporarily uninvested and lack market exposure to such asset class, and the transaction costs associated with such liquidation, as well as any market impact on the value of the securities being liquidated, will be borne by the Portfolio and Accounts invested in such Portfolio. The Advisor-sold Plan may offer different investment approaches under a successor program manager, and investment results achieved by a successor program manager may be different than those achieved by the current investment managers. There is no assurance that the Advisor-sold Plan fees and charges or the other terms and conditions of the Participation Agreement will continue without material change.

Status of Applicable Law and Regulations—Final regulations or other administrative guidance or court decisions might be issued which could adversely impact the federal tax consequences or requirements with respect to Bright Start or Contributions to, or distributions from, Accounts. Congress could also amend Section 529 of the Code or other federal law, and states could amend state law, in a manner that would materially change or eliminate the federal or state tax treatment or financial aid treatment described in this Program Disclosure Statement. There can be no assurance that such changes in law will not adversely affect the value to any Account Owner or Beneficiary of participation in Bright Start. It is not possible to determine the effects, if any, on Bright Start of such changes. Because the regulations proposed under Section 529 of the Code do not reflect changes to Section 529 after their promulgation, it is likely that the final regulations, when issued, may differ from the proposed regulations. In the event that the Treasurer and the Program Manager agree that a change in the tax or other federal or state law makes continued operation not in the best interests of Account Owners or Beneficiaries, then neither the Treasurer nor the Program Manager is under any obligation to continue the Advisor-sold Plan. Changes in the law governing the federal and/or state tax consequences described above might necessitate material changes to Bright Start for the anticipated federal and/or state tax consequences to apply.

Unless Congress enacts legislation, after December 31, 2010, a 6% excise tax would apply to Contributions made to a Coverdell ESA in the same year as a Contribution to the Advisor-sold Plan (or any other Section 529 Plan) for the same Beneficiary.

Suitability. None of the Program Parties makes any representation regarding the suitability or appropriateness of any investment approach within the Advisor-sold Plan. Other types of investments may be more appropriate depending upon the financial status, tax situation (including state tax benefits that may be provided by Section 529 Plans offered by the Account Owner's or Beneficiary's home state), risk tolerance, age, investment goals, savings needs and investment time horizons of the Account Owner or the Beneficiary. Anyone considering investing in the Advisor-sold Plan should consult a tax or investment advisor to seek advice concerning the appropriateness of this investment.

No Guarantee of Performance. Past performance information for Portfolios are not indicative of the future performance of any

particular Portfolio. The investment results of any Portfolio for any period cannot be expected to be similar to its investment performance for any prior period. In addition, in view of the anticipated periodic determinations of such investment allocations and selection of Underlying Investments for each Portfolio, the future investment results of any Portfolio cannot be expected, for any period, to be similar to the past performance of any other Portfolios or Underlying Investments. Portfolio performance information will be made available on the Plan's website at **www.brightstartadvisor.com.**

Treatment for Federal, State, and Institutional Financial Aid Purposes. The treatment of Account assets may have a material adverse effect on the Beneficiary's eligibility to receive assistance under various federal, state, and institutional financial aid programs. For federal financial aid purposes, beginning July 1, 2009 (pursuant to the College Cost Reduction and Access Act of 2007), Account assets will be considered (i) assets of a student's parent, if the student is a dependent student and the owner of the Account is the parent or the student, or (ii) assets of the student, if the student is the owner of the Account and not a dependent student. For purposes of financial aid programs offered by states and educational institutions, the treatment of Account assets may follow or differ from the treatment described above for federal financial aid purposes. Account Owners and Beneficiaries are advised to consult a financial aid professional and/or the state or educational institution offering a particular financial aid program, to determine how assets held in an Account may affect eligibility for financial aid.

Federal Creditor Protection. The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 provides protection in federal bankruptcy proceedings for many Section 529 accounts. Generally, your Account will be protected if the Beneficiary is your child, stepchild, grandchild, or stepgrandchild (including a child, stepchild, grandchild, or stepgrandchild through adoption or foster care) subject to the following limits:

- Contributions made to all Section 529 accounts for the same Beneficiary at least 720 days before a federal bankruptcy filing are completely protected;
- Contributions made to all Section 529 accounts for the same Beneficiary more than 365 days but less than 720 days before a federal bankruptcy filing are protected up to $5,475; and
- Contributions made to all Section 529 accounts for the same Beneficiary less than 365 days before a federal bankruptcy filing are not protected against creditor claims in federal bankruptcy proceedings.

Illinois Creditor Protection. Assets held in an Account shall be exempt from all claims of the creditors of the Account Owner, donor, or Beneficiary except for:

- any Contribution to the Account made with the actual intent to hinder, delay, or defraud any creditor;
- any Contributions to the Account made during the 365 day period prior to the filing for bankruptcy protection that, in the aggregate during such period, exceed the annual federal gift tax exclusion (currently, $13,000); and
- any Contributions to the Account made during the 730 to 366 day period prior to the filing for bankruptcy protection that, in the aggregate during such period, exceed the annual federal gift tax exclusion (currently, $13,000).

Your own state law may offer additional creditor protections. Such state law creditor protections may not be enforceable or available to exempt an Account Owner's interest in an Account in such Account Owner's federal bankruptcy proceedings. Neither the Program, the Treasurer nor the Program Manager makes any representations or warranties regarding protection from creditors. You should consult a legal advisor regarding state creditor protection law, federal bankruptcy law and your particular circumstances.

Medicaid Eligibility. An Account Owner or a Beneficiary may seek eligibility for Medicaid, and the impact of the existence of an Account in the name of an Account Owner on behalf of a Beneficiary is not clear. There is no assurance that an Account will not be treated as a "countable resource" in determining the financial eligibility of either an Account Owner or a Beneficiary for Medicaid. In addition, withdrawals from an Account, whether a Qualified Withdrawal or a Non-Qualified Withdrawal, may delay Medicaid payments to an Account Owner or a Beneficiary, as the case may be. Account Owners and Beneficiaries should consult their own qualified advisors as to the impact that an Account and withdrawals from an Account may have on Medicaid eligibility and the timing of Medicaid payments.

Inflation and Qualified Higher Education Expenses. Contributions to an Account are limited, and the balance in an Account(s) maintained for a Beneficiary may or may not be adequate to cover the Qualified Higher Education Expenses of that Beneficiary even if Contributions are made in the maximum allowable amount. The rate of future inflation in Qualified Higher Education Expenses is uncertain and could exceed the rate of investment return earned by any or all of the Advisor-sold Plan's investment approaches over the corresponding periods.

No Guarantee of Admission. There is no guarantee that a Beneficiary will (a) be admitted to any institution of higher education; (b) be permitted to continue to attend such institution; (c) graduate or receive a degree from an institution of higher education; (d) be treated as a state resident of any state for tuition or any other purpose; or (e) receive any particular treatment under applicable federal or state financial aid programs.

Alternative Education Savings and Investments. Other Section 529 plans, including the Bright Start College Savings Program—Direct-sold Plan, the Bright Directions College Savings Program and College Illinois!, and other education savings and investment programs are currently available to prospective Account Owners. These alternative education savings and investment programs may (a) offer benefits, including state tax benefits, that are not available under the Advisor-sold Plan, (b) offer different investment approaches than the Advisor-sold Plan, and (c) involve different tax consequences, risks, fees, expenses and other features than the Advisor-sold Plan. Prospective Account Owners should consider

other savings and investment alternatives before establishing an Account in the Advisor-sold Plan. Prospective Account Owners who are not Illinois residents may want to consider a Section 529 plan established and maintained by their own state.

Management Risk. The risk that the asset allocation strategy approved by the Treasurer and Policy Statement may fail to produce the intended results.

Principal Risks of Investing in the Principal Protection Income Option. Accounts investing in the Principal Protection Income Portfolio are subject to a variety of investment risks. Set forth below is a summary of certain investment risks to which the Principal Protection Income Portfolio may be subject.

- *No Third-Party Guarantees*. None of the Program Parties insures any investment in the Portfolio, or guarantees any rate of return or accumulated interest thereon, or any interest rate on any investment in the Portfolio, and none of the Program Parties is liable for any loss incurred by any person as a result of investing in the Portfolio. You could lose money (including the principal invested), or not make money, if you invest in the Portfolio.
- *Credit Risk.* This Portfolio could lose money if the insurance company providing a wrapper agreement is unable to pay interest or repay principal.
- *Investment Strategy Risk.* The Principal Protection Income Portfolio is subject to the risk that the wrapper agreement(s) or other investments made will not provide the rate of return expected.
- *Use of Derivatives*. In pursuit of its objectives and policies, the Portfolio may enter into transactions in certain derivatives, each of which involves risk. Derivatives are financial instruments whose values are derived, at least in part, from the prices of other securities or specified assets, indices or rates. For example, the Portfolio may use swap contracts to manage the duration of the Portfolio by swapping a fixed rate income stream for a floating rate income stream while leaving the underlying security principal undisturbed. Galliard may use derivative strategies consistent with efficient management of interest rate risk. Examples of instruments used for these purposes include Treasury futures, Eurodollar futures and Interest Rate Swaps.
- *Non-diversification.* Since the Principal Protection Income Portfolio currently invests in only one wrapper agreement, the Principal Protection Income Portfolio is non-diversified. A non-diversified Portfolio has more risk than a diversified Portfolio.
- *Failure to Perform*. There is a risk that the Wrapper Provider could fail to perform its obligations under the wrapper agreement for financial or other reasons. Such a failure could result in a loss by an affected Account Owner of all or part of his or her Account balanced invested in the Portfolio.
- *Wrapper Agreement*. The wrapper agreement may be terminated under certain circumstances. If a termination occurs, the Program expects to seek to invest the Portfolio's assets in alternative investments intended to meet the investment objective of the Portfolio and the payment of withdrawal requests may be delayed for a period of time. However, there is no assurance that the Program would be able to obtain a comparable replacement wrapper agreement or what the minimum investment return would be for any such alternative investment or that the Portfolio would continue as an investment option of the Advisor-sold Plan.

Principal Investment Risks of the Underlying Investments

The risks of investing in the Plan also include the risks of investing in the Underlying Investments. The board of trustees and/or investment manager for a particular Underlying Investment, and not the Program Manager, manage and operate and determine the investment policies of the Underlying Investment. Please see Appendix C to determine which risks are applicable to each of the Underlying Investments.

Selection Risk. Selection risk is the risk that the securities selected by an underlying investment's management may underperform the market or other securities selected by other funds.

Risks of Investing in Stock. The value of an underlying investment's portfolio may be affected by changes in the stock markets. Stock markets may experience significant volatility and may fall sharply at times. Adverse events in any part of the equity or fixed-income markets may have unexpected negative affects on other market segments. Different stock markets may behave differently from each other and U.S. stock markets may move in the opposite direction from one or more foreign stock markets. A variety of factors can affect the price of a particular company's stock and the prices of individual stocks generally do not all move in the same direction at the same time. These factors may include: poor earnings reports, a loss of customers, litigation against the company, or changes in government regulations affecting the company or its industry.

*Risks of Value Investing***.** Value investing entails the risk that if the market does not recognize that the securities selected by the fund are undervalued, the prices of those securities might not appreciate as anticipated. The portfolio managers' value approach could also result in acquiring fewer investments in securities that increase in price rapidly during times of market advances. This could cause the fund to underperform other funds that seek capital appreciation but that employ only a growth or non-value approach to investing. Value investing has also gone in and out of favor during past market cycles and is likely to continue to do so. During periods when value investing is out of favor or when markets are unstable, the securities of "value" companies may underperform the securities of "growth" companies.

Risks of Growth Investing. If a growth company's earnings or stock price fails to increase as anticipated, or if its business plans do not produce the expected results, its securities may decline sharply. Growth companies may be newer or smaller companies that may experience greater stock price fluctuations and risks of loss than larger, more established companies. Newer growth companies tend to retain a large part of their earnings for research, development or investments in capital assets. Therefore, they may not pay any dividends for some time. Growth investing has gone in and out of favor during past market cycles and is likely to

continue to do so. During periods when growth investing is out of favor or when markets are unstable, it may be more difficult to sell growth company securities at an acceptable price. Growth stocks may also be more volatile than other securities because of investor speculation.

Risks of Foreign Investing. While foreign securities may offer special investment opportunities, there are also special risks. A change in the value of a foreign currency against the U.S. dollar will result in a change in the U.S. dollar value of a fund's securities that are denominated in that foreign currency. Additionally, foreign issuers are usually not subject to the same accounting and disclosure requirements that U.S. companies are subject to. The value of foreign investments may be affected by exchange control regulations, expropriation or nationalization of a company's assets, foreign taxes, delays in settlement of transactions, changes in economic or monetary policy in the United States or abroad, or other political and economic factors.

If a fund invests a significant amount of its assets in foreign securities, it may be exposed to "time-zone arbitrage" attempts by investors seeking to take advantage of differences in the values of foreign securities that might result from events that occur after the close of the foreign securities market on which a security is traded and before the close of the New York Stock Exchange (the "NYSE") that day, when a fund's net asset value is calculated. If such time-zone arbitrage were successful, it might dilute the interests of other shareholders. However, a fund's use of "fair value pricing" under certain circumstances, to adjust the closing market prices of foreign securities to reflect what the fund's manager and the fund's board of trustees believe to be their fair value, may help deter those activities.

Foreign Currency Risk. Fluctuations in foreign currency values will result in fluctuations in the U.S. dollar value of securities denominated in that foreign currency. If the U.S. dollar rises in value against a foreign currency, a security denominated in that currency will be worth less in U.S. dollars and if the U.S. dollar decreases in value against a foreign currency, a security denominated in that currency will be worth more in U.S. dollars. The dollar value of foreign investments may also be affected by exchange controls.

Time-Zone Arbitrage. The Fund may invest in securities of foreign issuers that are traded in U.S. or foreign markets. If the Fund invests a significant amount of its assets in foreign markets, it may be exposed to "time-zone arbitrage" attempts by investors seeking to take advantage of differences in the values of foreign securities that might result from events that occur after the close of the foreign securities market on which a security is traded and before the Fund's net asset value is calculated. If such time-zone arbitrage were successful, it might dilute the interests of other shareholders. The Fund's use of "fair value pricing" to adjust certain market prices of foreign securities may help deter those activities.

Special Risks of Developing and Emerging Markets. Developing or emerging market countries generally have less developed securities markets or exchanges. Securities of companies in developing or emerging market countries may be more difficult to sell at an acceptable price and their prices may be more volatile than securities of companies in countries with more mature markets. Settlements of trades may be subject to greater delays so that the proceeds of a sale of a security may not be received on a timely basis. The economies of developing or emerging market countries may be more dependent on relatively few industries that may be highly vulnerable to local and global changes. Developing or emerging market countries may have less developed legal and accounting systems, and investments in those countries may be subject to greater risks of government restrictions, including confiscatory taxation, expropriation or nationalization of company assets, restrictions on foreign ownership of local companies and restrictions on withdrawing assets from the country. Their governments may also be more unstable than the governments of more developed countries. The value of the currency of a developing or emerging market country may fluctuate more than the currencies of countries with more mature markets. Investments in companies in developing or emerging market countries may be considered speculative.

Regional Focus Risk. At times, an Underlying Investment might increase the relative emphasis of its investments in a particular region of the world. Stocks of issuers in a region might be affected by changes in economic conditions or by changes in government regulations, availability of basic resources or supplies, or other events that affect that region more than others. If an Underlying Investment has a greater emphasis on investments in a particular region, it may be subject to greater risks from adverse events that occur in that region than a fund that invests in a different region or that is more geographically diversified. Political, social or economic disruptions in the region may adversely affect the values of the underlying investment's holdings.

Globalization Risks. The growing inter-relationship of global economies and financial markets has increased the effect of conditions in one country or region on issuers of securities in a different country or region. In particular, the adoption or prolongation of protectionist trade policies by one or more countries, changes in economic or monetary policy in the United States or abroad, or a slowdown in the U.S. economy, could lead to a decrease in demand for products and reduced flows of capital and income to companies in other countries. Those events might particularly affect companies in emerging and developing market countries.

Risks of Small- and Mid-Sized Companies. Small- and mid-sized companies may be either established or newer companies, including "unseasoned" companies that have been in operation for less than three years. While smaller companies might offer greater opportunities for gain than larger companies, they also involve greater risk of loss. They may be more sensitive to changes in a company's earnings expectations and may experience more abrupt and erratic price movements. Smaller companies' securities often trade in lower volumes and it might be harder for the Underlying Investment to dispose of its holdings at an acceptable price when it wants to sell them. Small- and mid-sized companies may not have established markets for their products or services and may have fewer customers and product lines. They may have

more limited access to financial resources and may not have the financial strength to sustain them through business downturns or adverse market conditions. Since small- and mid-sized companies typically reinvest a high proportion of their earnings in their business, they may not pay dividends for some time, particularly if they are newer companies. Smaller companies may have unseasoned management or less depth in management skill than larger, more established companies. They may be more reliant on the efforts of particular members of their management team and management changes may pose a greater risk to the success of the business. Securities of small unseasoned companies may be particularly volatile, especially in the short term, and may have very limited liquidity. It may take a substantial period of time to realize a gain on an investment in a small- or mid-sized company, if any gain is realized at all.

Investing in Small, Unseasoned Companies Risk. An Underlying Investment may invest in the securities of small, unseasoned companies that have been in operation for less than three years. In addition to the risks of other small-sized issuers, the price of the securities of these companies may be particularly volatile, especially in the short term, and may have very limited liquidity. Securities of smaller, newer companies are also subject to greater risks of default than those of larger, more established issuers.

Price Arbitrage Risk. Because an Underlying Investment may invest in smaller company stocks that may trade infrequently, investors might seek to trade fund shares based on their knowledge or understanding of the value of those securities (this is sometimes referred to as "price arbitrage"). If such price arbitrage were successful, it might interfere with the efficient management of the Fund's portfolio and the Fund may be required to sell securities at disadvantageous times or prices to satisfy the liquidity requirements created by that activity. Successful price arbitrage might also dilute the value of fund shares held by other shareholders.

Risks of Derivative Investments. Derivatives may be volatile and may involve significant risks. The underlying security or other instrument on which a derivative is based, or the derivative itself, may not perform the way the Manager expects it to. Some derivatives have the potential for unlimited loss, regardless of the size of an underlying investment's initial investment. An Underlying Investment may also lose money on a derivative investment if the issuer fails to pay the amount due. Certain derivative investments held by an Underlying Investment may be illiquid, making it difficult to close out an unfavorable position. Derivative transactions may require the payment of premiums and can increase portfolio turnover. As a result of these risks, an Underlying Investment could realize little or no income or lose money from its investment, or the use of a derivative for hedging might be unsuccessful. An Underlying Investment may use derivatives as direct investments to earn income, enhance yield, and broaden its diversification. When used as direct investments for one or more of these purposes, derivatives may entail greater risk than when they are used solely for hedging purposes. An Underlying Investment is not required to use derivatives in seeking its investment objective or for hedging, and might not do so.

Main Risks of Investing in Debt Securities. Debt securities may be subject to the following risks:

- *Interest Rate Risk.* The values of debt securities usually change when prevailing interest rates change. When interest rates rise, the values of outstanding debt securities generally fall, and those securities may sell at a discount from their face amount. When interest rates fall, the values of already-issued debt securities generally rise. However, when interest rates fall, an underlying investment's investments in new securities may be at lower yields and may reduce the underlying investment's income. The values of longer-term debt securities usually change more than the values of shorter-term debt securities when interest rates change.

An Underlying Investment may also buy zero-coupon or "stripped" securities, which may be particularly sensitive to interest rate changes. Interest rate changes may have different effects on the values of mortgage-related securities because of prepayment and extension risks.

- *Prepayment Risk.* Certain fixed-income securities are subject to the risk of unanticipated prepayment. That is the risk that when interest rates fall, borrowers will prepay the loans that underlie these securities more quickly than expected, causing the issuer of the security to repay the principal prior to the security's expected maturity. An Underlying Investment may need to reinvest the proceeds at a lower interest rate, reducing its income. Securities subject to prepayment risk generally offer less potential for gains when prevailing interest rates fall. If the Underlying Investment buys those securities at a premium, accelerated prepayments on those securities could cause it to lose a portion of its principal investment represented by the premium. The impact of prepayments on the price of a security may be difficult to predict and may increase the security's price volatility. Interest-only and principal-only securities are especially sensitive to interest rate changes, which can affect not only their prices but can also change the income flows and prepayment assumptions about those investments.
- *Extension Risk.* If interest rates rise rapidly, repayments of principal on certain debt securities may occur at a slower rate than expected and the expected maturity of those securities could lengthen as a result. Those securities generally have a greater potential for loss when prevailing interest rates rise, which could cause their value to fall sharply.
- *Event Risk.* If a bond's issuer is the subject of buyout, debt restructuring, merger or recapitalization that increases its debt load, it could interfere with its ability to make timely payments of interest and principal and cause the value of its debt securities to fall.
- *Credit Risk.* Debt securities are also subject to credit risk. Credit risk is the risk that the issuer of a security might not make interest and principal payments on the security as they become due. Securities directly issued by the U.S. Treasury and certain agencies that are backed by the full faith and credit of the U.S. Government have little credit risk, and other U.S. Government securities generally have lower credit risks, while securities issued by private

issuers or certain foreign governments generally have greater credit risks. If an issuer fails to pay interest, an underlying investment's income might be reduced, and if an issuer fails to repay principal, the values of the security might fall. The extent of this risk varies based on the terms of the particular security and the financial condition of the issuer. A downgrade in an issuer's credit rating or other adverse news about an issuer can reduce the market value of that issuer's securities.

Special Risks of Lower-Grade Securities. Lower-grade securities may offer opportunities for larger returns than higher-grade securities but may be subject to wider market fluctuations and greater risk of loss of income and principal than investment-grade securities. While investment-grade securities are subject to risks of non-payment of interest and principal, in general those risks are greater for higher-yielding lower-grade bonds, whether rated or unrated. There also may be less of a market for lower-grade securities and therefore they may be harder to sell at an acceptable price.

Fixed-Income Market Risks. Developments relating to subprime mortgages have adversely affected fixed-income securities markets in the United States, Europe and elsewhere. The values of many types of debt securities have been reduced, including debt securities that are not related to mortgage loans. These developments have reduced the willingness of some lenders to extend credit and have made it more difficult for borrowers to obtain financing on attractive terms or at all. In addition, broker-dealers and other market participants have been less willing to make a market in some types of debt instruments, which has impacted the liquidity of those instruments. These developments may also have a negative effect on the broader economy. There is a risk that the lack of liquidity or other adverse credit market conditions may hamper an underlying investment's ability to sell the debt securities in which it invests or to find and purchase suitable debt instruments.

