



DC College Savings Plan

District of Columbia College Savings Program Trust

★ ★ ★ PROGRAM DISCLOSURE BOOKLET ★ ★ ★

May 4, 2012

Sponsored by:



The Government of the District of Columbia
Vincent C. Gray, Mayor
Office of the Chief Financial Officer
Office of Finance and Treasury
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Program Manager:



No security issued by the District of Columbia College Savings Program Trust has been registered with or approved by the United States Securities and Exchange Commission, the District of Columbia Department of Banking and Financial Institutions or the District of Columbia Department of Insurance and Securities Regulation.

Your investment is not insured or guaranteed by the District of Columbia, the District of Columbia College Savings Program Trust, the District of Columbia Chief Financial Officer, the District of Columbia Treasurer, the Trustee for the District of Columbia College Savings Program Trust or Calvert Investment Management, Inc.

DISTRICT OF COLUMBIA COLLEGE SAVINGS PROGRAM TRUST: PROGRAM DISCLOSURE BOOKLET

Before you make contributions to the District of Columbia College Savings Program Trust (the “Trust”), you should read the Participation Agreement and this Program Disclosure Booklet (the “Disclosure Booklet”). Please keep this Disclosure Booklet for future reference. It gives you important information about the District of Columbia College Savings Program (the “Program” or “Plan”), the federal and District of Columbia tax benefits, the Program’s investment options (“Investment Options”) and the investment risks.

No dealer, broker, salesperson or other person has been authorized by the Program Manager, the District of Columbia Chief Financial Officer, the District of Columbia Treasurer, or the trustee to the Trust (the “Trustee”) to give any information or to make any representations other than those contained in this document and, if given or made, such other information or representations must not be relied upon as having been authorized by the Program Manager, the District of Columbia Chief Financial Officer, the District of Columbia Treasurer, or the Trustee.

This Disclosure Booklet, which includes the attached Appendices, is not to be construed as a contract with an Account Owner. The Participation Agreement, which incorporates this Disclosure Booklet by reference, is the contract with the Account Owner.

The information contained in this Program Disclosure Booklet is believed to be accurate as of the date hereof. However, the information and opinions in this Disclosure Booklet are subject to change without notice, and neither delivery of this Disclosure Booklet nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Program Manager or the Trustee since the date of this Disclosure Booklet.

This Disclosure Booklet does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of a security in the Trust by any person, in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Shares of the Trust (the “Shares”) have not been registered with the U.S. Securities and Exchange Commission, in reliance on an exemption from registration available for obligations issued by a

public instrumentality or state. (For purposes of this Disclosure Booklet, the term “state” shall include not only the fifty states of the United States of America, but the District of Columbia as well.) In addition, the Shares have not been registered with any state in reliance on an exemption from registration available for obligations issued by an instrumentality of a state.

The Shares are not deposits or other obligations of any depository institution. Your Account (as defined below), the contributions you invest, any investment return or earnings in your Account are not insured or guaranteed by the Federal Deposit Insurance Corporation, the District of Columbia, the District of Columbia’s Chief Financial Officer, the District of Columbia’s Treasurer, or the Trustee for the District of Columbia College Savings Program Trust, any other state or federal agency or Calvert Investment Management, Inc., its parent, Calvert Investments, Inc., or any of their affiliates. Account balances will vary depending on the performance of the investments underlying the Investment Options (the “Underlying Investments”). There is a risk that you, as an Account Owner, could lose part or all of the value (the contributions and earnings) of your Account.

This Program Disclosure Booklet does not address the tax implications of the Program for residents of any state other than the District of Columbia. **If your state sponsors a plan under section 529 of the Internal Revenue Code of 1986, as amended (the “Code”) (a “529 Plan” or “qualified tuition program”), that program may offer state income tax benefits not available to you through the Program. Before making an investment decision, you should consult with your own tax advisor regarding the state tax consequences of investing in the Program.**

This Program Disclosure Booklet is for information purposes only. The Code, the District of Columbia College Savings Act of 2000, as stated in DC Law 13-212, as amended (the “College Savings Act”), and any rules and regulations promulgated thereunder, and the Participation Agreement, prevail over this Program Disclosure Booklet in the event that there are any conflicts with this Program Disclosure Booklet.

