

### **First State, First Steps Program**

The First State, First Steps Program (“First Steps Program”) is an education savings incentive program available to eligible Delaware residents. The First Steps Program is sponsored by the DE529 Plan, was approved by the Plans Management Board (the “Board”), whose members serve as Trustees of the Delaware College Investment Plan Trust (the “Trust”) and is administered by the Delaware Office of the State Treasurer (“OST”). The First Steps Program provides for a one-time \$100.00 contribution (“Contribution”) to a DE529 Plan Account (“DE529 Account” or “Account”) registered in the name of an individual as Participant opened between January 1, 2024 and December 31, 2024 for an eligible Beneficiary. The First Steps Program has the following eligibility requirements: (i) the Beneficiary of the applicable DE529 Account must be five years of age or younger at the time of Account opening, (ii) the Beneficiary of the applicable DE529 Account must be a Delaware resident at the time the applicable DE529 Account is opened, and (iii) a minimum contribution of at least \$100.00 must be made to the DE529 account by the Participant at the time of Account opening.

The First Steps Program shall remain in effect January 1, 2024, through December 31, 2024, and may be extended or discontinued by the Board at any time without notice. It is expected that Contributions made to eligible DE529 Accounts shall be made on a quarterly basis during a calendar year. Contributions under the First Steps Program shall be made from the administrative fund within the Trust and are contingent on funding approved by the Board. Eligible DE 529 Accounts will receive contributions under the First Steps Program automatically, unless you opt out of the Program. If you do not want to participate in the First Steps Program, you must contact Fidelity at 800-544-1655 or go to <https://www.fidelity.com/529-plans/delaware> within 30 calendar days of opening your DE529 Account.

An eligible Beneficiary may receive only one \$100.00 contribution under the First Steps Program regardless of the number of Accounts opened and funded on behalf of the Beneficiary. If more than one DE529 Account is opened on behalf of an eligible Beneficiary, the contribution will be made to the first Account established in good order on behalf of the eligible Beneficiary. The contribution will count towards the DE529 Plan’s maximum contribution limit, and any DE529 Account distribution that is not used for Qualified Higher Education Expenses of the Beneficiary may be subject to income taxes and a 10% federal penalty tax. You should consult with a tax advisor regarding your specific situation. Fidelity Investments manages the DE529 Plan under a contract with the OST but is not otherwise affiliated with DE529 Plan, the Board, the OST, or any government agency and is not responsible for the funding of First Steps Program contributions. For more information on the First Steps Program, please contact Fidelity at 800-544-1655 or go to [529.delaware.gov](https://529.delaware.gov).