Risks of Non-Diversification. If an Underlying Investment is a mutual fund registered under the Investment Company Act of 1940, as amended, and is classified as a "non-diversified" fund, the Underlying Investment may invest a greater portion of its assets in the securities of a single issuer than a "diversified" fund. To the extent that an Underlying Investment invests a higher percentage of its assets in the securities of a single issuer, the Underlying Investment is more subject to the risks associated with and developments affecting an individual issuer than a fund that invests more widely.

Dividend Risk. There is no guarantee that the issuers of the stocks held by an Underlying Investment will declare dividends in the future or that, if dividends are declared, they will remain at their current levels or increase over time. High-dividend stocks may not experience high earnings growth or capital appreciation. An underlying investment's performance during a broad stock market advance could suffer because dividend paying stocks may not experience the same capital appreciation as non dividend paying stocks.

Illiquid and Restricted Securities Risk. Investment that do not have an active trading market, or that have legal or contractual limitations on their resale, are generally referred to as "illiquid" securities. Illiquid securities may be difficult to value or to sell promptly at an acceptable price or may require registration under applicable securities laws before they can be sold publicly. Securities that have limitations on their resale are referred to as "restricted" securities." Certain restricted securities that are eligible for resale to qualified intuitional purchasers may not be regarded as illiquid.

Portfolio Turnover Risk. A change in the securities held by a fund is known as "portfolio turnover." Increased portfolio turnover may result in higher brokerage fees or other transaction costs, which can reduce performance. If an Underlying Investment realizes capital gains when it sells investments, it generally must pay those gains to shareholders, increasing taxable distributions.

Trade Execution Risk. Inefficient executions can materially impact the profitability of an underlying investment's positions.

SALES CHARGES, FEES AND EXPENSES

Sales Charges

General

The Program Distributor has entered into distribution agent agreements with financial advisors and Brokers authorizing those financial advisors and Brokers to distribute the Advisor-sold Plan to their customers. The Program Distributor compensates financial advisors and Brokers for advising prospective Account Owners about the advantages of investing in the Advisor-sold Plan. The fees received and expenses incurred by financial advisors and Brokers do not increase or decrease any Advisor-sold Plan expenses. Not all Unit classes are available through all financial advisors and Brokers.

The Advisor-sold Plan offers four Unit classes, each with its own sales and annual asset-based charge structure. Account Owners indicate on the enrollment application both (i) who the financial advisor or Broker is, and (ii) the applicable Unit class. In addition to Advisor-sold Plan fees and the operating expenses of the Underlying Investments, you may also pay a sales charge in connection with each Contribution to your Account. The compensation which a financial advisor or Broker receives from the Program Distributor for its services differs depending on the Unit class selected by the Account Owner. Sales charges that you pay are used to compensate your financial advisor or Broker for the advice and services provided to you, and your financial advisor or Broker may receive more or less depending on which Unit class you choose. A transfer from any Section 529 Plan, including another Illinois-sponsored Section 529 plan to the Advisor-sold Plan will be treated as a withdrawal from the account of the other Section 529 plan and an establishment of a new Account in the Advisor-sold Plan for purposes of determining any applicable sales and asset-based charges.

Whether there is any transaction, service, administrative or other fee charged directly by a financial advisor or Broker with respect to the Account is a matter between the Account Owner and the financial advisor or Broker and is not a feature of the Advisor-sold Plan.

When deciding which Unit class is best for you, you should consider, among other factors, when Contributions are to be made to your Account, the amounts of your Contributions, how long Contributions will be held in your Account before withdrawals are directed, and the age of your Beneficiary. Due to the differing sales charge structure among the Unit classes, the net asset value of a Portfolio Unit class and the investment return on a Contribution invested in that Unit class may be more or less than it would be by investing in a different Unit class. Your financial advisor or Broker can help you determine which Unit class is best suited to your investment goals.

Class A Units

Initial Sales Charge. Except as discussed below, an initial sales charge is imposed as a percentage of each Contribution to the Account. The initial sales charge that an Account Owner pays on each Contribution invested in Class A Units is based on the aggregate Contributions to Accounts he/she has established within the Advisor-sold Plan and other assets as discussed below. Only the amount of the Contribution reduced by this charge is invested in the Account. This sales charge is used to compensate your financial advisor or Broker for advising you about the Advisor-sold Plan. The sales charge may be reduced or waived for certain categories of investors or under certain circumstances.

A portion of the sales charge may be retained by the Program Distributor or paid to your financial advisor or Broker as a concession. The Program Distributor reserves the right to pay the entire concession to financial advisors or Brokers. Concessions are not paid to financial advisors or Brokers by the Distributor on Units purchased at net asset value. The current sales charge rates and concessions paid to financial advisors or Brokers are as follows:

Amount of Total Contributions to all Accounts of an Account Owner[1]	Initial Sales Charge as a Percentage of Contribution	Up-front Selling Compensation to Financial Advisors or Brokers as a Percentage of Contribution	On-going Selling Compensation to Financial Advisors or Brokers as a Percentage of Contribution[2]
Less than $250,000	3.50%	3.00%	0.25%
$250,000—$499,999	2.50	2.00	0.25
$500,000—$999,999	2.00	1.60	0.25
$1 million and greater[3]	0.00	1.00	0.25

1 The Account Balance Limit per Beneficiary is currently $320,000.
2 On-going compensation is paid to financial advisors and Brokers beginning in the first month after a Contribution is made.
3 There is no initial sales charge imposed once Contributions aggregate $1,000,000 or more per Account Owner. However, a contingent deferred sales charge (“CDSC”) of 1.00% may be charged. See “Contingent Deferred Sales Charge” below.

The initial sales charge may be waived for certain investors:

- Present or former officers and directors, trustees and employees (and their “immediate family members”) of the Program Manager and the Program Distributor and retirement plans established by them for their employees. “Immediate family members” of an individual refers to such individual’s spouse, children, grandchildren, grandparents, parents, parents-in-law, brothers and sisters, sons and daughters-in-law, a sibling’s spouse, a spouse’s siblings, aunts, uncles, nieces, nephews, and relatives by virtue of a remarriage (stepchildren, stepparents, etc.)
- Present or former employees of firms offering the Advisor-sold Plan as part of such firm’s voluntary benefits package Investors that participant in payroll deduction funding
- Dealers, financial advisors, Brokers, banks or registered investment advisers that offer the Advisor-sold Plan in particular investment products made available to their clients. Those clients may be charged a transaction fee by the dealer, financial advisor, Broker, bank or advisor for the purchase of interests in the Advisor-sold Plan.
- Employees and registered representatives (and their spouses) of dealers or Brokers described above that have entered into sales arrangements with such dealers or Brokers (and which are identified as such to the Program Distributor) or with the Program Distributor. The purchaser must certify to the Program Distributor at the time of purchase that the purchase is for the purchaser’s own account (or for the benefit of such employee’s spouse or minor children).
- Customers of certain dealers, Brokers, banks or registered investment advisors that have entered into a special written agreement with the Program Distributor.

Right of Accumulation. A Right of Accumulation permits certain Account Owners to combine the value of assets in their Accounts within the Advisor-Sold Plan (regardless of the Units Class selected) to reduce the initial sales charge applicable to the purchase of Class A Units. Beginning January 1, 2008, Account Owners may also count the value of assets in other advisor-sold Section 529 Plans (within or outside of Illinois) that are managed by OFI Private Investments Inc. or its affiliates and purchases of Class A, B and C shares of mutual funds advised by OppenheimerFunds, Inc. (except Class A shares of Oppenheimer Money Market Fund, Inc. and Oppenheimer Cash Reserves for which no initial sales charge was paid) to reduce the initial sales charge applicable to the purchase of Class A Units. The Program Manager will determine the value of 529 Plan units you currently own based on the greater of aggregate net Contributions or total shares multiplied by the current Net Asset Value, and the value of mutual fund shares you currently own as described in such fund’s prospectus.

The reduced initial sales charges described above resulting from Rights of Accumulation apply if the Program Manager is notified that a Contribution qualifies for a reduced initial sales charge at the time the Contribution is made. The reduced initial sales charge will be granted upon confirmation of the aggregate Contributions to the applicable Accounts. Such reduced initial sales charges generally will not be applied retroactively to Contributions made prior to the Contribution that qualifies for the applicable reduced initial sales charge.

Letter of Intent. Under a Letter of Intent (a “Letter”), you may be able to reduce the sales charge rate that applies to your purchases

of Class A Units of the Advisor-sold Plan if you purchase Class A, Class B or Class C shares of mutual funds advised by OppenheimerFunds, Inc. A Letter is an investor's statement in writing to the Program Distributor of his or her intention to purchase a specified value of Class A, Class C, Class G and Class H Units in all his or her Accounts in the Advisor-sold Plan during a 13-month period (the "Letter period"), which begins on the date of the Account Owner's first share purchase following the establishment of the Letter. The sales charge on each purchase of Class A Units during the Letter period will be at the rate that would apply to a single lump-sum purchase of units in the amount intended to be purchased under the Letter. In submitting a Letter, the Account Owner makes no commitment to purchase Units. However, if the Account Owner does not fulfill the terms of the Letter by the end of the Letter period, he or she agrees to pay the additional initial sales charges that would have been applicable to the Class A Unit purchases that were made. The Account Owner agrees that Units equal in value to 2% of the intended purchase amount will be held in escrow by the Program Manager for that purpose, as described in "Terms of Escrow" below. It is the responsibility of the dealer of record and/or the Account Owner to advise the Program Distributor about the Letter when placing purchase orders during the Letter period.

To determine whether an investor has fulfilled the terms of a Letter, the Program Manager will count purchases of Class A, Class C, Class G and Class H Units during the Letter period. In addition, the Account Owner will be considered to have fulfilled the Letter if the value of the Account Owner's total holdings of Units on the last day of the Letter period, calculated at the net asset value on that day, equals or exceeds the intended purchase amount.

Investors may also count Contributions to any other advisor-sold Section 529 Plans (within or outside of Illinois) that are managed by OFI Private Investments Inc. or its affiliates and purchases of Class A, B and C shares of mutual funds advised by OppenheimerFunds, Inc. (except Class A shares of Oppenheimer Money Market Fund, Inc. and Oppenheimer Cash Reserves for which no initial sales charge was paid) to purchases that qualify for a Letter. You must notify the Program Distributor or your current intermediary of any qualifying mutual fund holdings.

If the terms of the Letter are not fulfilled by the end of the Letter period, the concessions previously paid by the Program Distributor to the dealer of record for your Account and the amount of initial sales charges retained by the Program Distributor will be adjusted on the first business day following the expiration of the Letter period to reflect the initial sales charge rates that apply to the actual total purchases of Units. If total eligible purchases during the Letter period exceed the intended purchase amount and exceed the amount needed to qualify for the next sales charge rate reduction set forth in this Program Disclosure Statement, the sales charges paid may be adjusted to the lower rate. That adjustment will only be made if and when the dealer returns to the Program Distributor the excess of the amount of concessions allowed or paid to the dealer over the amount of concessions that apply to the actual amount of purchases. The reduced sales charge adjustment will be made by adding to your Account(s) the number of additional Units that would have been purchased if the lower sales charge rate had been used. Those additional Units will be determined using the net asset value per share in effect on the date of such adjustment.

By establishing a Letter, the Account Owner agrees to be bound by the terms of this Program Disclosure Statement and the application used for a Letter, and if those terms are amended to be bound by the amended terms and that any amendments by the Program Distributor will apply automatically to existing Letters.

Terms of Escrow That Apply to Letters of Intent.

1. Out of the initial purchase, and out of subsequent purchases if necessary, the Program Manager will hold in escrow Units equal to 2% of the intended purchase amount specified in the Letter. For example, if the intended purchase amount is $50,000, the escrow amount would be Units valued at $1,000 (computed at the offering price for a $50,000 Unit purchase). Escrowed Units are not eligible for either Qualified or Non-Qualified Withdrawals during the Letter period unless the Account Owner terminates the Letter.
2. If the Letter applies to more than one Account, the Account Owner can designate the Account from which Units will be escrowed. If no Account is selected, the Program Manager will escrow Units in the Account that has the highest dollar balance on the date of the first purchase under the Letter. If there are not sufficient Units to cover the escrow amount, the Program Manager will escrow Units in the Account(s) with the next highest balance(s). If there are not sufficient Units in the Accounts to which the Letter applies, the Program Manager may escrow Units in other Accounts that are linked for Right of Accumulation purposes. Additionally, if there are not sufficient Units available for escrow at the time of the first purchase under the Letter, the Program Manager will escrow future purchases until the escrow amount is met.
3. If the total purchases under the Letter are less than the intended purchases specified, on the first business day after the end of the Letter period the Program Distributor will redeem escrowed Units equal in value to the difference between the dollar amount of sales charges actually paid and the amount of sales charges which would have been paid if the total purchases had been made at a single time. Any Units remaining after such redemption will be released from escrow.
4. If the terms of the Letter are fulfilled, the escrowed Units will be promptly released to the Account Owner at the end of the Letter period.
5. By signing the Letter, the investor irrevocably constitutes and appoints the Program Manager as attorney-in-fact to surrender for redemption any or all escrowed Units.

Reinstatement Privilege. If all or a part of an Account Owner's (a) Class A Units in the Plan or any other OppenheimerFunds administered Section 529 Plan (including Section 529 Plans

administered by affiliates of the Program Manager) that were purchased subject to an initial sales charge or on which a CDSC was paid, or (b) Class B Units in any other OppenheimerFunds-administered Section 529 Plan on which a CDSC was paid are redeemed or transferred, the Account Owner may reinvest an amount equal to all or a portion of the redemption proceeds in Class A Units of the same Advisor-sold Plan Portfolio or any other Advisor-sold Plan Portfolio at the Unit net asset value, without the imposition of an initial sales charge, next determined after receipt in good order of the Contribution, provided that such reinvestment is made within six (6) months of the redemption or transfer. The Reinstatement Privilege described above only applies if the Program Manager is notified that a Contribution qualifies for a reduced initial sales charge at the time the Contribution is made. The reduced initial sales charge will be granted upon confirmation that an initial sales charge or CDSC was paid in connection with the redeemed amount. The Treasurer or the Program Manager may amend, suspend or cease offering this Reinstatement Privilege at any time as to Units redeemed after the date of such amendment, suspension or cessation.

Contingent Deferred Sales Charge. A CDSC, which may be partially waived in limited circumstances, may be imposed in connection with Contributions not subject to an initial sales charge that are withdrawn, transferred or rolled over from an Account within 18 months of Contribution. The CDSC is 1.00% of the lesser of the original amount of the Contribution or the current value of the Contribution. Each purchase of Class A Units has its own CDSC period, and the CDSC is determined by presuming that Contributions are withdrawn in the order in which they were made. The CDSC does not apply to earnings on any Contribution. No CDSC will be deducted from the proceeds of withdrawals from Class A Units of any Portfolio due to the death or disability of the Beneficiary. The CDSC will be partially waived for Qualified Withdrawals made pursuant to a systematic withdrawal election.

Each of the Advisor-sold Plan, the Treasurer, the Program Manager and the Program Distributor reserves the right to amend or eliminate the sales reductions or waivers described above at any time by amending this Program Disclosure Statement.

Distribution Fees

Financial advisors and Brokers who sell Class A Units receive ongoing compensation, which is paid by the Program Manager or one of its affiliates, of 0.25% annually (beginning in the first month after a Contribution is made) of the average daily net assets of Class A Units sold by such financial advisor or Broker in Accounts. The fees received and expenses incurred by financial advisors and Brokers do not increase or decrease any Advisor-sold Plan expenses.

Class C Units

Initial Sales Charge. Class C Units are sold at net asset value, without an initial sales charge.

Contingent Deferred Sales Charge. If Class C Units are redeemed through a withdrawal, other than a Non-CDSC Withdrawal, within 12 months from the beginning of the calendar month of their purchase, a CDSC of 0.50% will be deducted from the redemption proceeds.

The CDSC is computed by multiplying the applicable percentage by the lesser of the current value or original amount of the portion of the amount of the Contribution involved which is withdrawn. Contributions are tracked separately for purposes of this charge, and the charge is determined by reference to Contributions made on a first in, first out basis. The charge does not apply to earnings, including appreciation, on any Contribution. In computing the charge, transfers or rollovers from one Account to another Account for a Beneficiary who is a Family Member of the Beneficiary of the Account from which the transfer was made are not treated as new Contributions. Contributions deriving from a transfer or rollover from an account of a Section 529 Plan of another state or from an account within another Illinois 529 Plan are treated as new Contributions. In addition to the certification as to the nature of a withdrawal to be given on each Distribution Request Form, the Program Manager may require substantiation of the nature of withdrawals to determine whether or not a CDSC applies.

Making withdrawals from Account assets invested in Class C Units during the time in which the CDSC is assessed will diminish the overall return on your investment.

The CDSC will apply to rollovers into another Section 529 Plan.

The following withdrawals are not subject to this CDSC:
(i) withdrawals paid to the Beneficiary of the Account (or to the estate of the Beneficiary) on or after the death of the Beneficiary,
(ii) withdrawals attributable to the Beneficiary's disability,
(iii) withdrawals made on account of a scholarship received by the Beneficiary to the extent the amount withdrawn does not exceed the scholarship, (iv) amounts that are the subject of a transfer or rollover from one Account to another Account in the Advisor-sold Plan, or (v) withdrawals made on account of the Beneficiary's attendance at certain military academies to the extent the amount withdrawn does not exceed the costs of qualifying expenses attributable to such attendance (collectively, "Non-CDSC Withdrawals"). The CDSC for Class C Units is paid to compensate the Distributor for its expenses of providing distribution-related services in connection with the sale of C Units. **The CDSC will be partially waived for Qualified Withdrawals made pursuant to a systematic withdrawal election. See "WITHDRAWALS—Other Matters Relating to Withdrawals" for details.** A CDSC will not be imposed on a Non-CDSC Withdrawal.

No Conversion Feature. Class C Units do not convert to Class A Units with the passage of time.

Distribution Fees

Financial advisors and Brokers who sell Class C Units receive up-front selling compensation, which is paid by the Program Manager or one of its affiliates, of 0.50% of the average daily net assets of Class C Units sold by such financial advisor or Broker in Accounts. On-going compensation received by financial advisors and Brokers equals (beginning in the 13th month after a Contribution is made)

0.50% (expressed as an annual percentage of the average daily net assets) of the average daily net assets of Class C Units sold by such financial advisor or Broker in Accounts. The fees received and expenses incurred by financial advisors and Brokers do not increase or decrease any Advisor-sold Plan expenses.

Grandfathered Accounts
Different sales charges than those described above apply to existing balances in, and additional Contributions to, Portfolios held by Grandfathered Accounts. A "Grandfathered Account" is any Account established on or before July 20, 2007. Prior to July 23, 2007, the Advisor-sold Plan had only one undesignated class of interests. As of July 23, 2007, interests held in Grandfathered Accounts were redesignated as Class G Units or Class H Units. Class G Units are Units that were purchased prior to July 23, 2007 through Citigroup Global Market Inc.'s Smith Barney division. Class H Units are Units that were purchased prior to July 23, 2007 through Brokers other than Citigroup Global Market Inc.'s Smith Barney division.

A Grandfathered Account will maintain its status as a Grandfathered Account as long as (i) the Account has a positive balance in any Portfolio, (ii) the Account is owned by the original Account Owner, rather than a new or successor Account Owner, and (iii) neither the Treasurer nor the Program Manager has exercised its discretion to terminate the status of all Grandfathered Accounts. If the Treasurer or Program Manager were to terminate the status of all Grandfathered Accounts, such Accounts would then be subject to the pricing structures described above. A Grandfathered Account will not lose its status as a Grandfathered Account if the Beneficiary of the Account is changed. A new Account that is established by means of an Account Application mailed to the Program Manager with a postmark after July 23, 2007 is not eligible for the Class G Unit pricing structure, even if the Account Owner of that new Account has a Grandfathered Account. Contributions to a Grandfathered Account must be made using the Class G Unit sales charge structure described below, which is different from the sales charge structure in effect prior to July 23, 2007.

Class G Units

Initial Sales Charge. Class G Units are sold at net asset value, without an initial sales charge. Only Account Owners who purchased Units prior to July 23, 2007 and whose Broker of record remains Citigroup Global Market Inc. or Morgan Stanley Smith Barney LLC are eligible to purchase Class G Units on or after July 23, 2007. If an Account Owner's Broker of record changes, that Account Owner is no longer eligible to hold Class G Units in his or her Account. Account Owners who open new accounts on or after November 3, 2008 are not eligible to purchase Class G Units.

Contingent Deferred Sales Charge. Class G Units are not subject to a CDSC.

No Conversion Feature. Class G Units do not convert to Class A Units with the passage of time.

Financial Advisor and Broker Compensation
Financial advisors and Brokers in Citigroup Global Market Inc.'s Smith Barney division who sell Class G Units receive up-front selling compensation, which is paid by the Program Manager or one of its affiliates, of 0.75% of the average daily net assets of Class G Units sold by such financial advisor or Broker in Accounts. These fees and expenses paid to Smith Barney financial advisors and Brokers do not increase or decrease any Advisor-sold Plan expenses.

Distribution Fees
On-going compensation received by Smith Barney financial advisors and Brokers equals (beginning in the 13th month after a Contribution is made) 0.25% (expressed as an annual percentage of the average daily net assets) of the average daily net assets of Class G Units sold by such financial advisor or Broker in Accounts.

Class H Units

Initial Sales Charge. Class H Units are sold at net asset value, without an initial sales charge. Only Account Owners who purchased Units prior to July 23, 2007 through Brokers other than Citigroup Global Market Inc.'s Smith Barney division may purchase Class H Units on or after July 23, 2007. Account Owners who open new accounts on or after July 23, 2007 are not eligible to purchase Class H Units.

Contingent Deferred Sales Charge. Class H Units are not subject to a CDSC.

No Conversion Feature. Class H Units do not convert to Class A Units with the passage of time.

Financial advisor and Broker Compensation
Financial advisors and Brokers who sell Class H Units receive an up-front selling compensation of 0.50% as a percentage of Contribution. These fees and expenses paid to Brokers other than Smith Barney do not increase or decrease any Advisor-sold Plan expenses.

Distribution Fees
Financial advisors and Brokers who sell Class H Units will not receive ongoing compensation.