NOTICE OF D.C. COLLEGE SAVINGS PROGRAM PRIVACY POLICY

Protecting Your Privacy

Please take time to review this statement about the privacy policies of the Program with respect to personal information about existing and former Account Owners. No one involved with the administration or management of the Program (collectively, “Program Administrator and Program Manager”) may disclose any non-public personal information about the Account Owner or Beneficiaries to anyone, except as permitted by law and except as in accordance with the policies outlined in this Privacy Statement.

Your privacy is a top priority.

The Program Administrator and Program Manager may collect and acquire nonpublic personal information about you from various sources, including:

- Information you provide, for example, on the Participation Agreement or other Program forms, such as your name, address, social security number, assets and income.
- Information about your transactions with the Trust and the Program Manager, its affiliates or others, such as your account balance, payment history and parties to transactions in which you are involved with respect to the Program.
- Information provided to the District of Columbia in connection with the administration of the Program.
- Information from third parties such as consumer reporting agencies.

Your nonpublic personal information is used to facilitate your investment in the Program.

Your information is shared only in limited ways and for specific purposes.

Except as you otherwise authorize, the sharing of such information and access to your nonpublic personal information is limited to those who need to know that information to provide Program-related services to you. Further, your nonpublic personal information is protected by physical, electronic and procedural safeguards in accordance with federal and state standards. Access to your information by employees,

agents or contractors of the Program Manager is limited.

Information about Beneficiaries, Account Owners or their Accounts shall not be given or sold to any other company, individual or group. However, governmental agencies, regulatory authorities and other entities may have access to such information if permitted by law.

Keeping your personal information accurate and current is a vital concern to the Program Administrator and Program Manager.

It is important to keep your personal and financial information accurate. If you believe that your Program records are incorrect or out of date, please notify the Program Manager by contacting Investor Relations at 1-800-987-4859 (1-800-368-2745 for non-DC residents) who will make any necessary corrections.

Calvert Investment Distributors, Inc. has a separate privacy policy. In the event that a provision of the privacy policy of Calvert Investment Distributors, Inc. differs from the Program privacy policy, for purposes of information you provide in connection with your investment in the Program, the Program Privacy Policy shall prevail.

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DEFINITIONS

2001 Tax Act means the Economic Growth and Tax Relief Reconciliation Act of 2001.

Account Owner means someone who opens an Account by completing a Participation Agreement and making a contribution to an Account. References to “you” in this Disclosure Booklet are to the Account Owner.

Calvert means both Calvert Investment Management, Inc., the Program Manager, and Calvert Investment Distributors, Inc., the Distributor.

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

Distributor means Calvert Investment Distributors, Inc.

DC means the District of Columbia.

IRS means the United States Internal Revenue Service.

Eligible Institution means an institution which is described in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088), as in effect on August 5, 1997, and which is eligible to participate in a program under Title IV of such Act. Such institutions generally are 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. Certain proprietary institutions and post-secondary vocational institutions also are eligible institutions. The institution must be eligible to participate in U.S. Department of Education student aid programs. You can research Eligible Institutions on the U.S. Department of Education’s school code search page at www.fafsa.ed.gov.

Member of the Family means with respect to a Beneficiary, the spouse of the Beneficiary and the following:

- (1) a son or daughter of the Beneficiary (or a descendant of either);
- (2) a stepson or stepdaughter of the Beneficiary;
- (3) a brother, sister, stepbrother, or stepsister of the Beneficiary;
- (4) a father or mother of the Beneficiary or an ancestor of either;
- (5) a stepfather or stepmother of the Beneficiary;
- (6) a son or daughter of a brother or sister of the Beneficiary;

(7) a brother or sister of the father or mother of the Beneficiary;

(8) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the Beneficiary;

(9) the spouse of any person described in (1) through (8); or

(10) any first cousin of the beneficiary.

