

Scope of Service for the State Farm® 529 Savings Plan

At State Farm, we put your needs first. We value our relationship with you and want you to make informed decisions about your investments. It's important for investors to understand the service we provide, the fees and costs you may pay in the State Farm 529 Savings Plan (the Plan) and how State Farm and your registered agent earn money when you invest in the Plan. State Farm provides securities products through its broker-dealer, State Farm VP Management Corp., which this document will refer to as "State Farm" or the "firm."

The following disclosures will give you important facts about our relationship, as well as potential conflicts between your interest and that of State Farm and/or your registered agent. We encourage you to review these disclosures to help you understand and make informed investment decisions.

State Farm and its registered agents do not provide investment advisory services to Plan account owners and do not monitor your investments. While State Farm registered agents may recommend transactions or investment strategies, the ultimate decision on your investment strategy and the purchase and sale of investments is yours. State Farm and its agents do not provide tax advice. Transactions in securities can have significant tax consequences and you should discuss your accounts and transactions with your tax professional. Detailed information regarding your relationship with us is included in the Program Disclosure Statement, which you should read carefully.

We provide the State Farm 529 Savings Plan in conjunction with the state of Nebraska. The Plan is one of four college savings plans issued by the Nebraska Educational Savings Plan Trust (the Trust). Our Plan is authorized by the State of Nebraska and is designed to qualify as a tax-advantaged qualified tuition program under Section 529 of the Internal Revenue Code. The primary purpose of the Trust and Plan is to promote and enhance the affordability and accessibility of higher education by offering a convenient and tax-advantaged way to save for the cost of tuition and other qualified higher education expenses.

State Farm believes a diversified allocation strategy — spreading your investments across multiple asset classes can help balance the overall performance of your portfolio, because each asset class tends to respond differently to various market conditions. In addition, distributing your investments among a variety of securities within the same asset class may help your portfolio be less affected by market volatility.

State Farm 529 Savings Plan Investment Options	
State Farm offers Age-Based and Static Investment Options	
Age-Based Investment Options:	
<ul style="list-style-type: none"> Contributions are placed in a portfolio according to the beneficiary's age, with an asset allocation corresponding to the amount of time until college. As the beneficiary gets close to college-age, the allocations become more conservative. Includes nine investment options from age 0–2 to age 19+. 	
Static Investment Options: Includes seven options with varying asset allocations	
Asset Classes:	
<ul style="list-style-type: none"> All Equity Growth Moderate Growth Balanced 	<ul style="list-style-type: none"> Conservative Money Market Bank Savings
For all account options:	
<ul style="list-style-type: none"> Initial account minimum: \$250 Minimum subsequent contribution amount: \$50 	<ul style="list-style-type: none"> Maximum investment per beneficiary: \$500,000

Fees and Costs

Sales Charges

- Sales charges are assessed at the time of investment for each purchase and are paid directly from your investment.

Aggregated Asset Amount	Sales Charge
Less than \$250,000	3.50%
\$250,000 – \$499,999	3.00%
\$500,000 or More	0%

How to reduce sales charges:

- Breakpoints are set at various levels to offer investors a reduced sales charge depending on the amount invested. Investors can qualify for breakpoint discounts through:
 - A single purchase in an amount that is at least the applicable breakpoint amount;
 - Rights of Accumulation (ROA), which allows an account owner to receive a reduced sales charge when the amount purchased plus the amount already held equals an ROA breakpoint. It allows investors to aggregate their own Plan holdings as well as those of immediate family members invested in the Plan.
 - A Letter of Intent (LOI), which is a non-binding agreement allowing a customer to agree to purchase a certain dollar amount into related accounts, within 13 months of the signature date, to qualify for a lower breakpoint. This allows the investor to receive a discounted sales charge for the purchases made toward fulfilling the LOI.
 - Sales charges are waived for additional contributions when the customer's account balance meets the determined criteria.
- Certain investors (e.g., State Farm agents, employees, family members) may qualify for purchases without a sales charge.
- For additional explanation on breakpoint discounts, please see your registered agent or the State Farm 529 Plan Program Disclosure Statement on www.statefarm529.com.

Other Account Fees

You will pay a fee for some transactional requests and will be charged an annual account fee for accounts under \$20,000. Please see the Program Disclosure Statement for a complete list of charges.

Investment Option Operating Expenses

The Plan's investment options have ongoing operating expenses that reduce your investment returns. These expenses include a program management fee, state administration fee, an underlying investment fee and a distribution and marketing (12b-1) fee. Investment option operating expenses range from .20% to .51% annually (as of December 4, 2020) depending on the fund chosen (the Money Market or Bank Savings have lower expenses). For additional details, please reference the State Farm 529 Savings Plan Program Disclosure Statement on statefarm529.com. In the event of any difference between this disclosure and the Program Disclosure Statement, the Program Disclosure Statement will prevail.

Important Customer Information

State and Plan Information

- The Plan is sponsored by the state of Nebraska. Some states only provide an income tax deduction or credit to residents investing in their state's 529 plan. In such states, customers would not receive a tax benefit for investing in the Plan because it's sponsored by Nebraska.
 - Investors should consider whether their or their beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds and protection from creditors that are only available for investments in their state's college savings plan. Customers should consult a tax adviser and/or attorney about their specific legal, investment or tax situation.
- For important information about investments, risks, limitations on contributions and distributions and tax information, please carefully review the State Farm 529 Savings Plan Program Disclosure Statement on www.statefarm529.com.