Payments to Financial Intermediaries
The Program Manager or one of its affiliates, in their discretion, also may pay financial intermediaries for distribution and/or shareholder servicing activities. These payments are made out of the Program Manager or its affiliate's own resources, including from any profits derived from the Program Manager Fee or Annual Asset-Based Charge the Program Manager or its affiliate receives from the Advisor-sold Plan. These cash payments, which may be substantial, are paid to many firms having business relationships with the Program Manager or its affiliates. These payments are in addition to any other fees paid directly or indirectly by the Advisor-sold Plan to these financial intermediaries and any commissions the Program Distributor pays to financial advisors and/or Brokers out of the sales charges paid by Account Owners. These payments by the Program Manager or its affiliates from their

own resources are not reflected in the Total Plan Fees described in the Fee Structure for each Unit Class because they are not paid by the Advisor-sold Plan or Account Owners.

In general, these payments may be made on the basis of the average net assets of a Portfolio attributable to the accounts of that financial intermediary and its clients. In some circumstances, these payments may create an incentive for a financial intermediary or its representatives to recommend or offer Units of the Advisor-sold Plan to its customers. These payments also may give a financial intermediary an incentive to cooperate with the Program Distributor's marketing efforts. The Program Manager and its affiliates compensate financial intermediaries differently depending upon, among other factors, the level and/or type of marketing support provided by the financial intermediary. These payments are not expected to exceed 0.25% of the average net assets of the Advisor-sold Plan attributable to that financial intermediary on an annual basis. Additionally, as firm support, the Program Manager or its affiliates may reimburse expenses related to educational seminars and "due diligence" or training meetings (to the extent permitted by applicable laws or the rules of the Financial Industry Regulatory Authority (FINRA)) designed to increase sales representatives' awareness about the Advisor-sold Plan, including travel and lodging expenditures.

To the extent that financial intermediaries receiving distribution-related payments from the Program Manager or its affiliates sell more shares of the Advisor-sold Plan or retain more Units of the Advisor-sold Plan in their client accounts, the Program Manager and the Program Distributor benefit from the incremental management and other fees they receive with respect to those assets.

Financial advisors or Brokers may charge additional fees or commissions other than those disclosed in this Program Disclosure Statement. An Account Owner can ask his or her financial advisor or Broker about any payments it receives from the Program Manager and its affiliates and any services it provides, as well as about fees and/or commissions it charges.

Plan Fees and Expenses

Each Account bears certain ongoing Plan fees (including the Program Management Fee, State Administrative Fee, and Annual Asset-Based Charge, described below) which are charged against the assets of the Portfolios to provide for the costs associated with the distribution, servicing and administration of the Account. These Plan fees will reduce the value of the Account as they are incurred. Accounts also will indirectly bear fees and expenses of the Underlying Investments in which the Portfolios invest. The Treasurer may change or add new fees at any time.

Underlying Investment Expenses. Each of the Underlying Investments in which a Portfolio's assets are invested has annual operating expenses, including investment advisory fees (which may be paid to the Program Manager or its affiliates), and administrative and other expenses, which will be deducted by the Underlying Investments. Each Portfolio will indirectly bear its pro rata share of the fees and expenses of the Underlying Investments in which it invests. The expenses of the Underlying Investments are reflected in the NAV of each Portfolio. The Underlying Investments purchased by the Portfolios are not subject to any sales charge or distribution fees. The manager and/or the distributor for a particular Underlying Investment may, from time to time, waive payment of a portion of its fees relating to and/or reimburse operating expenses of the applicable Underlying Investment, and may thereafter terminate such waiver without notice. Portfolios that invest in the American Century Diversified Bond Fund are charged 0.30% additional administrative fee on the pro-rata portion of their assets that are invested in such Fund.

Program Management Fee. A Program Management Fee at the annual rate of 0.15% of the average daily net assets of the Advisor-sold Plan is paid on a monthly basis to OFI Private Investments for Advisor-sold Plan administration and investment related services. OFI Private Investments and the other investment managers each receive compensation directly from certain of the Underlying Investments in which the Portfolios invest for serving as the investment adviser of those investments.

State Administrative Fee. There is a State Administrative Fee at the annual rate of 0.03% of the average daily net assets of the Advisor-sold Plan for each Age Based and Choice Based Portfolio an Account Owner invests in for their Beneficiary. The fees received by the Treasurer will be used to administer and market the Advisor-sold Plan.

Annual Asset-based Charge. An annual asset-based charge, which varies based on Unit class, as a percentage of the average daily net assets of the Unit class, is paid to the Program Distributor on a quarterly basis for providing distribution-related services.

Other Fees and Charges. Other fees that may be charged to your Account include a returned deposit (check, AIP debit, EFT or telephone purchase) fee, a wire transfer fee, a wire transfer (international) fee, an overnight delivery fee, an overnight delivery (Saturday) fee, an overnight delivery (international) fee, a request for historical statement fee and a rollover to another Section 529 Plan fee. These fees and charges are subject to change without notice. For more information about these fees, please contact the Program Manager at **www.brightstartadvisor.com** or by calling 1-877-43-BRIGHT (1-877-432-7444).

Fee Structure for Class A Units

Portfolio	Weighted Average Expense Ratio Related to Underlying Investments[1,2]	Plan Fees: Program Management Fee	Plan Fees: State Administrative Fee	Plan Fees: Annual Asset Based Charge	Total Plan Fees (including Underlying Investment Expenses and Plan Fees)[3]	Additional Investor Expenses: Maximum Initial Sales Charge[4]	Additional Investor Expenses: Annual Account Maintenance Fee
Advisor Age Based 0-6 Years Portfolio	0.53%	0.15%	0.03%	0.25%	0.96%	3.50%	n/a
Advisor Age Based 7-9 Years Portfolio	0.51	0.15	0.03	0.25	0.94	3.50	n/a
Advisor Age Based 10-11 Years Portfolio	0.51	0.15	0.03	0.25	0.94	3.50	n/a
Advisor Age Based 12-14 Years Portfolio	0.49	0.15	0.03	0.25	0.92	3.50	n/a
Advisor Age Based 15-17 Years Portfolio	0.45	0.15	0.03	0.25	0.88	3.50	n/a
Advisor Age Based 18 Years Portfolio	0.32	0.15	0.03	0.25	0.75	3.50	n/a
Advisor Equity Portfolio	0.52	0.15	0.03	0.25	0.95	3.50	n/a
Advisor Balanced Portfolio	0.48	0.15	0.03	0.25	0.91	3.50	n/a
Advisor Fixed Income Portfolio	0.38	0.15	0.03	0.25	0.81	3.50	n/a
Principal Protection Income Portfolio	0.42	0.15	0.03	0.25	0.85	3.50	n/a

Fee Structure for Class C Units

Portfolio	Annual Asset Based Plan Fees: Weighted Average Expense Ratio Related to Underlying Investments[1,2]	Plan Fees: Program Management Fee	Plan Fees: State Administrative Fee	Plan Fees: Annual Asset Based Charge	Total Plan Fees (including Underlying Investment Expenses and Plan Fees)[3]	Additional Investor Expenses: Maximum Deferred Sales Charge[5]	Additional Investor Expenses: Annual Account Maintenance Fee
Advisor Age Based 0-6 Years Portfolio	0.53%	0.15%	0.03%	0.50%	1.21%	0.50%	n/a
Advisor Age Based 7-9 Years Portfolio	0.51	0.15	0.03	0.50	1.19	0.50	n/a
Advisor Age Based 10-11 Years Portfolio	0.51	0.15	0.03	0.50	1.19	0.50	n/a
Advisor Age Based 12-14 Years Portfolio	0.49	0.15	0.03	0.50	1.17	0.50	n/a
Advisor Age Based 15-17 Years Portfolio	0.45	0.15	0.03	0.50	1.13	0.50	n/a
Advisor Age Based 18 Years Portfolio	0.32	0.15	0.03	0.50	1.00	0.50	n/a
Advisor Equity Portfolio	0.52	0.15	0.03	0.50	1.20	0.50	n/a
Advisor Balanced Portfolio	0.48	0.15	0.03	0.50	1.16	0.50	n/a
Advisor Fixed Income Portfolio	0.38	0.15	0.03	0.50	1.06	0.50	n/a
Principal Protection Income Portfolio	0.42	0.15	0.03	0.50	1.10	0.50	n/a

Fee Structure for Class G Units

Portfolio	Weighted Average Expense Ratio Related to Underlying Investments[1,2]	Plan Fees: Program Management Fee	Plan Fees: State Administrative Fee	Plan Fees: Annual Asset Based Charge	Total Plan Fees (including Underlying Investment Expenses and Plan Fees)[3]	Additional Investor Expenses: Maximum Initial Sales Charge	Additional Investor Expenses: Annual Account Maintenance Fee
Advisor Age Based 0-6 Years Portfolio	0.53%	0.15%	0.03%	0.25%	0.96%	0.00%	n/a
Advisor Age Based 7-9 Years Portfolio	0.51	0.15	0.03	0.25	0.94	0.00	n/a
Advisor Age Based 10-11 Years Portfolio	0.51	0.15	0.03	0.25	0.94	0.00	n/a
Advisor Age Based 12-14 Years Portfolio	0.49	0.15	0.03	0.25	0.92	0.00	n/a
Advisor Age Based 15-17 Years Portfolio	0.45	0.15	0.03	0.25	0.88	0.00	n/a
Advisor Age Based 18 Years Portfolio	0.32	0.15	0.03	0.25	0.75	0.00	n/a
Advisor Equity Portfolio	0.52	0.15	0.03	0.25	0.95	0.00	n/a
Advisor Balanced Portfolio	0.48	0.15	0.03	0.25	0.91	0.00	n/a
Advisor Fixed Income Portfolio	0.38	0.15	0.03	0.25	0.81	0.00	n/a
Principal Protection Income Portfolio	0.42	0.15	0.03	0.25	0.85	0.00	n/a

Fee Structure for Class H Units

Portfolio	Weighted Average Expense Ratio Related to Underlying Investments[1,2]	Plan Fees: Program Management Fee	Plan Fees: State Administrative Fee	Plan Fees: Annual Asset Based Charge	Total Plan Fees (including Underlying Investment Expenses and Plan Fees)[3]	Additional Investor Expenses: Maximum Initial Sales Charge	Additional Investor Expenses: Annual Account Maintenance Fee
Advisor Age Based 0-6 Years Portfolio	0.53%	0.15%	0.03%	0.00%	0.71%	0.00%	n/a
Advisor Age Based 7-9 Years Portfolio	0.51	0.15	0.03	0.00	0.69	0.00	n/a
Advisor Age Based 10-11 Years Portfolio	0.51	0.15	0.03	0.00	0.69	0.00	n/a
Advisor Age Based 12-14 Years Portfolio	0.49	0.15	0.03	0.00	0.67	0.00	n/a
Advisor Age Based 15-17 Years Portfolio	0.45	0.15	0.03	0.00	0.63	0.00	n/a
Advisor Age Based 18 Years Portfolio	0.32	0.15	0.03	0.00	0.50	0.00	n/a
Advisor Equity Portfolio	0.52	0.15	0.03	0.00	0.70	0.00	n/a
Advisor Balanced Portfolio	0.48	0.15	0.03	0.00	0.66	0.00	n/a
Advisor Fixed Income Portfolio	0.38	0.15	0.03	0.00	0.56	0.00	n/a
Principal Protection Income Portfolio	0.42	0.15	0.03	0.00	0.60	0.00	n/a

1. For Portfolios that invest in more than one Underlying Investment, based on a weighted average of each Underlying Investment's expense ratio, in accordance with the Portfolio's current target asset allocation among the applicable Underlying Investment as of September 15, 2010; and for Portfolios that invest in one Underlying Investment, based on most recent expense ratio for the Underlying Investment. Underlying Investment expenses include investment advisory fees, which may be paid to the Program Manager or its affiliates, administrative and other expenses.
2. Portfolios that invest in the American Century Diversified Bond Fund are charged an additional 0.30% administrative fee on the pro-rata portion of the assets of the Portfolio invested in that Underlying Investment.
3. This total is assessed against assets over the course of the year and does not include sales charges. See "Investment Cost Charts" for the approximate cost of investing in each of the Portfolios over 1-, 3-, 5- and 10-year periods.
4. Payable at the time of Contribution. Lower initial sales charges available for larger aggregate Contributions. Waived for certain Account Owners. A maximum CDSC of 1.00% may be charged, and partially waived in limited circumstances, for Contributions not subject to an initial sales charge that are withdrawn, transferred or rolled over from an Account within 18 months of the Contribution. See "Sales Charges, Fees and Expenses—Sales Charges—Class A Units—Contingent Deferred Sales Charge" for more details.
5. Payable with respect to each Contribution if you direct a withdrawal, transfer or rollover from your Account within one year of a Contribution. Partially waived in limited circumstances. See "Sales Charges, Fees and Expenses—Sales Charges—Class C Units—Contingent Deferred Sales Charge" for more details.

Investment Cost Chart

The chart below shows the costs of investing in the Advisor-sold Plan over various time periods. Your actual costs may be higher or lower. The examples assume:

- A $10,000 investment invested for the time periods shown.
- A 5% annually compounded rate of return on the net amount invested throughout the period.
- Except to the extent indicated, all Units are redeemed at the end of the period shown for Qualified Higher Education Expenses (the table does not consider the impact of any potential state or federal taxes on the redemption).
- Total annual asset-based fees remain the same as those shown in the tables above.

Cost of a $10,000 investment in each Portfolio:

	1-Year	3-Year	5-Year	10-Year
Advisor Age Based 0-6 Years Portfolio				
Class A Units	$445	$647	$865	$1,492
Class C Units[1,2]	124	386	669	1,475
Class C Units[2,3]	174	386	669	1,475
Class G Units	98	307	533	1,184
Class H Units	73	228	396	886

	1-Year	3-Year	5-Year	10-Year
Advisor Age Based 7-9 Years Portfolio				
Class A Units	$443	$640	$854	$1,469
Class C Units[1,2]	122	380	658	1,452
Class C Units[2,3]	172	380	658	1,452
Class G Units	96	301	522	1,160
Class H Units	71	221	385	861
Advisor Age Based 10-11 Years Portfolio				
Class A Units	$443	$640	$854	$1,469
Class C Units[1,2]	122	380	658	1,452
Class C Units[2,3]	172	380	658	1,452
Class G Units	96	301	522	1,160
Class H Units	71	221	385	861
Advisor Age Based 12-14 Years Portfolio				
Class A Units	$441	$634	$844	$1,447
Class C Units[1,2]	120	374	647	1,429
Class C Units[2,3]	170	374	647	1,429
Class G Units	94	295	512	1,136
Class H Units	69	215	374	837
Advisor Age Based 15-17 Years Portfolio				
Class A Units	$437	$622	$823	$1,401
Class C Units[1,2]	116	361	626	1,382
Class C Units[2,3]	166	361	626	1,382
Class G Units	90	282	490	1,089
Class H Units	65	202	352	789
Advisor Age Based 18 Years Portfolio				
Class A Units	$424	$582	$754	$1,251
Class C Units[1,2]	103	320	555	1,231
Class C Units[2,3]	153	320	555	1,231
Class G Units	77	241	418	934
Class H Units	51	161	280	630
Advisor Equity Portfolio				
Class A Units	$444	$643	$859	$1,481
Class C Units[1,2]	123	383	664	1,463
Class C Units[2,3]	173	383	664	1,463
Class G Units	97	304	528	1,172
Class H Units	72	225	391	874
Advisor Balanced Portfolio				
Class A Units	$440	$631	$838	$1,435
Class C Units[1,2]	119	371	642	1,417
Class C Units[2,3]	169	371	642	1,417
Class G Units	93	291	506	1,125
Class H Units	68	212	369	825

	1-Year	3-Year	5-Year	10-Year
Advisor Fixed Income Portfolio				
Class A Units	$430	$601	$786	$1,320
Class C Units[1,2]	109	339	588	1,301
Class C Units[2,3]	159	339	588	1,301
Class G Units	83	260	451	1,006
Class H Units	57	180	314	703
Advisor Principal Protection Income Portfolio				
Class A Units	$434	$613	$807	$1,366
Class C Units[1,2]	113	352	609	1,347
Class C Units[2,3]	163	352	609	1,347
Class G Units	87	272	473	1,053
Class H Units	62	193	336	752

1 Assumes no redemption at the end of the period.
2 Assumes conversion to Class A Units after 72 months.
3 Assumes redemption at the end of the period.

WITHDRAWALS

Qualified Withdrawals

You must use moneys from your Account to pay Qualified Higher Education Expenses of your Beneficiary or be potentially subject to certain taxes and/or penalties. A Qualified Withdrawal ("Qualified Withdrawal") is a withdrawal made to pay Qualified Higher Education Expenses of the Beneficiary, as described below. You may request a Qualified Withdrawal from an Account by completing a Withdrawal Form.

The amounts withdrawn must be sent (i) in the form of a check directly to the Eligible Educational Institution, (ii) in the form of a check directly to a vendor, (iii) in the form of a check payable to both the Beneficiary and the Eligible Educational Institution, or (iv) in the form of a check payable to the Account Owner or the Beneficiary, as payment for Qualified Higher Education Expenses.

Qualified Higher Education Expenses

Section 529 of the Code defines "Qualified Higher Education Expenses" as tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution. In calendar years 2009 and 2010 only, Qualified Higher Education Expenses may also include certain expenses for the purchase of computer technology or equipment or Internet access and related services, if such technology, equipment or services are to be used primarily by the Beneficiary while enrolled at an Eligible Educational Institution. However, expenses for computer technology and equipment do not include expenses for computer software designed for sports, games, or hobbies unless the software is predominantly educational in use. The term also includes amounts for room and board for Beneficiaries attending school at least half-time in a degree or certificate program. The amount of room and board that will be included in the definition of Qualified Higher Education Expenses cannot exceed the greater of (i) the allowance applicable to the Beneficiary included in the "cost of attendance" (as defined under federal law), as determined by the Eligible Education Institution for such period, or (ii) the actual invoice amount the student residing in housing owned or operated by the Eligible Educational Institution is charged by such institution for room and board costs for such period. The definition of Qualified Higher Education Expenses also includes expenses for special needs services in the case of a special needs Beneficiary which are incurred in connection with enrollment or attendance at an Eligible Educational Institution.

Non-Qualified Withdrawal

A Non-Qualified Withdrawal is any withdrawal from an Account that is not:

- A Qualified Withdrawal
- A withdrawal by reason of the death (if paid to the Beneficiary's estate) or disability (within the meaning of Section 72(m)(7) of the Code) of the Beneficiary of the Account
- A withdrawal by reason of the Beneficiary's receipt of a qualified scholarship (to the extent of the scholarship amount)
- A withdrawal by reason of the Beneficiary's attendance at a U.S. Military Academy.
- A withdrawal resulting from the use of Education Tax Credits (as defined below) as allowed under federal income tax law
- A qualifying rollover distribution that is rolled into another state's Section 529 Plan with appropriate documentation, or a qualifying transfer to the credit of another Beneficiary within another Illinois 529 plan

A transfer to an Account for a Beneficiary who is not a Family Member of the existing Beneficiary will be deemed to be a Non-Qualified Withdrawal. You will pay federal and possibly state income taxes on investment earnings withdrawn as a Non-Qualified Withdrawal, as well as an additional federal tax of 10% of such investment earnings withdrawn as a Non-Qualified Withdrawal, unless you qualify for an exception to the additional tax, as discussed under "Tax Matters." For this purpose, each withdrawal is treated as including a ratable share of investment earnings on all Accounts for the Beneficiary having the same Account Owner (including all such accounts in other savings-type Illinois Section 529 plans established by and maintained by the State of Illinois, including without limitation the Bright Start

College Savings Program—Direct-sold Plan and the Bright Directions College Savings Program, but not including the College Illinois prepaid program).

Other Withdrawals
For the following withdrawals, see also "Rollover Distributions" below.

Death of Beneficiary
In the event of the death of the Beneficiary, the Account Owner may authorize a change in the Beneficiary for the Account to a Family Member of the deceased Beneficiary or request a withdrawal of all or a portion of the Account balance. A distribution on account of the death of the Beneficiary if paid to the estate of the Beneficiary will not be subject to the additional 10% federal tax on earnings and the recapture of any previous Illinois tax deductions taken for the Contribution portion of the withdrawal, but earnings may be subject to federal and any applicable state income tax.

Disability of Beneficiary
If the Beneficiary becomes disabled within the meaning of Section 72(m)(7) of the Code, the Account Owner may authorize a change in the Beneficiary for the Account or request a withdrawal of all or a portion of the Account balance. A distribution on account of the disability of the Beneficiary will not be subject to the additional 10% federal tax on earnings and the recapture of any previous Illinois tax deductions taken for the Contribution portion of the withdrawal, but earnings may be subject to federal and any applicable state income tax.

Receipt of Scholarship
If the Beneficiary receives a qualified scholarship, Account assets up to the amount of the scholarship may be withdrawn without imposition of the additional 10% federal tax on earnings. A qualified scholarship includes certain educational assistance allowances under federal law as well as certain payments for educational expenses (or attributable to attendance at certain educational institutions) that are exempt from federal income tax. The earnings portion of the withdrawal may be subject to federal and any applicable state income tax.

Appointment at a U.S. Military Academy
If the Beneficiary attends a U.S. Military Academy, the Account Owner may withdraw an amount up to an amount equal to the costs of advanced education (as defined by Section 2005(e)(3) of Title 10 of the United States Code) attributable to the Beneficiary's attendance at the institution without imposition of the additional 10% federal tax. The earnings portion of the withdrawal may be subject to federal and any applicable state income tax.

Rollover Distributions
An Account Owner may roll over all or part of the balance of an Account to another Section 529 Plan account without adverse tax consequences so long as the amount withdrawn is placed in the other account within 60 days of the withdrawal, and the Beneficiary of the new account is (1) a Family Member of the existing Beneficiary of the Account or (2) (a) the same Beneficiary as for the Account, provided no other transfers have occurred with respect to the existing Beneficiary within the immediately preceding 12-month period and (b) the new account is in a Section 529 Plan not sponsored by the State of Illinois and no other rollover for the same Beneficiary has occurred within the preceding 12 months. For Illinois taxpayers, such rollovers will be subject to the recapture of any previous Illinois tax deductions taken for Contributions to the Account.

Records Retention
You should obtain and retain records, receipts, invoices, or other documentation that is adequate to substantiate: (i) expenses which you or the Beneficiary claim are Qualified Higher Education Expenses, (ii) the death or qualified disability of the Beneficiary, (iii) the receipt by the Beneficiary of a qualified scholarship, (iv) the appointment of the Beneficiary to a U.S. Military Academy, (v) the use of Education Tax Credits (as defined on next page), (vi) that you are entitled to favorable state tax treatment and (vii) that you are eligible to claim a deduction for Illinois individual income tax purposes.