Participation Agreement means the application and college savings agreement an Account Owner completes to open an Account. This constitutes a contract between the Account Owner and the Trust.

Program Manager means Calvert Investment Management, Inc.

Qualified Change in Beneficiary means a change in the Beneficiary if the new Beneficiary is a Member of the Family of the current Beneficiary.

Qualified Expenses means tuition, fees, books, supplies, equipment, room and board expenses for students who attend an Eligible Institution at least half-time, and expenses for special needs services in the case of a special needs Beneficiary, satisfying the requirements of Code section 529 (e)(3).

Recipient means the recipient of a distribution from an Account. The Beneficiary is the Recipient only if the distribution is made directly to the Beneficiary or to an Eligible Institution for the benefit of the Beneficiary; otherwise, the account owner is the Recipient.

Rollover means any distribution from a qualified tuition program that is transferred within 60 days of receipt of such distribution (including any direct transfer of funds) to another qualified tuition program for the benefit of the same Beneficiary or to another qualified tuition program (or to a different Account in the same qualified tuition program) for the benefit of a Member of the Family of the Beneficiary. Rollovers for the same Beneficiary may occur only once every 12-month period.

Trust means the District of Columbia College Savings Program Trust, a trust established pursuant to a declaration of trust entered into by the District of Columbia Chief Financial Officer.

Trustee means the Chief Financial Officer of the District of Columbia or, upon and after designation, the Treasurer, Deputy Chief Financial Officer of the District of Columbia.

PROGRAM SUMMARY

Below is a brief summary of the Program's important features. Before you invest, you should carefully read this Program Disclosure Booklet and your Participation Agreement. Capitalized terms not defined in the text have the meanings set forth in the section titled "Definitions."

Program Overview

The District of Columbia College Savings Program is authorized by DC Law 13-212, as amended by DC Law 14-186 and DC Law 14-307, and is administered by the Chief Financial Officer of DC (the "CFO"). The CFO or the Treasurer, as designated by the CFO, serves as Trustee of the District of Columbia College Savings Program Trust (the "Trust"). Among other things, the Trustee, as administrator of the Program, has the authority to enter into contracts for program management services, adopt rules and regulations for administration of the Program, and establish investment policies for the Program. Your rights as an Account Owner and the rights of your Beneficiary are established under provisions of the DC Official Code, the regulations adopted by the DC Chief Financial Officer, and your Participation Agreement.

The Program provides a tax-advantaged vehicle to save for college, graduate school, and other forms of higher education. The Program is a national plan available to both DC and non-DC residents and is intended to comply with section 529 of the Code. Contributions to the Program are invested through the Trust, an instrumentality of DC.

It is possible that federal and DC laws may change in a manner that will adversely affect the Program, and that such adverse effects may be retroactive.

The Trustee may amend the Program at any time if the Trustee determines that such an amendment is necessary to maintain qualification under Section 529 of the Code.

Program Manager

Calvert Investment Management, Inc. is the Program Manager of the Program (the "Program Manager"). The Program Manager is a registered investment advisor, and its sister company, Calvert Investment Distributors, Inc. (the "Distributor" which, together with the Program Manager, is referred to as "Calvert") is a registered broker-dealer. Calvert has been selected by the Trustee as Program Manager through July 30, 2013. After that date, the Management Agreement may be renewed or

the Trustee may select a new Program Manager and/or Distributor.

Opening an Account

Anyone with a valid Social Security Number or federal taxpayer identification number who is a U.S. citizen or resident alien may open an Account or be named a Beneficiary. Any trust estate, Uniform Gifts to Minors Act or Uniform Transfers to Minors Act custodian, guardian, corporation, nonprofit entity or other legal entity also may open an Account. If an Account is opened by an entity rather than an individual, additional documents may be required. A minor cannot be named an Account Owner.

An Account may have only one Account Owner and one Beneficiary; joint ownership is not permitted.

An Account may be opened with a minimum \$100 per Investment Option contribution. Contributions cannot exceed the account balance limit for each Beneficiary. Neither Account Owners nor Beneficiaries may assign, transfer or pledge an Account as security for a loan or otherwise.