Firm Compensation Paid by Program Manager

- When you invest in the Plan, State Farm earns revenue from the sales charges deducted from your investment at the time of purchase. A portion of the sales charges is retained by the Plan's program manager, while the remainder is used to pay us, and we, in turn, pay our registered agents a commission.
- When you qualify for a sales charge breakpoint, State Farm and your registered agent earn less in sales charges, and may earn nothing.
- The Plan charges 12b-1 fees for the ongoing marketing and distribution of the Plan. These fees are based on a percentage of the Net Asset Value of the amount invested in your account. As a result, the firm's 12b-1 revenue increases when your account value increases (e.g., when you make a contribution or the market performs better), and decreases when your account value decreases (e.g., when you take a distribution).

Registered Agent Compensation Paid by State Farm

- When you invest in the Plan, your agent will be paid a commission out of the revenue earned by State Farm on your investment, and the commission payable to your agent is the same percentage of the investment no matter which investment option you choose.
 - When you qualify for sales charge discounts by reaching breakpoints, your registered agent's commission percentage on those transactions decreases.
 - No up-front sales charge applies if invested in the Money Market Static Investment Option or Bank Savings Static Investment Option. However, a subsequent reallocation to an alternate investment option will result in a sales charge to you and a commission to your registered agent.
- State Farm pays your registered agent a portion of the ongoing monthly 12b-1 fees it receives in the form of a trailing commission, based on a percentage of the Net Asset Value of the amount in your account at that time. The percentage your agent will be paid is the same no matter what investment options you're invested in. However, no 12b-1 fee is charged for money invested in the Money Market or Bank Savings Static Investment Options.
 - The agent's trailing commission may increase or decrease based on your decision to make a purchase (increasing the Net Asset Value) or take a distribution (decreasing the Net Asset Value) from the account.
- The agent may also earn credit toward cash and non-cash (i.e., travel) incentive programs:
 - The cash bonus is based on the agent's previous year's total amount of commissionable dollars.
 - The non-cash incentives are based on a percentage of the amount of the registered agent's previous year's total amount of commissionable dollars and is the same regardless of the investment option you select.
 - The Plan, all mutual funds, and annuities (other than State Farm variable annuities) are included in the incentive programs. Not all agents will reach production levels sufficient to qualify for the programs.

Other Associated Persons Compensation

State Farm may provide its employees such as field sales leaders with the opportunity to earn a bonus based on State Farm registered agents' level of engagement with the investment products for the prior year. Not all will qualify for the program.

When you invest in the State Farm 529 Plan, your investments are subject to inherent risks including market risk, which is the possibility of an investor experiencing losses due to factors that affect the overall performance of the financial markets in which he or she is invested.

You may obtain information about the Securities Investor Protection Corporation (SIPC), including the SIPC brochure, by contacting SIPC. SIPC's website address is sipc.org and its telephone number is (202) 371-8300.

Additional Disclosures

The State Farm 529 Savings Plan (the "Plan") is sponsored by the State of Nebraska, administered by the Nebraska State Treasurer, as Trustee, and the Nebraska Investment Council provides investment oversight. Union Bank & Trust Company will serve as program manager and Northern Trust Securities, Inc. will serve as distributor. The Plan offers a series of Investment Options within the Nebraska Educational Savings Plan Trust (the "Trust") which offers other Investment Options not affiliated with the Plan. The Plan is intended to operate as a qualified tuition program to be used only to save for qualified education expenses, pursuant to Section 529 of the U.S. Internal Revenue Code.

An investor should consider the Plan's investment objectives, risks, charges and expenses before investing. The Program Disclosure Statement at www.statefarm.com which contains more information, should be read carefully before investing.

Asset allocation does not assure a profit or protect against loss.

Investments Are Not FDIC Insured* | No Bank, State or Federal Guarantee | May Lose Value

*Except the Bank Savings Static Investment Option

You could lose money by investing in this investment option. Although a money market fund in which your investment option invests (the underlying fund) seeks to preserve its value at \$1.00 per share, the underlying fund cannot guarantee it will do so. An investment in this investment option is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The underlying fund's sponsor has no legal obligation to provide financial support to the underlying fund, and you should not

expect that the sponsor will provide financial support of the underlying fund at any time.

This material is provided for general and educational purposes only and is not intended to provide legal, tax or investment advice, or for use to avoid penalties that may be imposed under U.S. federal tax laws. This material is not an offer to sell or a solicitation of an offer to buy any securities. Any offer to sell units within the Plan may only be made by the Program Disclosure Statement and Participation Agreement relating to the Plan.

Nebraska Educational Savings Plan Trust Issuer
Nebraska State Treasurer Trustee
Nebraska Investment Council Investment Oversight
Union Bank and Trust Program Manager
State Farm VP Management Corp. Selling Dealer
Northern Trust Securities Distributor,
 Member FINRA, SIPC

State Farm agents are independent contractors who hire their own employees. Neither State Farm agents nor employees of State Farm agents are employees of State Farm.

Neither State Farm nor its agents provide tax or legal advice.

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