Residual Account Balances
If the Beneficiary graduates from an institution of higher education or chooses not to pursue higher education, and funds remain in the Account, the Account Owner may:

- Request that the remaining funds (including earnings) be paid to the Account Owner or another recipient, and treated as a Non-Qualified Withdrawal. Earnings may be subject to any applicable federal and state income tax, the additional 10% federal tax, and the recapture of any previous Illinois tax deductions taken for the Contributions portion of the withdrawal.
- Authorize a change of Beneficiary for the Account to a Family Member of the existing Beneficiary (See "Opening and Maintaining an Account-Changing the Beneficiary on Your Account" and "Opening and Maintaining an Account-Changing the Beneficiary of UGMA/UTMA Account" for details)
- Keep the funds in the Account to pay future Qualified Higher Education Expenses (such as graduate or professional school expenses) of the Beneficiary

Other Matters Relating to Withdrawals
The Program Manager reserves the right to delay remittance of redemption proceeds for units purchased by check or via direct deposit or Automatic Investment Program (AIP) for up to 5 business days. In addition, withdrawal requests may take up to 5 business days to be processed. The Program Manager also reserves the right to require that an Account Owner's withdrawal request be signature guaranteed by an eligible guarantor institution, such as a domestic bank, savings and loan institution, domestic credit union, member bank of the Federal Reserve System or member firm of a national securities exchange if the Account Owner has effected a change of address or change of Account Owner within 15 calendar days of such withdrawal request.

The Program permits Account Owners to make systematic withdrawals from their Account(s). An Account Owner must have

at least $1,000 invested in the originating Portfolio from which a systematic withdrawal is to be made at the time of the withdrawal.

Education Tax Credits
The use of a Hope Scholarship tax credit (also known as the American Opportunity tax credit for 2009 and 2010) or Lifetime Learning tax credit (together, "Education Tax Credits") by an Account Owner or Beneficiary will not affect receipt of benefits from an Account as long as any Qualified Withdrawal from the Account is not used for the same expenses for which the Education Tax Credit was claimed.

TAX MATTERS
The following discussion summarizes certain aspects of the federal income, gift, estate and generation-skipping transfer tax and Illinois income tax consequences relating to the Trust and your investment in, and withdrawals from, your Account. This discussion does not address other state or local taxes, including taxes imposed by a state other than the State of Illinois.

Caveats and Circular 230 Disclosure
This summary is not exhaustive, and you should not construe it as providing advice on your particular situation. In addition, there can be no assurance that the IRS will accept the conclusions in this Program Disclosure Statement, or, if challenged by the IRS, that these conclusions would be sustained in court. The applicable tax rules are complex, certain of the rules are uncertain, and their application to any particular person may vary according to facts and circumstances specific to that person. **This discussion is not intended to be used, and it cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed under the Code. This discussion was written to support the promotion or marketing of the Advisor-sold Plan. You should consult a qualified independent tax advisor regarding the application of the law to your particular circumstances.**

Each savings plan has its own eligibility requirements and tax benefits. You should determine the interaction between these plans if you intend to use more than one, since there may be limitations. Generally, you are not permitted to use the same educational expense for computing benefits from more than one such plan.

Changing Tax Laws and Regulations
The summary is based on the relevant provisions of the Code and Illinois State tax law, the proposed regulations under Section 529 of the Code , other guidance from the IRS that may be relied upon until final regulations are issued and legislative history and interpretations of applicable federal and Illinois law existing on the date of this Program Disclosure Statement. There are or may be pending in the Congress of the United States of America ("Congress") or the Illinois legislature legislative proposals, some of which may have retroactive effective dates, that, if enacted, could alter or amend the federal or state tax matters described in this Program Disclosure Statement. It is possible that Congress, the United States Treasury Department, the IRS, the State of Illinois and other taxing authorities or the courts may take actions that will adversely affect the tax law consequences described herein and that such adverse effects may be retroactive. The IRS has issued no final tax regulations concerning qualified tuition programs and, when issued, such regulations or any ruling may alter the tax consequences summarized in this Program Disclosure Statement or necessitate changes in the Program to achieve the tax consequences described, and they, as well as additional changes to federal or state tax law, could have a significant impact on the Program and your investment in the Portfolios or result in termination of the Program.

Account Balance Limit
The federal income tax laws require that a limit be placed on the amount that can be invested in an Account. Currently, this limit requires that Contributions (including rollover Contributions) to the Trust under the Program for the benefit of a particular Beneficiary may only be made in an amount such that the Account balances and the account balances from other Section 529 Plans established or maintained by the State of Illinois for such Beneficiary (regardless of Account Owner) do not exceed $320,000. Accounts for the same Beneficiary funded from all sources are aggregated for purposes of applying this limitation, together with any accounts for the same Beneficiary in other Section 529 Plans established or maintained by the State of Illinois, including the Bright Start College Savings Program—Direct-sold Plan, the Bright Directions College Savings Program and College Illinois! Additional Contributions to in an Account will not be accepted, or will be returned, any time that such a Contribution would result in the aggregate Account balances and the account balances from other Section 529 Plans established or maintained by the State of Illinois for the Beneficiary (regardless of Account Owner) exceeding the Account Balance Limit. The Account Balance Limit may be adjusted in the future, and you will be notified of any changes in the Account Balance Limit. Specifically, future changes in federal income tax law or regulations may require the Treasurer to adjust the limit. In such event, you could be required to reduce the Account balance by making Non-Qualified Withdrawals from the Account, which could be subject to applicable penalties and taxes.

Federal Income Tax Treatment of Investments and Distributions
The Program is designed to constitute a "qualified tuition program" under Section 529 of the Code. Generally, earnings in the Trust will not be includible in computing the federal taxable income of the Account Owner or the Beneficiary until money is withdrawn or distributed from the Account. How the money is then taxed depends upon how the withdrawal is used.

Qualified Withdrawals
Withdrawals will not be included in federal taxable income if such withdrawals do not exceed the Qualified Higher Education Expenses of the Beneficiary. Account Owners should retain documentation such as invoices and receipts adequate to substantiate to the IRS the qualifying use of such withdrawals. There are two components to such a Qualified Withdrawal: one component is return of principal; the other is a distribution of earnings. Although neither component is taxable for a Qualified Withdrawal, separate accounting for such components is

necessary in order to determine how much of the remaining investment in the Account consists of earnings and how much consists of principal invested. The earnings portion of a particular withdrawal will generally be determined as of the date of the withdrawal. If a withdrawal does exceed such expenses, a proportionate amount of the withdrawal will be excluded from taxable income (i.e., the amount otherwise includible in taxable income will be reduced by an amount which bears the same ratio to such amount as the Qualified Higher Education Expenses of the Beneficiary bear to the amount of the withdrawal). Qualified Higher Education Expenses must be reduced for certain scholarships, educational assistance allowances, and payments excludible from taxable income under federal law, and for the amount of expenses taken into account in determining the Education Tax Credits. If an amount is also withdrawn from a Coverdell Education Savings Account ("ESA") and the aggregate distributions from Section 529 Plans and ESAs exceed total Qualified Higher Education Expenses, the expenses must be allocated among such distributions for the purposes of determining the amount of exclusions from taxable income.

Pending guidance from the IRS, it is unclear whether a withdrawal used to pay for Qualified Higher Education Expenses incurred or paid prior to the establishment of the Account will be treated as a Qualified Withdrawal. Pending guidance from the IRS, it is also unclear whether a withdrawal taken after December 31st of the year in which the Qualified Higher Education Expenses were incurred and paid will be treated as a Qualified Withdrawal. You should consult with a qualified tax advisor regarding these issues.

Although the IRS has not yet provided guidance on this issue, if amounts from a Qualified Withdrawal that were used to pay Qualified Higher Education Expenses are subsequently refunded in whole or in part to the Account Owner or the Beneficiary by the Eligible Educational Institution or other payee, the Account Owner or Beneficiary may be required to include the earnings portion attributable to such refund in taxable income for federal and state income tax purposes and pay the additional 10% federal tax on such earnings. In addition, the Account Owner may be subject to the recapture of any previous Illinois tax deductions taken for the Contribution portion of the withdrawal. Such inclusion may not be required if the refunded amount is used to pay other Qualified Higher Education Expenses of the Beneficiary.

Non-Qualified Withdrawals

Under Section 529 of the Code, the earnings portion of withdrawals or distributions from an Account other than Qualified Withdrawals or withdrawals for transfers to an Account for another Beneficiary under the circumstances outlined under the caption "Tax Matters—Transfers Between Accounts of Different Designated Beneficiaries or Different Section 529 Plans" (i.e., Non-Qualified Withdrawals) are includible in computing income of the Account Owner or Beneficiary for federal income tax purposes in the year in which the withdrawals are paid, except for certain nontaxable transfers to an Account or another Section 529 Plan as outlined in "Tax Matters—Transfers between Accounts of Different Designated Beneficiaries or Different 529 Programs." The computation of the portion of a Non-Qualified Withdrawal that is includible in the taxable income of the Account Owner is again made under a pro-rata allocation between a nontaxable return of principal and a taxable distribution of earnings.

In addition to the regular federal income tax imposed on Non-Qualified Withdrawals as described in the paragraph above, an additional federal tax of 10% of the amount included in income for federal income tax purposes will also be imposed. This additional tax will not apply to (i) certain withdrawals which are made to make payments to a Beneficiary (or to the Beneficiary's estate) on or after the death of a Beneficiary, attributable to the Beneficiary's being disabled, on account of certain scholarships, or attributable to the Beneficiary's attendance at a U.S. Military Academy, or (ii) amounts that are Non-Qualified Withdrawals solely because of expenses that would have been Qualified Higher Education Expeneses were taken into account in determining the Education Tax Credits. Under Illinois law, the Treasurer has determined that the State of Illinois does not need to impose a separate penalty for Non-Qualified Withdrawals (which has been previously imposed prior to January 1, 2002) because such withdrawals are subject tot he imposition of the additional 10% federal tax.

For tax years beginning on or after January 1, 2009, Illinois law provides for the recapture of Illinois state tax benefits in the event an Account Owner takes a Non-Qualified Withdrawal from an Account. The adjusted gross income of an Illinois taxpayer who takes a Non-Qualified Withdrawal will be "recaptured", or increased by an amount equal to the Contribution component of such Non-Qualified Withdrawal that was previously deducted from base income on the taxpayer's Illinois tax return. Non-Qualified Withdrawals due to the Beneficiary's death or disability are not subject to state income tax deduction recapture.

Tax Reporting

The Program Manager will issue an IRS Form 1099-Q in the event of a withdrawal from or trustee-to-trustee rollover from an Account. This form sets forth the total amount of the withdrawal and identifies the earnings portion and the Contribution portion of any such withdrawal. A withdrawal will be reported to the Beneficiary as recipient if it is paid to the Beneficiary or to an Eligible Educational Institution for the Beneficiary. All other withdrawals will be reported to the Account Owner as recipient. It is the responsibility of the recipient of the 1099-Q to determine whether a withdrawal is a Qualified Withdrawal or a Non-Qualified Withdrawal and whether any income tax, the 10% additional federal tax and/or the recapture of any previous Illinois tax deductions may apply.

Losses Upon Withdrawal

If an Account Owner has an investment loss in an Account, the Account Owner may be able to take the loss as a deduction on the Account Owner's tax return but only when all amounts from that Account have been withdrawn and the total withdrawals are less than the total Contributions to the Account. If available, the loss can be claimed only as a miscellaneous itemized deduction, subject to the 2% of adjusted gross income limit applicable to such deductions.

Aggregation of Accounts
All Accounts for the benefit of a single Beneficiary and having the same Account Owner must be treated as a single account for purposes of calculating the taxable earnings portion of each withdrawal (including any such accounts in other Illinois Section 529 plans established and maintained by the State of Illinois, excluding the College Illinois! prepaid tuition plan). Thus, if more than one Account is created for a Beneficiary and having the same Account Owner and a Non-Qualified Withdrawal is made from one or more such Accounts, the amount includible in taxable income must be calculated based upon the ratio of total earnings in all such Accounts to the total amount in such Accounts. The amount withdrawn from an Account may carry with it a greater or lesser amount of income than the earnings in that Account alone would justify, depending on the earnings in the other relevant Accounts. In the case of Non-Qualified Withdrawals and other distributions taxable to an Account Owner, this aggregation rule may result in the Account Owner being taxed on more or less income than that directly attributable to the particular Account from which the withdrawal was made. All calculations of the taxable and nontaxable components will be made as of the date of withdrawal.

Transfers Between Accounts of Different Beneficiaries or Different Section 529 Plans
An Account Owner may change the Beneficiary of an Account, or may transfer (i.e., "rollover") an amount from an Account to an Account for a different Beneficiary, or to an account for a different Beneficiary under another Section 529 Plan (provided such rollover occurs within 60 days of the withdrawal) without the amount distributed having to be included at that time in the federal taxable income of the Account Owner or any Beneficiary and without any other additional income tax or penalty on Non-Qualified Withdrawals. In order to qualify for this tax-free treatment, the newly Beneficiary must be a "Family Member" of the existing Beneficiary as set forth in Sections 152 and 529(e)(2) of the Code. Thus, the new Beneficiary must have one of the following relationships to the existing Beneficiary: (i) a child (including a stepson or a stepdaughter and certain eligible foster children) or a descendent of a child; (ii) brother or sister; (iii) stepbrother or stepsister; (iv) father or mother, or an ancestor of either; (v) stepfather or stepmother; (vi) son or daughter of a brother or sister; (vii) brother or sister of the father or mother; (viii) son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law; or (ix) first cousin. A spouse of a Family Member described in clauses (i) through (viii) above or the spouse of the Beneficiary also is considered a Family Member. For purposes of these rules, a legally adopted child is treated as a child by blood and the terms "brother" and "sister" include a brother or sister by half blood.

If there are other Accounts open for the benefit of the new Beneficiary, you may be limited in how much of your Account can be used for the new Beneficiary under the aggregate Account Balance Limit.

Under the proposed regulations for Section 529, if the new Beneficiary is a member of a younger generation than that of the existing Beneficiary, a federal gift tax may apply, and if the new Beneficiary is two or more generations younger than the current Beneficiary, a federal generation-skipping transfer tax may apply, in each case to the existing Beneficiary. This tax applies in the year in which the money is withdrawn from an Account or in which the Beneficiary is changed. Please consult with a qualified tax advisor regarding the possible application of these taxes.

In addition to the ability to transfer between accounts of certain different Beneficiaries without incurring a federal income tax liability as described above, amounts may be transferred to another Section 529 Plan for the benefit of the same Beneficiary without the imposition of federal income tax, if such transfer does not occur within twelve months from the date of a previous transfer to any Section 529 Plan for the benefit of the same Beneficiary. A rollover to another Account in the Program or another Illinois Section 529 Plan, in either case for the same Beneficiary, is not subject to this rule, but is instead treated as an investment change, subject to the investment change limits described in "Opening and Maintaining an Account—Changing Investment Options," if and only if the rollover is achieved by a direct transfer between the plans, without any distribution to the Account Owner or Beneficiary.

Rollover amounts from another Section 529 Plan generally retain their character as earnings and invested principal. Until the program receiving the rollover receives appropriate documentation showing the earnings portion, the receiving program will treat the entire amount of the rollover as earnings.

See "State of Illinois Tax Consequences" below for a description of how such rollovers may be taxed under Illinois state law.

Federal Gift and Estate Taxes
In reviewing the following information regarding the federal gift and estate taxes, please note that under current law, (i) the federal estate tax is repealed for decedents dying in 2010, and (ii) the federal generation-skipping transfer tax is repealed for certain transfers occurring in 2010.

Investments in Accounts are considered completed gifts for federal estate and gift tax purposes. Generally, if the Account Owner dies while there is still money in his or her Account, the value of the Account would not be included in the estate of the Account Owner (except in the situation described below relating to the gift tax election for investments exceeding $13,000 in any one year, or $26,000 for spouses electing to split gifts). However, amounts distributed on account of the death of a Beneficiary may be included in the gross estate of that Beneficiary for federal estate tax purposes.

Account investments are potentially subject to federal gift tax payable by the contributing Account Owner. Generally, if the Contributions of an Account Owner to an Account or Accounts for a Beneficiary, together with all other gifts by the Account Owner to the Beneficiary, are $13,000 or less in a particular calendar year ($26,000 for spouses electing to split gifts), no federal gift tax or generation-skipping transfer tax will be imposed on the Account Owner for gifts to the Beneficiary during that year.

If the Contributions of an Account Owner to an Account for a particular Beneficiary in a single year are greater than $13,000 ($26,000 for spouses electing to split gifts) in a particular calendar year, the Account Owner may elect for federal gift tax and generation-skipping-transfer tax purposes to treat the Contributions up to $65,000 ($130,000 for spouses electing to split gifts) as having been made ratably over the five calendar years beginning with the year of Contribution, on a duly filed federal gift tax return. However, if the Account Owner dies before the first day of the fifth calendar year, the portion of the pro rated Contributions allocable to calendar years following the year of death (except for earnings on such investment) would be includible in the estate of the Account Owner for federal estate tax purposes. Please consult with a qualified tax advisor.

A withdrawal from an Account, a permissible change of the Beneficiary or a permissible transfer to an Account for another Beneficiary will not be subject to federal gift tax, except that such a change or transfer will potentially be subject to gift tax if the new Beneficiary is of a younger generation than the existing Beneficiary and will potentially be subject to the generation-skipping transfer tax if the new Beneficiary is two or more generations younger than the existing Beneficiary. Under the proposed regulations under Section 529, these taxes may be deemed payable by the existing Beneficiary.

Because investments in an Account are treated as completed gifts for federal transfer tax purposes, you may also need to be concerned about the generation-skipping transfer tax for yourself or the Beneficiary. This tax may apply to Contributions in excess of the amount that may be elected to be ratably spread over the five-year period discussed above if the Beneficiary is deemed to be a member of a generation that is two or more generations younger than the generation of the Account Owner. In addition, as noted above, if a change is made in the Beneficiary such that the new Beneficiary is two or more generations younger than is the existing Beneficiary, the generation-skipping transfer tax may also be triggered. Please consult with a qualified tax advisor.

Coverdell Education Savings Accounts ("ESAs")
Through 2010, the 2001 Tax Act permits contributions to be made to both Section 529 Plans and ESAs in the same year on behalf of the same Beneficiary without adverse tax consequences, but beginning in 2011, a 6% excise tax will be reinstated on ESA contributions that are made in any year when amounts are also contributed to a Section 529 Plan for the same Beneficiary. (The 2001 Tax Act also had other provisions regarding ESAs, which may likewise expire after 2010, but a discussion of those provisions is beyond the scope of this Program Disclosure Statement.) The earnings portion of any amount rolled over to a Section 529 Plan from an ESA is not treated as a Contribution for purposes of determining the earnings portion of any withdrawal from the Section 529 Plan, and therefore is treated as earnings with respect to the Account. Until the Advisor-sold Plan receives appropriate documentation showing the earnings portion of the amount rolled over, the Advisor-sold Plan will treat the entire amount of an ESA rollover as earnings. A distribution from the Advisor-sold Plan that is subsequently contributed to an ESA will be treated as a Non-Qualified Withdrawal from the Advisor-sold Plan. Certain rules require the coordination of the tax benefits available when distributions are made from both Section 529 Plans and ESAs in the same year, as described in "Tax Matters—Qualified Withdrawals".

Series EE and I Bonds
Interest on Series EE Savings Bonds issued January 1990 and later, as well as interest on all Series I Savings Bonds, may be completely or partially excluded from federal income tax if bond proceeds are used to pay certain Qualified Higher Education Expenses at an Eligible Educational Institution or, under the 2001 Tax Act, are contributed to an Account in the same calendar year the bonds are redeemed. For this purpose, qualifying expenses do not include the cost of books, room and board. The amount of Qualified Higher Education Expenses taken into account in calculating the interest excludible from income is reduced by scholarships, fellowships, payments or reimbursements of expenses under a Section 529 Plan and certain other forms of tuition assistance. Certain limitations apply and the Beneficiary must have a specified relationship with the Account Owner. Provided appropriate documentation is furnished to the Advisor-sold Plan, the original purchase price of the bonds redeemed and contributed to an Account will be added to the Contribution portion of the Account, with the interest added to earnings. Until the Advisor-sold Plan receives appropriate documentation showing the interest paid on the bonds, the Advisor-sold Plan will treat the entire contributed amount as earnings.

HOPE Scholarship and Lifetime Learning Credits
Subject to certain restrictions and limitations, some of the amounts withdrawn from an Account and used for Qualified Higher Education Expenses of a Beneficiary may be available as a credit against the federal income tax liability of the Beneficiary (or of a person who can claim the Beneficiary as a dependent) under the federal income tax provisions governing the HOPE Scholarship tax credit (also known as the American Opportunity tax credit for years 2009 and 2010) or Lifetime Learning tax credit (together, "Education Tax Credits"). Under these provisions, in certain circumstances the taxpayer may qualify for a credit for limited amounts expended for tuition and some types of fees required for enrollment or attendance by the taxpayer or the taxpayer's spouse or dependent at an Institution of Higher Education.

Use of Education Tax Credits
Taxpayers paying Qualified Higher Education Expenses from a Plan Account will not be able to claim Education Tax Credits for the same expenses. Furthermore, expenses used in determining the allowed Education Tax Credits will reduce the amount of a Beneficiary's Qualified Higher Education Expenses to be paid from an Account as a Qualified Withdrawal and may result in taxable withdrawals. Such withdrawals will not be subject to the additional 10% federal tax but may be subject to the recapture of any previous Illinois tax deductions taken on the Contributions portion of such withdrawal. You should consult your tax advisor regarding the availability of these credits.

Tax Deduction for Education Expenses
The 2001 Tax Act provides a new deduction for certain payments of tuition and related expenses by taxpayers who fall within certain income limits. The amount of any such deduction will be reduced for certain other federal tax benefits, including a reduction by the amounts of distributions from a Section 529 Plan excluded from federal taxable income.

Effect on Other Federal Tax Benefits
Under certain circumstances, the interest paid with respect to a loan used to fund eligible education expenses is deductible for federal income tax purposes. To the extent that withdrawals are made from a Section 529 Plan to pay eligible education expenses, the amount of such expenses is not eligible for a loan, interest on which is otherwise deductible for federal income tax purposes. Under certain circumstances, the interest on United States savings bonds used to pay higher education expenses may be excluded from taxable income for federal income tax purposes. To the extent withdrawals are made from a Section 529 Plan for higher education expenses, such expenses cannot also be treated as paid with United States savings bonds for purposes of this exclusion.