Investment Options

The Program currently offers twelve Investment Options for Accounts. The Investment Options fall into three categories: 1) the Age-Based Portfolio Investment Strategy; 2) the Single Fund Investment Strategy; and 3) the Stability of Principal Investment Strategy. The Age-Based Portfolio Investment Option will allocate your contributions and earnings to an age band you select that is comprised of one or more mutual funds and a funding agreement described below. The Single Fund Investment Option will allocate your contributions and earnings to individual mutual funds selected by you that are available through this Investment Option. The Stability of Principal Investment Option will allocate your contributions and earnings to a funding agreement (the "Funding Agreement") issued by Acacia Life Insurance Company ("Acacia Life") to the Trust. The current Funding Agreement guarantees to the Trust a return of principal plus an annualized rate of interest of 3 percent, minus any premium taxes, if applicable, and provides the opportunity for additional interest. Please note that with the approval of the Trustee, the Underlying Investments of the Investment Options may change at any time, and the Program Manager may change after July 30, 2013. See "Portfolios and Underlying Investments."

Investments under the Program are not guaranteed (except to the extent of the guarantee by Acacia Life Insurance Company to the Trust for the Stability of Principal Investment Option), and no one can predict the returns from the investment of your contributions to the Program. The value of your Account will fluctuate based on the performance of your Investment Options. The rate of return on funds in your Account under the Program during any particular period may be less than the related increase in the cost of higher education. See Appendix B for investment performance data.

Fees and Expenses

The Trustee establishes Program fees and other charges. Certain Program charges depend on the residency of the Account Owner (i.e., whether the Account Owner is a resident of the District of Columbia) and the manner in which the Account Owner purchases Shares and makes contributions (i.e., whether the Account Owner purchases Shares directly through Calvert, or whether the Account Owner makes contributions through payroll deductions from any company with 300 or more employees). The fees and charges listed below may not be applicable to each Account Owner.

In addition to the ongoing expenses that vary with the Investment Option you choose (those expenses include program administrative fees), Account Owners may be assessed a one-time enrollment fee, annual maintenance fees, sales charges (deducted from contributions at the time they are made to the account), returned check fees, and charges for certain additional records that you may request.

The Trustee may change the amount of the fees. See “Other Fees and Charges.” See Expense Charts, page 23, for information on fees and expenses.

Transfers

You may allocate your contributions to your Account for investment in any one or a combination of the Investment Options. However, once made, contributions and any earnings thereon may only be transferred to another Investment Option once per calendar year or upon a change of Beneficiary.

Distributions

Account Owners may take distributions from an Account at any time, as approved by the Trustee. To request a distribution, an Account Owner must complete a distribution request form and provide required documentation. A distribution is subject to applicable taxes if not used for Qualified Expenses.

Calvert reserves the right to restrict, for up to 10 business days after deposit, contributions that are

received by checks or electronic fund transfers.

The earnings portion of any distribution from an Account (or any direct transfer of funds from an Account) will not be treated as taxable income of the Account Owner or Beneficiary, and the federal surtax will not apply, if the distribution or transfer represents a Rollover. Similarly, Rollovers into the Program or an Account will not be subject to federal income tax or the federal surtax. Please note, however, that another qualified tuition program may penalize an Account Owner if that Account Owner attempts a Rollover from that qualified tuition program to the DC Plan. State taxes may also apply to Rollovers from other qualified tuition programs into the DC Plan.

See “Taking Distributions from an Account” and “Distributions – Qualified/Non-qualified Distributions.”

Tax Summary

The federal tax consequences associated with an investment with this Program can be complex. You should consult a tax advisor regarding the application of tax laws to your particular circumstances. DC income tax deductions for contributions to the Program are available only to DC taxpayers. If you are not a resident of the District of Columbia, it is important that you are aware that if your state of residence has established its own 529 program, it may be more advantageous for you to invest in your state’s 529 program. Some states may offer state tax benefits for their residents participating in their own respective programs. See “State/DC Tax Considerations — Benefits and Limitations.”