State of Illinois Income Tax Consequences
Illinois law provides that, effective January 1, 2001, the assets of the Program and its income are exempt from all taxation by the State of Illinois and any of its subdivisions and that the accrued earnings on investments in the Program disbursed on behalf of a Beneficiary are exempt from all taxation by the State of Illinois and its subdivisions, so long as they are used for Qualified Higher Education Expenses. You should consult your tax advisor regarding the Illinois state income tax treatment of investments under the Program.

For tax years beginning on or after January 1, 2002, an individual may deduct from his or her taxable income for purposes of the Illinois State income tax all or a portion of the moneys contributed in the taxable year to the Program.

For tax years beginning on or after January 1, 2005, the Illinois State income tax deduction is limited. For such tax years, individuals who file individual Illinois state income tax returns will be able to deduct up to $10,000 per tax year for their total, combined Contributions to the Advisor-sold Plan, the Bright Start College Savings Program—Direct-sold Plan, the Bright Directions College Savings Program and to College Illinois! during that tax year.

For tax years beginning on or after January 1, 2007, individuals who file Illinois state income tax returns will be able to exclude from their taxable income their total amount of distributions excluded from taxable income for federal income tax purposes from the Advisor-sold Plan, the Bright Start College Savings Program—Direct-sold Plan, the Bright Directions College Savings Program, College Illinois! and non-Illinois Section 529 Plan, provided that (i) the offering materials for such non-Illinois Section 529 Plan comply with the College Savings Plans Network's disclosure principles and (ii) such non-Illinois qualified tuition program has made reasonable efforts to inform Illinois residents directly and, where applicable, to inform financial intermediaries distributing such program to inform in-state residents of the existence of the Illinois qualified tuition programs at least annually, during that tax year.

The Illinois Department of Revenue has stated, in informal advice that is not binding on the Department of Revenue, that (i) a deduction of up to $20,000 will be permitted for married taxpayers filing joint Illinois State income tax returns for their total, combined Contributions to the Advisor-sold Plan, the Bright Start College Savings Program—Direct-sold Plan, the Bright Directions College Savings Program and College Illinois! during that tax year, and (ii) the $10,000 (individual) and $20,000 (joint) limitations on deductions will apply to the total Contributions made to the Advisor-sold Plan, the Bright Start College Savings Program—Direct-sold Plan, the Bright Directions College Savings Program and College Illinois! without regard to whether the Contributions are made to a single account or more than one account.

A Contribution must be postmarked no later than December 31st of a tax year in order to be eligible to be deducted with respect to such tax year. You should obtain and retain receipts or other documentation that is adequate to substantiate that your Contribution was postmarked no later than December 31st if you make a Contribution to the Advisor-sold Plan near year end. The Illinois Department of Revenue has stated (in a non-binding general information letter) that the state income tax deduction is available to individuals other than the Account Owner who contribute to an Account.

The deduction for Illinois individual income tax purposes for Contributions to the Program does not apply to amounts excluded from federal gross income under the provisions discussed under the "Tax Matters—Transfers Between Accounts of Different Designated Beneficiaries or Different Section 529 Plans," such as rollovers from other qualified tuition programs. This provision is effective for taxable years beginning on or after January 1, 2002. The Illinois Department of Revenue has stated (in informal guidance that is not binding on the Department) that in the case of such a rollover, the amount of the rollover that is treated as a return of the original Contribution to the old plan (but not the earnings portion of the rollover) is eligible for the deduction for Illinois individual income tax purposes.

For tax years beginning on or after January 1, 2007, the amount of any deduction previously taken for Illinois individual income tax purposes for Contributions to the Program is subject to recapture if such assets are rolled over to non-Illinois Section 529 Plan.

For tax years beginning on or after January 1, 2009, Illinois law provides for the recapture of Illinois state tax benefits in the event an Account Owner takes a Non-Qualified Withdrawal from an Account. The adjusted gross income of an Illinois taxpayer who takes a Non-Qualified Withdrawal will be "recaptured", or increased by an amount equal to the Contribution component of such Non-Qualified Withdrawal that was previously deducted from base income on the taxpayer's Illinois tax return. Non-Qualified Withdrawals due to the Beneficiary's death or disability are not subject to state income tax deduction recapture.

Employer Tax Credit for Student-Assistance Contributions
For taxable years ending on or after December 31, 2009 and on or before December 30, 2020, employers may receive an Illinois state

income tax credit if, during the taxable year, such employer makes a matching student-assistance Contribution on behalf of an Account Owner who is also an employee. The credit received by the employer is 25% of the matching Contribution, but may not exceed $500 per employee per year. Employers should consult a tax advisor regarding the availability and ramifications of this credit.

MANAGEMENT AND OTHER SERVICE PROVIDERS

Administrative Services

Under the Services Agreement, the Program Manager or its designee performs certain administrative services to the Advisor-sold Plan and investment services with respect to the Investment of Portfolio assets. The Program Manager will manage the Portfolios in compliance with applicable law and the Policy Statement at all times.

Under the Services Agreement, the Program Manager may subcontract for the performance of services required to be performed by the Program Manager with the prior written consent of the Treasurer.

Sales of Interests in the Trust

OppenheimerFunds Distributor, Inc. is the primary distributor of Advisor-sold Plan interests in the Trust, and is a registered broker-dealer and a member of the Financial Industry Regulatory Authority, Inc. and SIPC.

Selling Broker Dealers

From time to time, interests in the Trust may be sold to investors through third-party broker-dealers that are not affiliated with the Program Manager. Such third-party selling agents generally will be compensated by the Program Manager with respect to the sale of interests in the Trust. The Program Manager may enter into third-party selling agreements, to the extent deemed beneficial to the Advisor-sold Plan.

Custody Accounts

The Program Manager maintains segregated custody accounts at Brown Brothers Harriman to hold the Trust's assets, including Underlying Investment shares and funds contributed to Accounts by Account Owners. The Program Manager is not affiliated with Brown Brothers Harriman.

Auditors for the Trust

Each year, the Program Manager will work with an independent public accountant or firm selected by the Illinois Auditor General to audit the Underlying Investments in the Trust. The Treasurer may also conduct additional audits of the Trust.

EXEMPTIONS FROM REGISTRATION

Interests in the Trust have not been registered as securities under the Securities Act of 1933, as amended, pursuant to an exemption from registration available for obligations issued by a public instrumentality of a state. Similarly, interests in the Trust have not been registered with the securities commissions of any state where applicable exemptions from registration are available. Neither the Trust nor the Portfolios have been registered as investment companies under the Investment Company Act of 1940, as amended, since the provisions of that Act exclude from registration any instrumentality of a state.

CONTINUING DISCLOSURE

Under Rule 15c2-12(b)(5) (the "Rule") of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), certain information must be provided to Account Owners on a periodic basis. To comply with this Rule, the Treasurer has executed a Continuing Disclosure Undertaking for the benefit of Account Owners (the "Undertaking"). Under the Undertaking, certain financial information and operating data relating to the Trust will be provided to appropriate parties, as will notices of the occurrence of certain events identified in the Undertaking, if material.

Although updated Program descriptions and disclosures have been provided to the Account Owners on a timely basis, financial information and operating data for fiscal year 2008 was filed with the Nationally Recognized Municipal Securities Information Repositories subsequent to the date required by the Undertaking with no material consequences to the Program and without constituting a default under the Participation Agreement.

Recent Legal Matters

Since 2009, a number of lawsuits have been filed in federal courts against the OppenheimerFunds, Inc. (an affiliate of the Program Manager) ("OFI"), OppenheimerFunds Distributor, Inc. ("OFDI") and certain mutual funds ("Defendant Funds") advised by OFI and distributed by OFDI. The lawsuits naming the Defendant Funds also name as defendants certain officers, trustees and former trustees of the respective Defendant Funds. The plaintiffs seek class action status on behalf of purchasers of shares of the respective Defendant Fund during a particular time period. The lawsuits raise claims under federal securities laws alleging that, among other things, the disclosure documents of the respective Defendant Fund contained misrepresentations and omissions, that such Defendant Fund's investment policies were not followed, and that such Defendant Fund and the other defendants violated federal securities laws and regulations. The plaintiffs seek unspecified damages, equitable relief and an award of attorneys' fees and litigation expenses.

In 2009, what are claimed to be derivative lawsuits were filed in state court against OFI and Program Manager, on behalf of the New Mexico Education Plan Trust. These lawsuits allege breach of contract, breach of fiduciary duty, negligence and violation of state securities laws, and seek compensatory damages, equitable relief and an award of attorneys' fees and litigation expenses.

Other lawsuits have been filed since 2008 in various state and federal courts, against OFI and certain of its affiliates. Those lawsuits were filed by investors who made investments through an affiliate of OFI, and relate to the alleged investment fraud perpetrated by Bernard Madoff and his firm ("Madoff"). Those suits allege a variety of claims, including breach of fiduciary duty, fraud, negligent misrepresentation, unjust enrichment, and violation of federal and state securities laws and regulations, among others. They seek unspecified damages, equitable relief and an award of attorneys' fees and litigation expenses. None of the

suits have named OFDI, any of the Oppenheimer mutual funds or any of their independent Trustees or Directors as defendants. None of the Oppenheimer funds invested in any funds or accounts managed by Madoff.

OFI believes that the lawsuits described above are without legal merit and is defending against them vigorously. While it is premature to render any opinion as to the outcome in these lawsuits, or whether any costs that the Defendant Funds may bear in defending the suits might not be reimbursed by insurance, OFI believes that these suits should not impair the ability of Program Manager to perform their respective duties to the Program, and that the outcome of all of the suits together should not have any material effect on the operations of any of the Oppenheimer mutual funds or the Program.

Controversies Involving Your Account

Any controversies that may arise between you or the Beneficiary and the Treasurer involving any transaction in your Account(s) may be determined by arbitration or court proceedings, as determined by the Treasurer in its sole discretion.

Certain controversies that may arise between you or the Beneficiary and the Program Manager are subject to the pre-dispute arbitration clause in the Participation Agreement on page 55.

How to Contact Us

Please call toll free 1-877-43-BRIGHT (1-877-432-7444) to speak with an Advisor-sold Plan representative if you have questions about the Advisor-sold Plan or would like additional information about the Advisor-sold Plan, or you can speak with your financial professional. You also can visit the Advisor-sold Plan website at **www.brightstartadvisor.com** for more information about the Advisor-sold Plan or to download forms described in this Program Disclosure Statement.

APPENDIX A

QUESTIONS AND ANSWERS

The following are some of the frequently asked questions concerning the Advisor-sold Plan. **You should read the entire Program Disclosure Statement and Participation Agreement before investing in the Advisor-sold Plan.**

PARTICIPATION IN THE PROGRAM

Who can participate in the Advisor-sold Plan?
Anyone who is a U.S. resident taxpayer, including but not limited to parents, grandparents, other relatives or friends of the Beneficiary. Local governments, not-for-profit organizations, corporations, trusts and partnerships also can participate.

Can I open an Account for myself?
Yes. You can establish an Account for yourself as Beneficiary and invest on your own behalf.

Is there any age limit to participate?
You must be 18 years old or older to open an Account, but there is no limit on the age of your Beneficiary.

How do I participate?
You can participate by opening an individual Account established and maintained as part of the Trust. The Program Manager will open your Account when it accepts your completed and signed Bright Start College Savings Program Account Application. The Account Application incorporates the Participation Agreement between you and the Treasurer. By signing the Account Application, you are entering into and agreeing to the Participation Agreement.

What if I do not live in Illinois?
As long as you reside anywhere in the United States of America, you can participate in and receive benefits (other than Illinois state tax benefits, if any) from the Advisor-sold Plan.

Section 529 Plans offered by states other than the State of Illinois may offer tax or other benefits to taxpayers or residents of those states that are not available with regard to the Advisor-sold Plan. Taxpayers and residents of states other than the State should consider such state tax treatment and other benefits, if any, before making an investment decision.

GENERAL ACCOUNT ISSUES

Can I set up a joint Account with someone else?
No. Only one person or entity can be identified as the Account Owner.

Can I designate two Beneficiaries as joint beneficiaries on a single Account?
No. Only one person can be designated as the Beneficiary of each Account.

Can I invest in more than one Portfolio in an Account?
You can generally invest in multiple Portfolios within the same Account.

Can I open multiple Accounts for the same Beneficiary?
Yes. You can open multiple Accounts for the same Beneficiary. All Accounts for the same Beneficiary and all accounts for such Beneficiary under all other Illinois Section 529 Plans (regardless of Account Owner) will be aggregated for purposes of the aggregate Account Balance Limit, as described in "How much can I put into my Account?" under "Contributions to the Advisor-sold Plan" and the once per year investment change limit.

Who can change the Beneficiary of an Account?
Only the Account Owner can change the Beneficiary of an Account.

How do I find out the amount of my Account balance?
Call the Program Manager toll-free at 1-877-43-BRIGHT (1-877-432-7444), visit the website for the Advisor-sold Plan at **www.brightstartadvisor.com** or contact your financial professional. The Program Manager will send to you an Account statement quarterly with a description of your Account activity and the value of your Account. You also will receive an investment confirmation whenever you make a non-periodic Contribution.

Can I use the money in my Account for a loan or as collateral/security for a loan?
No. The Trust will not make any loans, either to you or the Beneficiary. Amounts invested in your Account may not be pledged, assigned, or otherwise used as collateral or security for a loan.

Can the terms of my Participation Agreement change?
The Treasurer may, at any time, and from time to time, amend the Participation Agreement. The Treasurer may also terminate the Program and the Trust, if the Treasurer determines that the Program and the Trust will no longer be economically feasible, by giving written notice of such action to Account Owners.

CONTRIBUTIONS TO THE PROGRAM

How do I contribute to my Account?
To contribute to an Account, send a check or electronic transfer to the financial advisor or Broker where you open your Account or directly to the Program Manager. You may contribute via Automatic Investment Plan or through your employer if your employer offers this option. Your Contributions must be denominated in United States dollars. Checks must be drawn on a U.S. bank, and should be made payable to "Bright Start College Savings Program." Third party checks will only be accepted at the Advisor-sold Plan Manager's discretion. You may not charge Contributions to your credit card or contribute via money order.

Can I contribute stocks, bonds or other property that I own to my Account?
No. The law governing the Program requires that all Contributions be in cash. Checks and electronic transfers are considered to be cash for this purpose.

Am I the only one who can contribute money to my Account?
No. Anyone may make a Contribution to your Account. However, any Contribution to the Account may have gift or other tax consequences to the contributor or the Account Owner. Anyone

making such a Contribution to an Account, other than the Account Owner, will forfeit any rights to such Contributions. For purposes of withdrawals from the Account, changes in Beneficiary and all other Account-related purposes, only the Account Owner may give directions regarding the Account.

Is there a minimum amount needed to open an Account?
The minimum amount you need to open an Account is $25. The minimum amount for subsequent Contributions is $15. In the case of Contributions by AIP, electronic transfer to an Account established pursuant to corporate and other employer relationships, there is no minimum initial or subsequent Contribution amount. The Program Manager may waive or vary such minimums for one or more Accounts in its sole discretion.

How much can I put into my Account?
The federal income tax laws require that a limit be placed on the aggregate amount that can be contributed to an Account or Accounts, together with other accounts in Section 529 Plans established or maintained by the State of Illinois. Currently, under the Advisor-sold Plan, the aggregate Account Balance Limit for Accounts under the Advisor-sold Plan and accounts under all other Section 529 Plans established or maintained by the State of Illinois, including the Bright Start College Savings Program—Direct-sold Plan, Bright Directions College Savings Program and College Illinois!, for the same Beneficiary (regardless of Account Owner) is $320,000. The limit may be adjusted in the future, and you will be notified of any changes in the limit. This means that no additional Contributions (including rollover Contributions) may be made to your Account if the aggregate Account Balance Limit is reached for the particular Beneficiary. Additional Contributions (including rollover Contributions) to an Account will not be accepted or will be returned once the aggregate Account Balance Limit is reached. You may resume making Contributions if the aggregate balance in your Account and accounts under all other Illinois Section 529 Plans for the same Beneficiary (regardless of Account Owner) falls below $320,000.

Can I contribute assets of a UGMA/UTMA into my Account?
Yes. If you are the custodian for a Beneficiary, you may elect to place part or all of the UGMA/UTMA assets into an Account. The conversion of non-cash UGMA/UTMA assets to cash for a Contribution to an Account will be a taxable transaction, and non-cash assets may not be contributed directly. Note that while the Beneficiary is a minor, the Beneficiary of the Account cannot be changed, and there cannot be any withdrawals other than for the benefit of the Beneficiary in accordance with the terms governing the UGMA/UTMA. Also, when the Beneficiary reaches the age of majority, he or she will become the sole Account Owner with complete control over the Account.

Can a married couple put in double the usual amount?
No. The aggregate Account balances and account balances under other Section 529 Plans established or maintained by the State of Illinois for the same Beneficiary may not exceed $320,000, regardless of the Account Owner or the Contribution sources.

WITHDRAWALS

What are Eligible Educational Institutions?
Eligible Educational Institutions are schools eligible to participate in certain Department of Education student aid programs under the Higher Education Act (as in effect on August 5, 1997). They include most community colleges, public and private four-year colleges, universities, graduate and post-graduate programs, and certain proprietary and vocational schools, as well as certain schools outside the U.S.

Does the Beneficiary have to go to an Eligible Educational Institution in Illinois?
No. You get the full benefits from the Advisor-sold Plan if the Beneficiary attends any Eligible Educational Institution.

What can Account assets be used for?
Assets of an Account can be used to pay for "Qualified Higher Education Expenses," including required tuition, fees, books, supplies, equipment and (subject to certain limitations) room and board expenses. In calendar years 2009 and 2010 only, Qualified Higher Education Expenses may also include certain expenses for the purchase of computer technology or equipment or Internet access and related services, if such technology, equipment or services are to be used primarily by the Beneficiary while enrolled at an Eligible Educational Institution. Any other uses may be subject to taxes and/or penalties.

Can Account assets be used for part-time students?
Yes. The Qualified Higher Education Expenses of a Beneficiary (other than room and board) may be paid with Account assets even if the Beneficiary attends an Eligible Educational Institution less than half-time. A Beneficiary must attend at least half-time for any portion of his or her room and board expenses to be Qualified Higher Education Expenses.

How do I pay for Qualified Higher Education Expenses with my Account?
You make a withdrawal by signing a Withdrawal Form instructing the Program Manager to send a check to you, the Beneficiary or the Beneficiary's Eligible Educational Institution. Please call toll free 1-877-43-BRIGHT (1-877-432-7444) or visit the Advisor-sold Plan website at **www.brightstartadvisor.com** for more information.

When can I take money out of the Account?
You can withdraw money at any time, subject to any applicable taxes on the earnings portion of your withdrawal, including, if applicable, an additional 10% federal tax and the recapture of any previous Illinois tax deduction taken on the Contributions portion of your withdrawal. There is no specific length of time that Contributions must remain in an Account before you can request a withdrawal.

What are Qualified Withdrawals?
Withdrawals used to pay for Qualified Higher Education Expenses of the Beneficiary of your Account are considered Qualified Withdrawals.

What are Non-Qualified Withdrawals?
All withdrawals other than Qualified Withdrawals are Non-Qualified Withdrawals, except as described below, and may be subject to penalty and adverse tax consequences as described in the Program Disclosure Statement.

Will I have to pay tax or penalty on withdrawals from my Account?
The earnings portion of Qualified Withdrawals is not subject to federal income tax. The earnings portion of Non-Qualified Withdrawals is taxable at ordinary income tax rates, except for: (i) a non-taxable transfer to an Account or another Section 529 Plan for the benefit of a Family Member of the existing Beneficiary, and (ii) certain non-taxable transfers to another Section 529 Plan for the same Beneficiary. In addition, an additional 10% federal tax is imposed on the earnings portion of Non-Qualified Withdrawals, unless the withdrawal satisfies one of the limited exceptions to the additional tax.

See "State of Illinois Tax Consequences in the Program Disclosure Statement for a description of how certain rollovers may be taxed under Illinois state law.

You should consult your tax advisor about the current status of Illinois income taxes and other state or local taxes that may apply to your Account.

What are the exceptions to the additional 10% federal tax for Non-Qualified Withdrawals?
The exceptions to the additional 10% federal tax for the following Non-Qualified Withdrawals are: (i) withdrawals made on account of the death of the Beneficiary, and paid on the Beneficiary's estate or made an account of the disability of the Beneficiary; (ii) withdrawals made on account of a qualified scholarship received by the Beneficiary, to the extent that the withdrawals do not exceed the amount of the scholarship, and certain withdrawals made on account of the Beneficiary's attendance at a U.S. Military Academy; (iii) withdrawals that are Non-Qualified Withdrawals solely because of expenses that would have been Qualified Higher Education Expenses but were taken into account in determining the Education Tax Credits, and (iv) a non-taxable transfer to an Account or another Section 529 Plan for the benefit of the same Beneficiary or a Family Member of the existing Beneficiary. Non-Qualified Withdrawals that qualify for an exception to the additional 10% federal tax, other than non-taxable transfers described in clause (iv), are still subject to applicable federal and state income tax.

What if I make a Non-Qualified Withdrawal for an emergency?
A withdrawal for an emergency would not entitle you to any special treatment under federal or state tax laws, or with respect to the additional 10% federal tax. As noted above, you may be entitled to an exception to the additional 10% federal tax (but not to the imposition of other applicable federal income tax) if you make a Non-Qualified Withdrawal in the case of a Beneficiary who dies or becomes disabled. In addition, for Illinois taxpayers, an Account Owner will be subject to the recapture of any Illinois state tax benefits previously taken for the Contribution component of a Non-Qualified Withdrawal, unless such Non-Qualified Withdrawal resulted from the Beneficiary's death or disability.

INVESTMENTS

What happens to the Contributions to my Account?
When you open your Account, you tell the Program Manager in your Account Application what investment options you choose—the Advisor Age Based Option, the Advisor Equity Portfolio, the Advisor Balanced Portfolio, the Advisor Fixed Income Portfolio, or the Principal Protection Income Portfolio. Based on your instructions, all Contributions will be allocated into the chosen Portfolios of the Trust. Once you have selected an investment option(s), federal tax law allows you the ability to change the investment option(s) for any reason one time in any calendar year and also upon any change in the Beneficiary of the Account.

How are the assets in the Portfolios invested?
Each Portfolio pools the money invested by all the Account Owners allocated to that Portfolio. Portfolios may (a) invest in registered and unregistered funds; (b) hold a pool of assets which is managed in a separate account by the Program Manager in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies); or (c) a combination of the two.

Who manages the Underlying Investments?
The Underlying Investments are currently managed by OFI Private Investments Inc., OppenheimerFunds, Inc. (an affiliate of the Program Manager), OFI Institutional Asset Management (an affiliate of the Program Manager), Baring International Investment Limited (an affiliate of the Program Manager), Galliard Capital Management and American Century Investments.

What if the Treasurer replaces the Program Manager?
The Program Manager may continue to hold existing Accounts, but will not accept additional Contributions. Or, the Treasurer may transfer Accounts to a new Program Manager, which may invest Portfolio assets in investments other than the current Underlying Investments. If you do not wish to continue to invest in the Trust after a change in program manager, your options would be to make a Non-Qualified Withdrawal of your Account assets, subject to the additional 10% federal tax and any other applicable taxes including the Illinois state tax recapture, or to make a non-taxable rollover or transfer to another Section 529 Plan for the benefit of the same Beneficiary or a Family Member of the existing Beneficiary, subject to limitations discussed herein including possible recapture of Illinois state tax benefits if the rollover is made to a non-Illinois Section 529 Plan.

Can I choose my own investments?
Only in selecting the initial investment option(s) for a Contribution and in making limited changes to investment

options. Federal tax laws prohibit you from directing the investment of the assets in your Account, or the Portfolios in your Account, directly or indirectly. Once you select an initial investment option(s) for a Contribution you will not have the ability to change your investment option for that Contribution (including any earnings on such Contribution) or any previous Contributions and earnings in your Account, except that, you may select a different investment option for any reason once in any calendar year and also upon a change in Beneficiary for your Account. You may select different investment options for future Contributions. You will be notified of any significant changes to Portfolio Underlying Investments, Advisor-sold Plan policies, Program Manager or investment managers. The once per calendar year limitation on changing investment options applies on an aggregate basis to all Accounts under the Advisor-sold Plan and all accounts under other Illinois Section 529 Plans, including the Bright Start College Savings Program—Direct-sold Plan (which is offered by the Treasurer), the Bright Directions College Savings Program (which is offered by the Treasurer) and College Illinois! (which is offered by the ISAC), having the same Account Owner and the same Beneficiary. Thus, you will not be permitted to change the investment option for your Account (assuming you do not change the Beneficiary of the Account) if, within the same calendar year, you have already changed the investment option for another Account you maintain under the Advisor-sold Plan for the same Beneficiary or for an account you maintain for the same Beneficiary under another Illinois Section 529 Plan. In addition, any direct transfer between an Account in the Advisor-sold Plan and an account you maintain for the same Beneficiary under another Illinois Section 529 Plan is considered a change of investment option for purposes of the investment change limitation. You may, however, change the investment option on more than one Account (and/or accounts under other Illinois Section 529 Plans) for the same Beneficiary without violating the investment change limitation if all such changes are made on the same trading day. All such simultaneous changes are treated as a single change of investment option for purposes of the limitation.

Is the money in my Account safe?

Assets of the Trust are held "in trust" by the Treasurer for the exclusive benefit of Account Owners and Beneficiaries in the Program. However, there is no guarantee that your Account (i) will increase in value; (ii) will achieve a particular rate of return; or (iii) will not lose value.

Depending on the performance of the Underlying Investments, your Account may be worth more or less than when you make your initial Contribution. It is possible to lose principal by investing in the Trust.

Is my investment guaranteed?

No. None of your Account, your investment in the Trust, the principal you deposit nor any investment return is insured or guaranteed by the FDIC or the Program Parties. Interests in the Program are not deposits or other obligations of the Program Manager.

What about other guarantees?

The Treasurer does not guarantee that the Beneficiary will be accepted at any Eligible Educational Institution. Even after your Beneficiary begins attending an Eligible Educational Institution, the Treasurer does not guarantee that the Beneficiary will be able to continue to attend, or that he or she will graduate, or that he or she will be considered a resident of any particular state for tuition purposes. There is no guarantee that the amount you invest, plus any investment gains, will be enough to pay for the Qualified Higher Education Expenses of the Beneficiary.

EXPENSES

Are expenses charged under the Advisor-sold Plan?

Yes. Total Plan Fees (which include fees and expenses charged by the Underlying Investments in which the Portfolios invest) range from 0.75% to 0.96% for Class A Units, from 1.00% to 1.21% for Class C Units, from 0.75% to 0.96% for Class G Units, and from 0.50% to 0.71% for Class H Units. Account Owners pay no fee or sales load in connection with a Portfolio's purchase of its Underlying Investments. Plan fees reduce the daily value of each Portfolio, and therefore will be reflected in the return to each Account.

Note that the Plan Fees paid under the Advisor-sold Plan, including sales charges, are subject to change. New fees and expenses may be charged in the future.

CHANGES OF BENEFICIARIES AND TRANSFERS

What if the Beneficiary delays going to school or decides not to go?

You can keep your Account open until the Beneficiary attends an Eligible Educational Institution, whenever that may be, or until any other time. If you choose not to keep the Account open for the Beneficiary, you have three options. First, you may request a Non-Qualified Withdrawal, but the portion of the withdrawal that represents earnings on investments will be subject to an additional 10% federal tax, as well as any federal income taxes at your ordinary income tax rate and any applicable state or local taxes, including the recapture of Illinois tax benefits previously taken. Second, you may elect to name another Beneficiary who is a Family Member of the existing Beneficiary, subject to any applicable transfer tax consequences. Third, you may transfer Account assets to another Account or to another Section 529 Plan, which transfer also may be subject to penalties or taxes, the additional 10% federal tax and the recapture of Illinois tax benefits previously taken. For a description of the tax consequences of transfers to another Account or to another Section 529 Plan for the same Beneficiary or another Beneficiary, see "Tax Matters—Transfers Between Accounts of Different Beneficiaries or Different Section 529 Plans."

What if money remains in my Account after the Beneficiary has completed his or her education?

You can change the Beneficiary, transfer Account assets to another Account or to another Section 529 Plan, or simply withdraw the remaining Account assets subject to any applicable penalty and taxes.

How can I change the Beneficiary on my Account?
You may change the Beneficiary only by completing a Change of Trustee/Rollover Form. Note that an Account Owner may not change the Beneficiary of the Account if the Account is funded with proceeds from an UGMA/UTMA account. If the new Beneficiary is a member of a younger generation than the existing Beneficiary, a federal gift tax may apply, and if the new Beneficiary is two or more generations younger than the existing Beneficiary, a federal generation-skipping tax may apply, for the year in which the Beneficiary change is made.

What is the impact of a change in the Beneficiary of an Account?
If the new Beneficiary is a Family Member of the existing Beneficiary, there is no penalty or adverse income tax consequences if you change the Beneficiary of your Account. If you wish to change the Beneficiary to someone who is not a member of the Beneficiary's family, you would make a Non-Qualified Withdrawal, which would be subject to federal and state income taxation on the investment earnings withdrawn and possibly an additional 10% federal tax on such earnings and the recapture of Illinois tax benefits previously taken (unless an exception applies).

What is the impact of a transfer to another Account or to another Section 529 Plan?
A transfer to another state's Section 529 Plan for the benefit of the same Beneficiary is not subject to federal or Illinois taxes or penalties on the earnings portion of the transfer, provided that such transfer does not occur within twelve (12) months from the date of a previous transfer to any Section 529 Plan for the benefit of the Beneficiary. A direct transfer to another Account, or to another Section 529 Plan sponsored by the State of Illinois, for the benefit of the same Beneficiary is considered an investment change, subject to the once per calendar year limitation. A transfer to another Account or another Section 529 Plan for certain Family Members of the existing Beneficiary is not subject to federal or Illinois taxes or penalties. However, any transfer to another state's Section 529 Plan, whether for the same Beneficiary or for a Family Member of the Beneficiary, would be subject to the recapture of any previous Illinois tax deductions taken for Contributions to the Account. If a transfer is to another Account or to another Section 529 Plan for the benefit of a non-family member of the existing Beneficiary, you would be subject to federal income tax and any applicable state taxes on the investment earnings withdrawn, as well as the additional 10% federal tax and the recapture of Illinois tax benefits previously taken (unless an exception applies), and the entire amount may be treated as a new Contribution for federal gift tax purposes.

Can I transfer my Account to another Account Owner?
You may transfer your Account to another Account Owner without changing the Beneficiary of your Account. Such a transfer will be effective only if it is irrevocable and transfers all rights, title, interest and power over the Account to the new Account Owner. The tax consequences associated with a transfer of ownership are uncertain. You should consult with a qualified tax advisor concerning the potential income, gift and estate tax consequences of a transfer of ownership before effecting such a transfer.

Who owns Account assets if the Account Owner dies?
If an Account Owner does not designate a successor Account Owner, or if such person also is deceased at the time the Account Owner dies, the deceased's Account Owner's estate will become the Account Owner.

TAX MATTERS

Can I take a tax deduction for my Contribution to an Account?
There is no federal tax deduction for Contributions made to an Account. If you are subject to Illinois taxes, there is a tax deduction at the State level. If you are subject to tax in another state, you must check with your tax advisor to determine how that state will treat a Contribution to the Advisor-sold Plan.

What are the federal income tax advantages of the Advisor-sold Plan?
There are two primary federal income tax advantages to the Advisor-sold Plan. First, investment gains on Contributions to your Account are not subject to federal income taxes until they are withdrawn. Second, the earnings portion of any Qualified Withdrawal is not taxed as income to the Beneficiary or to you. The earnings portion of any Non-Qualified Withdrawal is taxable to the Beneficiary (if the payment is made to the Beneficiary or to an Eligible Educational Institution for the Beneficiary) or to the Account Owner (in all other circumstances), except for certain non-taxable transfers.

Do I get special benefits as an Illinois taxpayer?
Yes. Contributions to an Account, subject to certain limits, may be deducted for Illinois state income tax purposes. If used for Qualified Higher Educational Expenses, accrued earnings are exempt from Illinois state taxation when disbursed on behalf of a Beneficiary. Non-Qualified Withdrawals (other than due to the Beneficiary's death or disability) are subject to recapture of any previous Illinois income tax deductions.

Are there any gift tax advantages of investing in the Advisor-sold Plan?
For federal tax purposes, Contributions to an Account are treated as completed gifts to the Beneficiary. Normally, gifts in excess of $13,000 ($26,000 for spouses electing to split gifts) to a single person in one year are subject to federal gift tax. With the Advisor-sold Plan, however, you can contribute up to $65,000 ($130,000 for spouses electing to split gifts) in one year (subject to the overall aggregate Account Balance limit) and elect on a duly filed federal gift tax return to treat the entire gift as a series of five equal annual gifts, potentially avoiding any gift tax consequences if no other gifts are made to the Beneficiary during this period.

Are there federal estate tax consequences?
Generally, if the Account Owner dies while there is still money in the Account, the value of that Account would not be included in

the estate of the Account Owner (except where the election described above for Contributions of up to $65,000 ($130,000 for spouses electing to split gifts) has been made and the five-year period has not run). Amounts distributed on account of the death of a Beneficiary generally would be included in the gross estate of that Beneficiary for federal estate tax purposes. However, under current law the federal estate tax is repealed for decedents dying in 2010.

Can I invest in the Advisor-sold Plan and in a Coverdell Education Savings Account in the same year?

Yes, at least through 2010. However, under current law, after 2010, a 6% excise tax will apply to contributions made to a Coverdell ESA in the same year as a contribution to the Advisor-sold Plan (or any other Section 529 Plan) for the same beneficiary. The 2001 Tax Act contains certain requirements when withdrawals are made from a Section 529 Plan and a Coverdell Education Savings Account in the same year.

Can I transfer my existing Coverdell Education Savings Account into the Advisor-sold Plan?

Yes. You may take a distribution of part or all of your Coverdell Education Savings Account and invest it as a Contribution to your Account. Such a distribution is considered a qualifying Coverdell Education Savings Account distribution that is not subject to federal income tax. However, a distribution from the Advisor-sold Plan that is invested in a Coverdell Education Savings Account will be treated as a Non-Qualified Withdrawal from the Advisor-sold Plan. Please consult your tax advisor.

APPENDIX B

PARTICIPATION AGREEMENT

General Information

This Participation Agreement between you and the Treasurer contains the terms governing your Account established pursuant to the Bright Start℠ College Savings Program[1] (the "Program"). The State Treasurer of the State of Illinois (the "Treasurer") administers the Program, which is designed to qualify for treatment as a qualified tuition program within the meaning of Section 529 of the Internal Revenue Code of 1986, as amended (a "Section 529 Plan"). By signing the Bright Start College Savings Program Account Application, you agree to be bound by the terms of this Participation Agreement which will be effective as of the date you execute the Account Application.

The Program is designed to help you save for the Qualified Higher Education Expenses (as hereinafter defined) of the Beneficiary (as hereinafter defined) you designate in the Account Application (as hereinafter defined). Your investment in the Program will be made through your Contributions to a separate account (the "Account") that is part of the Bright Start College Savings Trust, an irrevocable trust established by the Treasurer under Illinois law (the "Trust"). OFI Private Investments Inc. and its affiliates will provide investment related, administrative and recordkeeping services with respect to the Program, and OppenheimerFunds Distributor, Inc. will provide distribution services with respect to the Program. The foregoing services are referred to collectively herein as the "Services." The term "Program Manager," as used herein, shall mean OFI Private Investments Inc., its affiliates or OppenheimerFunds Distributor, Inc. as the context so requires. The Services include, but are not limited to, investing your assets according to the guidelines established by the Treasurer and in accordance with the Services Agreement and Policy Statement of the Treasurer and based on the investment option you select; accepting and processing Contributions to and withdrawals from your Account; and providing certain recordkeeping services with respect to your investment in the Trust.

Interests in the Program are not deposits or other obligations of the Program Manager, or any of its affiliates. None of your Account, the principal you invest nor any investment return is insured or guaranteed by the Federal Deposit Insurance Corporation (the "FDIC") or any Program Party. You could lose money (including the principal invested), or not make money, if you invest in the Trust. Portfolios may (a) invest in registered and unregistered funds; (b) hold a pool of assets which is managed in a separate account by the Program Manager in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies); or (c) a combination of the two.

The Program Disclosure Statement sets forth in greater detail the terms of the Program. The Program Disclosure Statement is incorporated in its entirety by reference into this Participation Agreement and together the Program Disclosure Statement and the Participation Agreement constitute the contract between the Account Owner and the Treasurer governing the Account. Before making any investment under the Program, you must read the Program Disclosure Statement in its entirety. Contact Bright Start with any questions toll free at 1-877-43-BRIGHT (1-877-432-7444) or contact your financial professional.

Definitions

Terms used in this Participation Agreement shall have the meanings set forth below. Any terms not defined in this Participation Agreement shall have the meanings given them in the Program Disclosure Statement.

"**Account**" means your account established and maintained as part of, and a beneficial interest in, the Trust. The money you contribute under the Program will be allocated to your Account. You may open more than one Account for the same Beneficiary.

"**Account Application**" refers to the Bright Start College Savings Program Account Application.

"**Account Owner**," "you" or "your" refers to the individual or entity signing the Account Application and opening an Account, and thereby becoming a Beneficiary of the Trust.

"**Act**" refers to Public Act 91-0607 of the State, which authorizes the establishment and administration of a college savings program by the Treasurer as a Section 529 Plan.

"**Automatic Investment Plan /AIP**" means you can contribute a fixed amount of money in regular intervals. Funds are automatically deducted from your checking or savings account.

"**Beneficiary**" means the person you identify on the Account Application as the Beneficiary of the Account whose Qualified Higher Education Expenses will be paid from the Account.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Eligible Educational Institutions**" are accredited post-secondary educational institutions offering credit toward an associate's degree, a bachelor's degree, a graduate level or professional degree, or another recognized post-secondary credential, which are eligible to participate in certain federal student financial aid programs. Certain proprietary institutions, foreign institutions and post-secondary vocational institutions are included, as are certain specified U.S. Military Academies.

"**Family Member**" means a member of the family, as defined in Section 529(e)(2) of the Code.

"**Non-Qualified Withdrawal**" means a withdrawal from an Account other than a Qualified Withdrawal.

"**Policy Statement**" refers to the Investment Policy Statement established by the Treasurer. The Policy Statement sets forth the policies, objectives and guidelines that govern the investment of Trust assets.

"**Portfolio**" means an Advisor-sold Plan portfolio, which may (a) invest in registered and unregistered funds, (b) have its assets

managed in a separate account by OFI Private Investments Inc. in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies), or (c) a combination of the two, that the Treasurer may authorize the Advisor-sold Plan to offer and in which the Advisor-sold Plan invests Contributions and earnings thereon.

"**Program Disclosure Statement**" means the Bright Start College Savings Program Disclosure Statement and Participation Agreement, as amended and supplemented from time to time.

"**Program Manager**" refers to OFI Private Investments Inc. with respect to the provision of administrative and recordkeeping services for the Program, OppenheimerFunds Distributor, Inc. with respect to the provision of distribution services for the Program and OFI Private Investments Inc. with respect to the provision of investment management related services for the Program.

"**Qualified Higher Education Expenses**" Qualified Higher Education Expenses, defined by Section 529(e)(3) of the Code, includes tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a Beneficiary at an Eligible Educational Institution, as well as expenses for special needs services in the case of a special needs beneficiary who incurs such expenses in connection with enrollment or attendance at an Eligible Educational Institutional. Qualified Higher Education Expenses also include expenses for room and board for Beneficiaries attending school at least half-time in a degree or certification program and the purchase of certain computer technology or equipment or Internet access and related services, if such technology, equipment or services are to be used primarily by the Beneficiary while enrolled at an Eligible Educational Institution and are paid or incurred in 2009 or 2010. (However, expenses for computer technology and equipment do not include expenses for computer software designed for sports, games, or hobbies unless the software is predominantly educational in use.)

"**Qualified Withdrawal**" means a withdrawal from an Account to pay the Qualified Higher Education Expenses of the Beneficiary.

"**Services Agreement**" means the Bright Start College Savings Program Services Agreement, between the Treasurer and OFI Private Investments Inc., as from time to time supplemented and amended.

"**State**" refers to the State of Illinois.

"**Treasurer**" means the State Treasurer of the State, a constitutional officer and an instrumentality of the State. The Treasurer is the administrator of the Program and the trustee of the Trust.

"**Trust**" means the Bright Start College Savings Trust. The Accounts are part of the Trust, which is administered by the Program Manager, as agent of and under the supervision of the Treasurer. The Treasurer, as trustee of the Trust, holds Trust assets, on behalf and for the benefit of the Account Owners, as beneficiaries of the Trust, and the Beneficiaries.

"**Underlying Investments**" are, collectively, the investments in which the Treasurer approves to invest each Portfolio's assets in accordance with the Services Agreement and Policy Statement, which may include registered and unregistered funds and pools of assets which are managed in a separate account by the Program Manager in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies).

"**Units**" are units of interest in one or more of the Portfolios to which the assets in your Account are allocated.

Contributions to Your Account

1. You may make Contributions to your Account or Accounts in cash only. For these purposes, making Contributions in cash means putting money in your Account(s) by check or electronic funds transfer acceptable to the Program Manager. Checks must be drawn on a U.S. bank, and should be made payable to "Bright Start College Savings Program." Third party checks will only be accepted at the Program Manager's discretion. Money orders will not be accepted.

2. The minimum initial Contribution to an Account is $25, and the minimum subsequent Contribution is $15; except in the case of Contributions by Automatic Investment Plan (AIP) to an Account or pursuant to corporate and other employer relationships, there is no minimum initial or subsequent Contribution. The Program Manager may waive such minimums for one or more Accounts in its sole discretion.

3. For each Beneficiary, there is currently a maximum aggregate account balance limit ("Account Balance Limit") of $320,000 from all sources for all Accounts established under the Program and all accounts established under any other Section 529 Plans (including the Bright Start College Savings Program—Direct-sold Plan, Bright Directions College Savings Program administered by the Treasurer and College Illinois! administered by the Illinois Student Assistance Commission) established and maintained by the State for a particular Beneficiary (regardless of Account Owner). You may not make a Contribution that results in an aggregate balance in the Accounts and other accounts under any other Section 529 Plan established and maintained by the State for a Beneficiary that exceeds the Account Balance Limit. This Account Balance Limit is subject to change, and the Program Manager will notify you of any such changes.

4. Your investment will be directed to one or more Portfolios within an Account established for the purpose of funding the Qualified Higher Education Expenses of the Beneficiary (each Account can be for only one Beneficiary) that you designate when you make your initial Contribution. If you establish more than one Account for the same Beneficiary, you may choose a different investment option for each Account. You may change the investment option selected for a particular Beneficiary for any reason one time during any calendar year and also upon a change in the Beneficiary of the Account.

The once per calendar year limitation on changing investment options applies on an aggregate basis to all Accounts for a designated Beneficiary under the Program and all accounts under other Illinois Section 529 Plans, including the Bright Start College Savings Program—Direct-sold Plan, the Bright Directions College Savings Program and College Illinois!, having the same Account Owner and the same Beneficiary. Thus, you will not be permitted to change the investment options for your Account (assuming

you do not change the Beneficiary on the Account) if, within the same calendar year, you have already changed the investment option for another Account you maintain under the Program for the same Beneficiary or for an account you maintain for the same Beneficiary under another Illinois Section 529 Plan. In addition, any direct transfer between an Account in the Program and an account you maintain for the same Beneficiary under another Illinois Section 529 Plan is considered a change of investment option for purposes of the investment change limitation. You may, however, change the investment option on more than one Account (and/or accounts under other Illinois Section 529 Plans) for the same Beneficiary without violating the investment change limitation if all such changes are made on the same trading day. All such simultaneous changes are treated as a single change of investment option for purposes of the limitation.

Investment of Account Assets

1. At the time you establish an Account or Accounts, you choose from Portfolios that will form the basis for the allocation of the assets in that Account. After this initial election, you may not direct the investment of prior Contributions (and earnings thereon) to your Accounts or change the investment option selected for an Account, except that you may select a new investment option for prior Contributions (and earnings thereon), for any reason one time in a calendar year and also upon any change in the Beneficiary of the Account. Future Contributions may be invested in any investment options. Initial and subsequent Contributions to your Account will be invested as described in the Program Disclosure Statement, as amended from time to time, and Units of the respective Portfolios will be credited to your Account.

2. After establishing your Account or changing the investment option for your Account, it is your responsibility to review the manner in which the Program Manager has allocated the assets in your Account and to confirm that such allocation is accurate. You have 60 days after receiving the first quarterly statement concerning your Account to notify the Program Manager if you believe that your assets have been invested in the wrong Portfolio. It also is your responsibility to review the investment goals and time horizons for the investment options and Portfolios described in the Program Disclosure Statement and to determine whether participation in the Program is appropriate for you, and if the investment option you have chosen meets your needs and risk tolerance.

3. The Program Manager will separately maintain your Account in the Trust, and the Treasurer will be the trustee of your Account. The assets of your Account will be commingled with amounts credited to the Accounts of other Account Owners for investment purposes.

4. You (not the Beneficiary, except in the case of an UGMA/UTMA custodial 529 account) are the sole owner of all Contributions, and all net investment earnings on such Contributions, although there are special federal and state tax rules applicable to such Contributions and earnings.

Designation of Beneficiary

1. You shall designate one person as Beneficiary for each Account on the Account Application.

2. You may from time to time designate a new Beneficiary in place of the person then designated as the Beneficiary of your Account, except as discussed in paragraph 4 of this Section.

3. If the new Beneficiary is a Family Member of the existing Beneficiary, no penalty or adverse tax consequences will result from such designation (although you will receive a new Account number). If, however, you designate a Beneficiary who is not a Family Member of the existing Beneficiary, that designation will be treated as a Non-Qualified Withdrawal of Account assets and a transfer of such assets to a new Account for the new Beneficiary. This transfer may be subject to federal and state income taxation, and may be subject to an additional federal tax of 10% and the recapture of Illinois tax benefits previously taken, as well as gift tax on the new transfer.

4. If an Account is funded with assets from an UGMA/UTMA account, the Account Owner (who is the UGMA/UTMA custodian) will not be able to change the Beneficiary of the Account.

5. You may request a substitution of the person named as Beneficiary of your Account only by completing the designated form which can be obtained from the Program Manager. The substitution shall become effective when the Program Manager has accepted and approved the form. The form will ask you to certify the family relationship, if any, between the new Beneficiary and the existing Beneficiary.

Withdrawals

1. If an Account is funded with UGMA/UTMA account assets, the Account Owner is not permitted to make withdrawals other than for the benefit of the Beneficiary.

2. If you request a Non-Qualified Withdrawal, then the earnings portion of such withdrawal is subject to an additional federal tax of l0% unless it satisfies one of several limited exceptions. Non-Qualified Withdrawals likely will result in federal and state income taxation to you, except for (i) a non-taxable transfer to another Account or to another Section 529 Plan for a different Beneficiary who is a Family Member of the Beneficiary; or (ii) a qualifying non-taxable transfer to another Section 529 Plan for the Beneficiary.

3. The earnings portion of a Non-Qualified Withdrawal is not subject to the additional 10% federal tax or penalty only if the withdrawal is: (i) made to the Beneficiary (or to the estate of the Beneficiary) on or after the death of the Beneficiary; (ii) made on account of the disability of the Beneficiary; (iii) made on account of a scholarship received by the Beneficiary, to the extent that the withdrawal does not exceed the amount of the scholarship or on account of the Beneficiary's attendance at a U.S. Military Academy; (iv) a Non-Qualified Withdrawal solely because of expenses that would have been Qualified Higher Education Expenses but were taken into account in determining the "Education Tax Credits" allowed under federal income tax law; or (v) a non-taxable transfer to another Account or to another Section 529 Plan for the same Beneficiary or a different Beneficiary who is a Family Member of the existing Beneficiary.

4. For Illinois taxpayers, an Account Owner will be subject to the recapture of any Illinois state tax benefits previously taken for the Contribution component of a (i) Non-Qualified Withdrawal, unless such withdrawal resulted from the Beneficiary's death or disability, or (ii) a rollover to a Non-Illinois Section 529 Plan.
5. The earnings portion of any withdrawal will be computed in accordance with Section 529 of the Code and any regulations thereunder.

Account Owner's Representations, Warranties, Acknowledgments and Covenants

You hereby represent, warrant, acknowledge and agree with the Treasurer as follows:

1. You are a citizen or resident alien of the United States of America with a valid Social Security number.
2. You have received and read the Program Disclosure Statement, have carefully reviewed the information contained therein, including information provided by or with respect to the Treasurer and the Program Manager, and agree that its terms are incorporated into this Participation Agreement as if they were set forth in this Participation Agreement.
3. The investment of assets held in your Account will be governed by the provisions of the Program Disclosure Statement and this Participation Agreement, each as amended from time to time, and all such assets will be held exclusively for your benefit and the benefit of the person named as Beneficiary of that Account.
4. You have been given an opportunity, within a reasonable time prior to the effective date of this Participation Agreement, to ask questions of representatives of the Treasurer and the Program Manager and receive satisfactory answers concerning (i) an investment in the Trust; (ii) the terms and conditions of the Program and the Trust; (iii) the particular investment options that may be selected; (iv) the Program Disclosure Statement, this Participation Agreement and the Account Application; and (v) your ability to obtain such additional information necessary to verify the accuracy of any information furnished.
5. The Illinois income tax deduction for Contributions to the Program, as described in the Program Disclosure Statement, is available only to Illinois taxpayers. Section 529 Plans offered by states other than Illinois may offer tax or other benefits to taxpayers or residents of those states that are not available with regard to the Program. If you are a taxpayer or resident of a state other than Illinois, you have considered such state tax treatment and other benefits, if any, before making a decision to invest in the Program.
6. The Program is established and maintained with the intent that it meets the requirements for favorable federal tax treatment under Section 529 of the Code. Qualification under Section 529 of the Code is vital, and the Treasurer may amend this Participation Agreement at any time if the Treasurer determines that such an amendment is necessary to maintain qualification under Section 529 of the Code. If for any reason the Internal Revenue Service determines that the Program does not qualify under Section 529 of the Code, such a determination could have significant adverse tax consequences to you.
7. Federal and State laws are subject to change, sometimes with retroactive effect, and none of the State, the Treasurer or the Program Manager, or any affiliate of the foregoing, or any other person makes any representation that such federal or State laws will not be changed or repealed.
8. With respect to each Account you open under the Program, you are opening the Account in order to provide funds for the Qualified Higher Education Expenses of the Beneficiary of that Account and you are not opening or using the Account for the purpose of evading federal or state taxes or tax penalties.
9. As of the date that you execute your Account Application, you have not made Contributions to an Account under the Program or to any other account under any other Section 529 Plan to benefit your Beneficiary, such that the aggregate balance of the Accounts and other accounts under other Section 529 Plans established and maintained by the State (regardless of Account Owner) exceeds $320,000. You will not make Contributions to your Account, such that the aggregate balance of the Accounts and other accounts under other Section 529 Plans established and maintained by the State (regardless of Account Owner) exceeds $320,000 (or such amended Account Balance Limit as to which you are notified from time to time).
10. You have not relied on any representations or other information, whether oral or written, and whether made by any agent or representative of the Treasurer, the Program Manager or its affiliates, or otherwise, other than as set forth in the Program Disclosure Statement (including any applicable supplement to the Program Disclosure Statement) and in this Participation Agreement.
11. The value of your Account(s) may increase or decrease each day that the New York Stock Exchange is open for trading based on the investment performance of the Portfolio in which your Account is then invested. Each Portfolio will invest in the Underlying Investments approved by the Treasurer, which may be managed by the Program Manager, one of its affiliates or other investment managers approved by the Treasurer. **YOU UNDERSTAND THAT THE VALUE OF ANY ACCOUNT(S) TO WHICH YOU MAKE CONTRIBUTIONS MAY BE MORE OR LESS THAN THE AMOUNTS YOU CONTRIBUTE TO THE ACCOUNT(S).**
12. Once you have selected an available investment option for your Account, you cannot direct the investment of any Contributions to your Account invested in the Trust, either directly or indirectly. You will, however, have the ability to change the investment option selected for your Account for any reason one time during any calendar year and also upon a change in the Beneficiary of your Account, as described in the "Contributions to Your Account" and "Investment of Account Assets" sections of this Participation Agreement.
13. None of the State, the Treasurer, the Program Manager or its affiliates, or any other person makes any guarantee that you will

not suffer a loss of the amount invested in any Account or that you will receive a particular return on any amount contributed to an Account. None of the State, the Treasurer, the Program Manager (in its capacity as service provider to the Advisor-sold Plan) or any of its affiliates who provide services to the Advisor-sold Plan is responsible for investment losses incurred by the Underlying Investments.

14. You have accurately and truthfully completed the Account Application, and any other documentation that you have furnished or will subsequently furnish in connection with the opening or maintenance of, or any withdrawals from, your Account(s) is or will be accurate, truthful and complete, including the age indicated for the Beneficiary.

15. If you make false statements in connection with opening an Account or otherwise, the Treasurer and/or the Program Manager may take such action as the Treasurer and/or the Program Manager deem necessary or appropriate, including, without limitation, terminating your Account or requiring that you indemnify the State, the Program Manager and its affiliates and/or the Treasurer as discussed under "Limitation of Liability; Indemnification" below.

16. Your participation in the Program does not guarantee that the Beneficiary: (i) will be accepted as a student by any Eligible Educational Institution; (ii) if accepted, will be permitted to continue as a student; (iii) will be treated as a state resident of any state for tuition purposes; (iv) will graduate from any Eligible Educational Institution; or (v) will achieve any particular treatment under applicable state or federal financial aid programs. You further acknowledge and agree that none of the State, the Treasurer, the Program Manager or its affiliates or any other person, makes any such representation or guarantee.

17. No Account in which you invest will be used as collateral for any loan. Any attempt to use an Account as collateral for a loan shall be void. The Program itself will not loan any assets to you or the Beneficiary.

18. You will not assign or transfer any interest in any Account, except as otherwise contemplated in the Program Disclosure Statement or this Participation Agreement. Any unauthorized assignment or transfer of such an interest shall be void.

19. Although you own Units of the Trust through your Account, you do not have a direct beneficial interest in the Underlying Investment, or any other investments held by the Trust, and therefore you do not have the rights of an owner or shareholder of such investments. You acknowledge that the board of trustees and/or investment manager for a particular Underlying Investment, and not the Program Manager: (i) manage and operate and determine the investment policies of the Underlying Investment and (ii) may modify the investment policies of such Underlying Investment at any time without notice to you and the Program Manager is responsible for ensuring the Underlying Investments, at all times, are in compliance with the Services Agreement.

20. You may transfer your Account to another Account Owner without changing the person identified as Beneficiary of your Account. If the Account was funded with the proceeds from a UGMA/UTMA account, the Account cannot be transferred to another Account Owner (other than to another UGMA/UTMA custodian for the benefit of the same Beneficiary). Such a transfer will be effective only if it is irrevocable and transfers all rights, title, interest and power over the Account to the new Account Owner. The tax consequences associated with a transfer of ownership are uncertain. You should consult with a qualified tax advisor concerning the potential income, gift, and estate tax consequences of a transfer of ownership before effecting a transfer. To effect a transfer of ownership, you should contact the Program Manager.

21. If you do not designate a successor Account Owner on your Account Application, or if such person is deceased or validly disclaims his or her interest in the Account, the deceased Account Owner's estate will become the Account Owner.

22. The Treasurer or the Program Manager may ask you to provide additional documentation that may be required by applicable law or in connection with your investment in the Program, and you agree to promptly comply with any such requests for additional documentation.

23. You acknowledge that Portfolios may (a) invest in registered and unregistered funds; (b) hold a pool of assets which is managed in a separate account by the Program Manager in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies); or (c) a combination of the two.

24. None of the Program Disclosure Statement, this Participation Agreement or the Account Application addresses taxes imposed by a state, other than the State, or the applicability of local taxes to the Program, the Trust, your investment in the Trust or your Account. You should consult with a qualified tax advisor regarding the application of all taxes (including those summarized in the Program Disclosure Statement) to your particular situation.

25. The state or locality in which you reside may impose a tax on the earnings accumulated on your Account assets, without deferring such tax until the time that a withdrawal is made from the Account. You are generally responsible for paying any taxes imposed upon you with respect to your Account. However, to the extent that such taxes relating to your Account are imposed upon the Trust, they can be paid directly from your Account. Such payments may be considered Non-Qualified Withdrawals. The assets of the Program and its income and operation are exempt from all taxation by the State of Illinois and any of its subdivisions. The accrued earnings on investments in the Program disbursed on behalf of a Beneficiary are also exempt from all taxation by the State of Illinois and its subdivisions, so long as they are used for Qualified Higher Education Expenses.

Sales Charges, Fees and Expenses

1. Fees will be charged to provide for the costs of management, distribution administration. These fees are described in the Program Disclosure Statement and may be adjusted in the future.

2. New fees and expenses may be charged in the future.

Limitation of Liability; Indemnification

1. Indemnification. You recognize that the establishment of any Account in the Trust will be based upon your acknowledgments, statements, agreements, representations, warranties and covenants set forth in this Participation Agreement and the Account Application. You agree to indemnify and hold harmless the Program, the Trust, the Treasurer, the State, the Program Manager, and any affiliates, directors, officers, employees, agents and other representatives of the foregoing, for any liabilities or expenses (including costs of attorney's fees) they each may incur as a result of any misstatement or misrepresentation made by you or the Beneficiary, or any breach by you or the Beneficiary of the acknowledgments, statements, agreements, representations, warranties or covenants contained in this Participation Agreement, other than the failure of the Treasurer or the Program Manager to perform their respective duties specified in the Program Disclosure Statement. All of your statements, representations, warranties, covenants and agreements shall survive the termination of this Participation Agreement.

2. Extraordinary Events. The Treasurer and the Program Manager each will not be liable to you for any losses caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, strikes, changes in federal or state law (including tax law) or other conditions beyond their control.

Lawsuits; Disputes

1. Lawsuits Involving your Account. Except as to controversies arising between you or the Beneficiary and the Treasurer or the Program Manager, the Treasurer or the Program Manager may apply to a court at any time for judicial settlement of any matter involving your Account. The Treasurer represents that if the Treasurer or the Program Manager so applies for a judicial settlement, the Treasurer will give you or the Beneficiary the opportunity to participate in the court proceeding, but each of them also can involve other persons. Any expense that the Treasurer or the Program Manager incurs in legal proceedings involving your Account, including attorneys' fees and expenses, are chargeable to your Account and payable by you or the Beneficiary if not paid from your Account.

2. Arbitration

This Participation Agreement contains a pre-dispute arbitration clause. By signing this Participation Agreement, the Account Owner agrees (on behalf of herself/himself/the entity and the Account Owner's Beneficiary) that all controversies which may arise between the Account Owner or the Account Owner's Beneficiary and the Program Manager involving any transaction in the Account Owner's account or any of the Account Owner's accounts with the Program Manager, or the construction, performance or breach of this participation agreement shall be determined by arbitration. However, this provision is not intended to cover claims that can only be brought by the Plan or the Treasurer on behalf of the Trust.

This agreement to arbitrate all controversies does not constitute an agreement to arbitrate the arbitrability of any controversy, unless otherwise clearly and unmistakably required by the arbitration rules of the forum elected, as set forth below.

a. the Account Owner, the Account Owner's Beneficiary and the Program Manager 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 arbitration forum in which a claim is filed.

b. arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.

c. the ability of the Account Owner, the Account Owner's Beneficiary and the Program Manager to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.

d. the arbitrators do not have to explain the reason(s) for their award.

e. the panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

f. the rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.

g. the rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

Any arbitration under this agreement shall be conducted only before the American Arbitration Association and in accordance with its securities arbitration rules then in force.

Nothing contained herein shall (i) limit or contradict the rules of any self-regulatory organization; (ii) limit the ability of a party to file any claim in arbitration; (iii) limit the ability of a party to file any claim in court permitted to be filed in court under the rules of the forums in which a claim may be filed under the agreement; or (iv) limit the ability of arbitrators to make any award.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

Miscellaneous Provisions

1. Reporting. Subject to certain limitations, the Treasurer, as trustee of the Trust, has designated the Program Manager to administer and maintain the records of the Trust. The Program Manager will keep records of all transactions concerning your Account, and will provide quarterly statements of your Account to you. The Treasurer

will cause, and represents that it has required the Program Manager to cause, reports of your Account to be sent to you, the Internal Revenue Service and such other regulatory authorities as required by law. If you do not write to the Program Manager to object to a statement or report within 60 days after it has been sent to you, you will be considered to have approved it and to have released the Treasurer and the Program Manager and its affiliates from all responsibility for matters covered by the report. You agree to provide all information the Treasurer or the Program Manager may need to comply with any legal reporting requirements. You will continue to be responsible for filing your federal and state tax returns and any other reports required of you by law.

2. Duties of the Treasurer. Neither the Treasurer nor his or her representatives has a duty to you to perform any action other than those specified in this Participation Agreement or the Program Disclosure Statement. The Treasurer may accept and rely conclusively on any instructions or other communications reasonably believed to have been given by you or another authorized person, and may assume that the authority of any other authorized person continues in effect until the Treasurer receives written notices to the contrary. The Treasurer has no duty to determine or advise you of the investment, tax or other consequences of your actions, or of its actions in following your directions, or of its failing to act in the absence of your directions.

3. Duties of the Program Manager. Neither the Program Manager nor its representatives have a duty to you to perform any actions, other than those specified in the Program Disclosure Statement and the Services Agreement. The Program Manager may accept and rely conclusively on any instructions or other communications reasonably believed to have been given by you or another authorized person and may assume that the authority of any other authorized person continues in effect until the Program Manager receives written notices to the contrary. The Program Manager has no duty to determine or advise you of the investment, tax or other consequences of your actions, or of its actions in following your directions, or of its failing to act in the absence of your directions.

4. Change in Program Manager. The Treasurer may appoint a new program manager in the future. In such event, your assets may (i) continue to be managed by the prior program manager; (ii) be managed in part by the prior program manager and in part by the new program manager, such that assets in your Account before the change in managers, and earnings on such assets, are managed by the prior program manager, and assets contributed after the change or earnings on such assets are managed by the new program manager ; or (iii) be managed entirely by the new program manager. In each such event, you will not be able to direct investment of your Account assets, except as described above in "Investment of Account Assets."

5. Effectiveness of This Participation Agreement. This Participation Agreement shall become effective upon the execution of your Account Application, subject to the right of the Treasurer or the Program Manager to reject your Account Application if, in processing the Account Application, it is determined that the Account Application has not been completed in accordance with guidelines under the Program.

6. Amendment and Termination. Subject to certain limitations, and except as otherwise provided herein, the Treasurer (as trustee of the Trust) may, at any time, and from time to time, amend this Participation Agreement or the Program Disclosure Statement, or suspend or terminate the Program and the Trust, but your Account assets may not thereby be diverted from the exclusive benefit of you and/or the Beneficiary. The Treasurer may also terminate the Program and the Trust, if the Treasurer determines that the continued administration of the Program and the Trust is not economically feasible, by giving written notice of such action to you. Nothing contained in this Participation Agreement or the Program Disclosure Statement shall constitute an agreement or representation by the Treasurer, on its own behalf or on behalf of the Program Manager, or any contracting party, that it will continue to maintain the Program or the Trust indefinitely.

7. Successors and Assigns. This Participation Agreement shall be binding upon the parties and their respective heirs, successors (including substitute and transferee Account Owners) and permitted assigns. You agree that all of your representations and obligations under this Participation Agreement shall inure to the benefit of the Program Manager and its affiliates, which shall be a third-party Beneficiary to this Participation Agreement, as well as to the Treasurer. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Participation Agreement is intended or shall be construed to give to any person, other than you, the Treasurer and the Program Manager and its affiliates, any legal or equitable right, remedy or claim under or with respect to this Participation Agreement or any covenants, conditions and provisions herein contained. This Participation Agreement and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of you, the Treasurer and the Program Manager and its affiliates as herein provided.

8. Communications. For purposes of this Participation Agreement, communications will be sent to you at the permanent address that you specify in your Account Application or at such other permanent address that you give to the Program Manager in writing. All communications so sent will be deemed to be given to you personally upon such sending, whether or not you actually receive them.

9. Severability. If any provision of this Participation Agreement is held to be invalid, illegal, void or unenforceable, by reason of any law, rule, or administrative order, or by judicial decision, such determination will not affect the validity of the remaining provisions of this Participation Agreement.

10. Headings. The heading of each section, paragraph and provision in this Participation Agreement is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such section, paragraph and provisions.

11. Governing Law. This Participation Agreement shall be construed in accordance with and shall be governed by the laws of the State of Illinois, without regard to community property laws or choice of law rules of any state. Your execution of the Account Application shall constitute execution of this Participation Agreement.

APPENDIX C

INVESTMENT OBJECTIVES, STRATEGIES AND RISKS OF THE UNDERLYING INVESTMENTS

Below are the investment objectives and primary investment strategies and risks for each Underlying Investment in which a Portfolio invests. **Account Owners do not invest in, and do not have ownership or other rights relating to, the Underlying Investments. The Trust is the only investor in these Underlying Investments.** This information is only a summary. Please see "The Portfolios-Risk Factors and Special Considerations—Principal Investment Risks of the Underlying Investments" on page 23 for a more detailed discussion of the risks applicable to each Underlying Investment.

Portfolios may (a) invest in registered and unregistered funds; (b) hold a pool of assets which is managed in a separate account by the Program Manager in accordance with the Services Agreement and Policy Statement of the Treasurer (e.g., the OFIPI Strategies); or (c) a combination of the two.

DESCRIPTION OF THE UNDERLYING INVESTMENTS

The following description concerning the Underlying Investments has been provided by the Program Manager, Galliard Capital Management and American Century Investments for inclusion herein and has not been independently verified by the Treasurer and no representation is made by the Treasurer as to its accuracy or completeness. The information is not guaranteed as to accuracy or completeness by the Treasurer, and is not to be construed as a representation by the Treasurer.

The discussion set forth below relates to the Underlying Investments currently available under the Program.

If you have questions regarding any of the OFIPI strategies or Oppenheimer funds, please call the Program Manager at **1-877-43-BRIGHT (1-877-432-7444)**. For more information, including risks and performance information, on the underlying American Century mutual fund in which the Portfolios invest, please visit www.americancentury.com or call American Century at 1-800-345-2021 and obtain a free prospectus or Annual or Semi-Annual Report.

Principal Protection Income Portfolio Strategy
(managed by Galliard Capital Management)

The Principal Protection Income Portfolio invests in Synthetic GICs, which are comprised of investment contracts and an underlying portfolio of marketable fixed income securities held directly by the Trust.

Galliard manages this underlying portfolio of assets primarily in a diversified portfolio consisting of high quality fixed income securities. The securities that the portfolio may purchase include, but are not limited to, U.S. government securities, money market instruments, collateralized obligations such as mortgage backed or asset backed securities, corporate debt obligations and sovereign/supranational securities. Galliard seeks to maintain the Portfolio's average market value-weighted quality rating of portfolio securities at or above AA- or Aa3, as determined by Standard and Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc. ("S&P") or Moody's Investor Services, Inc. ("Moody's), respectively, and to maintain the Portfolio's average market value-weighted duration of portfolio securities at 4 years or less. Galliard typically invests a portion of these assets in investment grade money market securities or in shares of money market mutual funds, including the Oppenheimer Institutional Money Market Fund, to assist the Portfolio in satisfying withdrawals, transfers and other disbursements from the Portfolio.

Principal Risks

See "Principal Risks of Investing in the Principal Protection Income Portfolio on page 23.

Baring Focused EAFE Equity Strategy
(subadvised by Baring International Investment Limited an affiliate of the Program Manager)

Investment Objectives and Strategy

The objective of the Strategy is to seek long-term capital appreciation and a return in excess of that achieved by the Morgan Stanley Capital International Europe Australasia Far East Index (the "EAFE Index")—Total Return in U.S. Dollar terms.

Under normal conditions, the Strategy will invest in a minimum of 30 issuers:

- which are organized, headquartered or domiciled in any country included in the EAFE Index, or
- whose principal listing is on a securities exchange in any country included in the EAFE index.

Under normal conditions, the Strategy will invest:

- a minimum of 90% of its total assets in equity securities, and
- a maximum of 10% of its total assets in cash, options, rights, warrants and convertible securities.

Investment Restrictions

The Strategy will not:

- Invest such that a country's percentage weight within the Strategy varies from its corresponding weight within the EAFE Index by more than the following:
  - United Kingdom +/— 20%
  - Japan +/— 20%
  - Europe (ex-UK) as a bloc +/— 20%
  - Pacific Basin Countries (ex-Japan) as a bloc +/— 20%
  - Emerging Market Countries as a bloc +20%

For example, if the EAFE Index weighting for Europe (ex-UK) as a bloc is 45%, the Strategy will invest no less than 25% and no more than 60% of total assets in the countries within such bloc.

- Invest more than 10% of its total assets in the equity securities of a single issuer.

- Maintain a cash position of more than 10% of its total assets, other than short-term cash positions resulting from subscriptions or redemptions made by investors in the Strategy.
- Hedge more than 30% of its total assets into US Dollars or other currencies.
- Invest in fixed income securities other than for short term cash management purposes.
- Invest in derivatives other than forward foreign exchange contracts, options, rights and warrants.
- Engage in short sales.

Changes in values, ratings or index weightings subsequent to purchase shall not be deemed to result in a violation of the Strategy's Investment Policy or Restrictions and will not require the Strategy to liquidate any position.

Principal Risks of Investing in the Strategy
The principal risks of investing in the Strategy are: Selection Risk; Risks of Investing in Stock; Risks of Foreign Investing; Illiquid and Restricted Securities Risk; Special Risks of Emerging and Developing Markets; Portfolio Turnover Risk; and Trade Execution Risk. For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

OFIPI Main Street Small Cap Strategy (subadvised by OppenheimerFunds, Inc.)

Investment Objectives
The Strategy mainly invests in common stocks of small-capitalization U.S. companies based on fundamental analysis and quantitative models. Under normal market conditions, the Strategy will invest at least 80% of its net assets in securities of companies having a small market capitalization.

The Strategy defines small capitalization or "small-cap" issuers as companies with market capitalizations less than or equal to the largest company in the Russell 2000 ("Russell 2000") or the S&P Small Cap 600 ("S&P 600") index. The capitalization of the largest company in the Russell 2000 or S&P 600 index is currently $3.7 billion but that is subject to change due to market activity or changes in the composition of the indices.

The Strategy measures a company's capitalization at the time the Strategy buys a security and is not required to sell a security if the company's capitalization exceeds the Strategy's definition of a small cap issuer.

Investment Process
The Strategy's portfolio managers use fundamental research and quantitative models to select securities for the Strategy's portfolio, which is comprised of both growth and value stocks. While the process may change over time or vary in particular cases, in general the selection process currently uses:

- a fundamental approach in analyzing issuers on factors such as a company's financial performance and prospects, position in the industry, and strength of business model and management. The portfolio managers may also consider an industry's outlook, market trends and general economic conditions.
- quantitative models to rank securities within each sector to identify potential buy and sell candidates. A number of company-specific factors are analyzed in constructing the models, including valuation, fundamentals and momentum.

The portfolio is constructed and regularly monitored based upon several analytical tools, including quantitative investment models.

The Strategy aims to maintain a broadly diversified portfolio across all major economic sectors by applying investment parameters for both sector and position size. In addition, the portfolio managers use the following sell criteria:

- the stock price is approaching its target
- the company's competitive position deteriorates
- poor execution by the company's management, or
- more attractive alternative investment ideas have been identified.

Principal Risks of Investing in the Strategy
The principal risks of investing in the Strategy are: Selection Risk; Risks of Investing in Stock; Risks of Small- and Mid-Sized Companies; Investing in Small, Unseasoned Companies Risk; and Price Arbitrage Risks. For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

OFIPI Enhanced Short Term Government Index Strategy (subadvised by OFI Institutional Asset Management)

Investment Objectives and Policies
The investment objective of the Portfolio is to approximate the return of the Barclays Capital 1-3 Year Government Index (the "Index").

The Portfolio will seek to achieve its investment objective primarily by investing in the securities and other instruments of companies that are included in the Index and may also purchase securities and other instruments whose issuers are not included in the Index, including certain derivative and money market instruments.

The Portfolio will be comprised of various fixed income securities including money market securities and other instruments. The types of fixed income securities that the Portfolio can purchase include, but are not limited to,: U.S. Treasury bills, bonds and notes (including U.S. Treasury futures, TIPS and other obligations issued or guaranteed by the U.S. Treasury), money market securities and other instruments, U.S. government agency debentures, securities issued by U.S. government-sponsored enterprises (GSEs), mortgage-backed securities issued by GSEs, debt issued or guaranteed by the U.S. government, and certain types of derivative instruments. The Portfolio may also invest in debt instruments of non-U.S. Government entities that are backed

by the full faith and credit of the United States pursuant to the Federal Deposit Insurance Corporation (FDIC) Debt Guarantee Program or other similar programs that may be established by the United States Government from time to time.

The money market securities and other instruments purchased by the Portfolio must be rated in one of the two highest categories by any Rating Organization (as such term is defined below) or an unrated money market instrument that is judged by the investment adviser of the Portfolio to be comparable in quality to "Eligible Securities" (as such term is defined below) rated by "Rating Organizations" under Rule 2a-7 of the 1940 Act. An "Eligible Security" is one that has a remaining maturity of 397 calendar days or less and has been rated in one of the two highest short-term rating categories for short-term debt obligations by any two nationally recognized statistical rating organizations, if two such organizations have rated it. The term "nationally recognized statistical rating organization" (NSROs) is defined in Rule 2a-7. If only one NSRO has rated that security, it must have been rated in one of the two highest rating categories by that NSRO. ***The Portfolio will not hold itself out as and is not a "money market fund" under Rule 2a-7 under the 1940 Act. Moreover, the Portfolio will not operate in accordance with Rule 2a-7 under the 1940 Act and will not satisfy the maturity, diversification and credit quality requirements of Rule 2a-7.***

The overall weighted average credit quality of the Portfolio will be approximately equal to that of the Index.

The types of derivative instruments that can be purchased by Portfolio are limited to Treasury futures and interest rate swaps that are utilized to manage duration or to attempt to approximate the performance of the Index or manage interest risk. The interest rate sensitivity of the Portfolio will be targeted within a tolerance band of plus or minus 0.10 years of the duration of the Index. No derivative instruments will be used to create positions or risk exposures, which are outside the boundaries of or otherwise not contemplated by the Portfolio's Confidential Private Placement Memorandum or which may result in leverage.

The Portfolio expects to keep substantially all of its assets fully invested at all times in fixed income securities but the Portfolio may hold a portion of its assets in cash or cash equivalents for withdrawals, to pay certain Portfolio expenses, redemption requests and for other permitted purposes. If, in the judgment of the investment adviser of the Portfolio, market conditions warrant, the Portfolio may hold a larger portion of its assets in cash or cash equivalents from time to time.

While OFI Institutional believes that the Portfolio's investment strategy is reasonably designed to achieve the Portfolio's investment objectives, there can be no assurance that the Portfolio's investment objectives will be met or that the investment results expected by investors actually will be achieved.

Principal Risks of Investing in the Strategy
The principal risks of investing in the Strategy are: Selection Risk; Main Risks of Investing in Debt Securities; Risks of Derivative Investments; Illiquid and Restricted Securities Risk; and Fixed-Income Market Risk. For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

OFIPI Rising Dividends Strategy
(subadvised by OFI Institutional Asset Management)

Investment Objective and Strategy
The Strategy seeks total return. The Strategy invests in common stocks of companies that currently pay dividends or are expected to begin paying dividends in the future. The Strategy emphasizes companies that are expected to grow their dividends over time. Under normal market conditions, the Strategy will invest at least 80% of its net assets in securities of companies that the portfolio managers expect to experience dividend growth, including companies that currently pay dividends and are expected to increase them, and companies that do not currently pay dividends but are expected to being paying them in the near future.

The Strategy's investments are not limited to issuers in a specific market capitalization. The Strategy can invest in issuers of all capitalization ranges. Currently, the Strategy's stick investments are focused on large-cap issuers, but that emphasis can change over time.

While the Strategy mainly invests in common stocks of U.S. companies, it may purchase other securities as well, including: foreign stocks, fixed-income instruments, convertible securities, preferred stocks, futures and options, including covered call options.

In selecting securities to buy, the portfolio managers look for companies that currently pay dividends, or are expected to being paying dividends in the future, particularly companies that are expected to grow their dividends over time. The Strategy uses a "top down" approach that focuses on broad economic trends affecting entire markets and industries as well as a "bottom up" approach that focuses on the fundamental prospects of individual companies and issuers.

The Strategy may sell securities that the portfolio managers believe no longer meet the above criteria.

Principal Risks of Investing in the Strategy.
The principal risks of investing in the Strategy are: Selection Risk; Risks of Investing in Stock; Dividend Risk; Risks of Foreign Investing and Risks of Derivative Investments. For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

OFIPI Value Strategy
(subadvised by OFI Institutional Asset Management)

Investment Objective and Strategy
The Fund seeks long-term growth of capital by investing primarily in common stocks with low price-earnings ratios and better-than-anticipated earnings. Realization of current income is a secondary consideration.

The Strategy mainly invests in common stocks of companies that the portfolio managers believe are undervalued in the

marketplace. The Strategy may also invest in other equity securities, such as preferred stock, rights, warrants and securities convertible into common stock. The Strategy may buy securities issued by companies of any size or market capitalization range and at times might increase its emphasis on securities of issuers in a particular capitalization range. While the Strategy does not limit its investments to issuers in a particular capitalization range, the portfolio managers currently focus on securities of larger-size companies.

The Strategy may invest up to 25% of its total assets in foreign securities of companies or governments in any country, including in developed and emerging market countries. The Strategy may invest up to 10% of its net assets in debt securities.

In selecting securities to buy, the portfolio managers look for companies they believe have been undervalued by the market. A security may be undervalued because the market is not aware of the issuer's intrinsic value, does not yet recognize its future potential, or the issuer may be temporarily out of favor. The Strategy seeks to realize gains in the prices of those securities when other investors recognize their real or prospective worth. The portfolio managers use a "bottom up" approach to select securities one at a time before considering industry trends. The portfolio managers use fundamental analysis to select securities based on factors such as a company's long-term earnings and growth potential. The portfolio managers currently focus on companies with the following characteristics, which may vary in particular cases and may change over time:

- Future supply/demand conditions for its key products,
- Product cycles,
- Quality of management,
- Competitive position in the market place,
- Reinvestment plans for cash generated,
- Better-than-expected earnings reports, and
- Attractive valuation.

The portfolio managers also monitor individual issuers for changes in their business fundamentals or prospects that could trigger a decision to sell a security. The portfolio managers may consider selling a stock for one or more of the following reasons:

- the stock price is approaching its price target,
- the company's fundamentals are deteriorating, or
- alternative investment ideas have been developed.

Principal Risks of Investing in the Strategy.
The principal risks of investing in the Strategy are: Selection Risk; Risks of Investing in Stock; Risks of Value Investing; Risks of Foreign Investing and Time-Zone Arbitrage Risk. For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

OFIPI Capital Appreciation Strategy (subadvised by OFI Institutional Asset Management)

Investment Objective and Strategy
The Strategy seeks capital appreciation.

The Strategy mainly invests in common stocks of "growth companies." These may be newer companies or established companies of any capitalization range that the portfolio manager believes may appreciate in value over the long term.

In selecting securities to buy or sell the portfolio manager looks for growth companies with stock prices that she believes are reasonable in relation to overall stock market valuations. In seeking broad diversification of the Strategy's portfolio among industries and market sectors, the portfolio manager focuses on a number of factors that may vary in particular cases and over time. Currently, the portfolio manager looks for:

- attractive growth opportunities across sectors and strategically sets sector weights
- companies in business areas that have above-average growth potential,
- companies with growth rates that the portfolio manager believes are sustainable over time,
- stocks with reasonable valuations relative to their growth potential.

The Strategy may sell the stocks of companies that the portfolio manager believes no longer meet the above criteria.

Principal Risks of Investing in the Strategy.
The principal risks of investing in the Strategy are: Selection Risk; Risks of Investing in Stock; Risks of Growth Investing and Risks of Small- and Mid-Sized Companies. For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

Oppenheimer Developing Markets Fund (managed by OppenheimerFunds, Inc.)

Investment Objective and Strategy
The Fund aggressively seeks capital appreciation.

- The Fund mainly invests in common stocks of issuers in emerging and developing markets throughout the world.
- The Fund will emphasize investments in common stocks and other equity securities.
- Under normal market conditions, the Fund will invest at least 80% of its net assets plus borrowings for investment purposes, in equity securities of issuers whose principal activities are in at least three developing markets.
- The Fund may at times invest up to 100% of its total assets in foreign securities.
- The Fund will emphasize investments in growth companies.
- The Fund may invest in companies in any market capitalization range.

In selecting securities, the Fund's portfolio manager evaluates investment opportunities on a company-by-company basis. The portfolio manager looks primarily for foreign companies in developing markets with high growth potential. This approach includes fundamental analysis of a company's financial statements

and management structure and consideration of the company's operations and product development, as well as its position in its industry.

In seeking diversification of the Fund's portfolio, the portfolio manager currently focuses on the following factors, which may vary in particular cases and may change over time:

- Companies that enjoy a strong competitive position in their industry.
- Companies with a proven management record and the ability to take advantage of business opportunities.
- Companies with newer or established businesses that are entering into a growth cycle.
- Companies with accelerating earnings growth and cash flow whose stock is selling at a reasonable price.
- Companies of different capitalization ranges.
- Companies in diverse industries and countries to help reduce the risks of foreign investing, such as currency fluctuations and stock market volatility.

The portfolio manager also considers the effect of worldwide trends on the growth of particular business sectors and looks for companies that may benefit from those trends. The trends currently considered include: mass affluence, new technologies, restructuring and aging. The portfolio manager does not invest any fixed amount of the Fund's assets according to these criteria and the trends that are considered may change over time. The portfolio manager monitors individual issuers for changes in the factors above, which may trigger a decision to sell a security.

Who is the Fund Designed For?
The Fund is designed primarily for aggressive investors seeking capital growth over the long term. Those investors should be willing to assume the risks of short-term share price fluctuations and losses that are typical for an aggressive growth fund focusing on stocks of issuers in developing and emerging markets. Because of its focus on long-term growth, the Fund may be appropriate for investors with a high risk tolerance and longer term investment goals. The Fund does not seek current income and the income from its investments will likely be small, so it is not designed for investors needing current income. *Please note that the Trust, not Account Owners, is the investor in these Underlying Investments.*

Principal Risks of Investing in the Fund
The principal risks of investing in the Fund are Selection Risk; Risks of Investing in Stock; Risks of Growth Investing; Risks of Foreign Investing; Special Risks of Developing and Emerging Markets; Regional Focus Risk and Globalization Risks. For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

Oppenheimer International Bond Fund
(managed by OppenheimerFunds, Inc.)

Investment Objective and Strategy
The Fund's primary objective is to seek total return. As a secondary objective, the Fund seeks income when consistent with total return.

The Fund invests mainly in debt securities of foreign government and corporate issuers. The Fund can invest in various types of debt securities, generally referred to as "bonds," including long-term and short-term government bonds, corporate debt obligations, "structured" notes, participation interests in loans, "zero coupon" or "stripped" securities, certain mortgage-related securities or asset-backed securities and other debt obligations.

- Under normal market conditions, the Fund invests at least 80% of its net assets plus borrowings for investment purposes, in "bonds."
- The Fund typically invests in at least three countries other than the United States.
- The Fund invests in debt securities of issuers in both developed and emerging markets throughout the world.
- The Fund may buy securities issued by companies of any size or market capitalization range and at times might increase its emphasis on securities of issuers in a particular capitalization range.
- The Fund may invest in debt securities having short, intermediate or long maturities.
- The Fund can invest in rated or unrated securities. It does not limit its investments to a particular credit quality or rating category and can invest without limit in securities below investment-grade (commonly called "junk bonds").

The Fund may also use derivatives to seek increased returns or to try to manage investment risks. Options, forward contracts, futures contracts, swaps, and "structured" notes are examples of derivatives the Fund can use.

In selecting securities, the Fund's portfolio manager evaluates the overall investment opportunities and risks in individual national economies. The portfolio manager analyzes the business cycle in developed countries, and analyzes political factors and exchange rates in emerging market countries. The portfolio manager currently focuses on the following factors, which may vary in particular cases and may change over time:

- Opportunities for higher yields than are available in U.S. markets, and
- Opportunities in investments denominated in foreign currencies that compare favorably to the U.S. dollar.

Who is the Fund Designed For?
The Fund is designed primarily for investors seeking total return over the long term and some income, from a fund that invests mainly in foreign debt securities. Those investors should be willing to assume the risks of short-term share price fluctuations of a

fund that focuses on debt investments in foreign securities, particularly those in emerging markets. The Fund is intended to be a long-term investment, not a short-term trading vehicle. It may be appropriate for investors with a higher risk tolerance and longer term investment goals. Because the Fund's income will fluctuate, it is not designed for investors needing an assured level of current income. *Please note that the Trust, not Account Owners, is the investor in these Underlying Investments.*

Principal Risks of Investing in the Fund
The principal risks of investing in the Fund are Selection Risk; Risks of Foreign Investing; Risks of Foreign Currency; Special Risks of Developing and Emerging Markets; Main Risks of Investing in Debt Securities; Special Risks of Lower-Grade Securities; Fixed Income Market Risks; Risks of Non-Diversification; and Risks of Derivative Investments . For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

Oppenheimer Institutional Money Market Fund (managed by OppenheimerFunds, Inc.)

Investment Objective and Strategy
The Fund's objective is to seek current income and stability of principal. The Fund is a money market fund that invests in a variety of money market instruments to seek current income. Money market instruments are short-term, high-quality, dollar-denominated debt instruments issued by the U.S. government, domestic and foreign corporations and financial institutions, and other entities. They include, for example, bank obligations, repurchase agreements, commercial paper, other corporate debt obligations and government debt obligations.

To be considered "high-quality," generally they must be rated in one of the two highest credit-quality categories for short-term securities by nationally-recognized rating services. If unrated, a security must be determined by the Fund's investment manager, OppenheimerFunds, Inc. (the "Manager"), to be of comparable quality to rated securities.

Who is the Fund Designed For?
The Fund is designed for institutional investors who want to earn income at money market rates while preserving the value of their investment. The Fund will invest in a variety of money market instruments to seek current income and stability of principal and to try to maintain a stable share price of $1.00. Income on short-term securities tends to be lower than income on longer-term debt securities, so the Fund's yield will likely be lower than the yield on longer-term fixed income funds. The Fund also offers liquidity by providing access to a shareholder's investment, on any regular business day (as defined below), through wire redemption privileges.

Please note that the Trust, not Account Owners, is the investor in these Underlying Investments.

Principal Risks of Investing in the Fund.
All investments carry risks to some degree. The Fund's investments are subject to changes in their value from a number of factors, described below. However, the Fund's investments must meet strict standards set by its Board of Trustees and special rules for money market funds under Federal law. Those rules include requirements for maintaining high credit quality in the Fund's portfolio, a short average portfolio maturity to reduce the effects of changes in prevailing interest rates and diversification of the Fund's investments among issuers to reduce the effects of a default by any one issuer on the Fund's portfolio.

Even so, there are risks that the issuer of an obligation that the Fund holds could have its credit rating downgraded or could default, or that interest rates could rise sharply, causing the value of the Fund's investments (and its share prices) to fall. If there is a high demand for the redemption of Fund shares that was not anticipated, the Fund might have to sell portfolio securities prior to their maturity, possibly at a loss. As a result, there is a risk that the Fund's shares could fall below $1.00 per share.

There is also the risk that the value of your investment could be eroded over time by the effects of inflation or that poor security selection by the Manager will cause the Fund to underperform other funds having similar objectives.

An investment in the Fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency. **Although the Fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the Fund.**

American Century Diversified Bond Fund (managed by American Century Investments)

Investment Objective
The fund seeks a high level of income by investing in non-money market debt securities.

Investment Process
Under normal market conditions, the fund invests at least 80% of its assets in high- and medium-grade, non-money market debt securities. These securities, which may be payable in U.S. or foreign currencies, may include corporate bonds and notes, government securities and securities backed by mortgages or other assets. Shorter-term debt securities round out the portfolio.

The fund invests most of its assets in investment-grade securities, those that have been rated in one of the top four credit quality categories by an independent rating agency. However, up to 15% of the fund's assets may be invested in securities rated in the fifth-highest category (non investment grade) by an independent rating agency, or determined to be of comparable quality by the advisor. The weighted average maturity of the fund's portfolio must be three and one-half years or longer.

Principal Risks of Investing in the Fund.
The principal risks of investing in the Fund are: Main Risks of Investing in Debt Securities; and Risks of Foreign Investing. For a description of each of these risks, please see the Section entitled "Principal Investment Risks of the Underlying Investments" beginning on page 23.

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Please read the Program Disclosure Statement and Participation Agreement, available at www.brightstartadvisor.com or by calling 1-877-43-BRIGHT (1-877-432-7444), for more complete information including investment objectives, fees, expenses and risks.

The Program Disclosure Statement contains this and other information about the Plan, and may be obtained by visiting **www.brightstartadvisor.com** or by calling **1.877.43.BRIGHT (1.877.432.7444). Investors should read these documents carefully before investing.**

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