The 2001 Tax Act and the Pension Protection Act of 2006 significantly changed the federal tax treatment of the Program and the Accounts, including the treatment of distributions from the Accounts, and forthcoming regulations will provide new rules and guidance. When considering an investment in the Program, you should be aware that laws affecting your investment may change while your Account is open. Please consult a tax advisor to determine how these developments may apply to you and your Beneficiary. See “Federal Tax Considerations – Benefits, Limitations, and Penalties.”

Federal tax benefits (and tax benefits for DC residents) enhance the value of an investment in the Program. Taxation on the earnings on your Account is deferred for federal and DC income tax purposes until withdrawal. As long as distributions from your Account are used for the Beneficiary’s Qualified Expenses, they are not subject to federal or DC income taxation. For a more complete discussion of the federal tax consequences, see “Federal Tax Considerations – Benefits, Limitations, and Penalties” and for DC tax consequences, see “State/DC Tax Considerations – Benefits and Limitations.”

In order to comply with Treasury Department regulations, we advise you that this Disclosure Booklet was prepared to promote and support the marketing of the Program. It is not intended to constitute tax advice, was not written or intended to be used by any taxpayer for the purpose of avoiding tax penalties that may be imposed on the taxpayer, and cannot be used by any taxpayer for that purpose. Advice regarding the tax treatment of the Program should be sought from an independent tax advisor in light of your particular circumstances.

Risk of Investing in the Program

There are risks associated with investing in the Program. There is no guarantee that the Program's (including the Investment Option's) investment objectives will be realized. Participation in the Program does not guarantee that a Beneficiary will be accepted for admission in an institution of higher education, or, if admitted, that the account balance will be sufficient to cover the Beneficiary's Qualified Expenses. In addition, the relevant state and federal tax laws could change and those changes could adversely affect the Program or contributions to or distributions from Accounts. Investment in the Program involves risk of reduced liquidity regarding your investment, and the extent to which an Account Owner is able to exercise control over his Account is limited.

Calvert may not continue as Program Manager during the period an Account is open. There may be different Investment Options, fees and charges associated with the Program under new Program Manager. Further, investment in the Program may affect the Beneficiary's eligibility for financial aid. It is unclear how local and state government agencies will treat Qualified Tuition Program assets in determining whether you are eligible for Medicaid. See "Principal Investment Risks."

Disclosure Booklet and Additional Information

The remainder of this Disclosure Booklet describes the Program — the Investment Options offered in the Program and investment managers for those options, the risks associated with the Program, how to open an Account, and other relevant information about the Program. Two Appendices are attached to this Disclosure Booklet. Appendix A sets forth the risks associated with the Underlying Investments and contains a chart addressing "Investment Practices and

Risks." You may contact Calvert to receive additional copies of this Disclosure Booklet or download the Disclosure Booklet from www.DCCollegeSavings.com. Appendix B provides investment performance results for standard reporting periods ending December 31, 2011.

The independent public auditor for the DC College Savings Plan is Regis & Associates, P.C.

DESCRIPTION OF THE PROGRAM

Opening an Account and Designating a Beneficiary

You may contact Calvert to obtain any of the forms described herein by:

- 1) Accessing the Program's Web site at www.DCCollegeSavings.com;
- 2) Calling Calvert at 1-800-987-4859 (1-800-368-2745 for non-DC residents); or
- 3) Writing to Calvert at DC College Savings, P.O. Box 11466, Washington, DC 20008.

Participation Agreement Required. To open an Account, you must complete a Participation Agreement and specify in the Participation Agreement how you want your contributions invested. When completing your Participation Agreement, you must designate a Beneficiary. Anyone with a valid Social Security Number or federal taxpayer identification number who is a US citizen or resident alien may open an Account or be named a Beneficiary. You may open as many Accounts for as many different Beneficiaries as you wish.

Account Ownership. Any individual, trust, estate, Uniform Gifts to Minors Act (UGMA) or Uniform Transfers to Minors Act (UTMA) custodian, guardian, corporation, nonprofit entity, or other legal entity (such as partnerships or limited liability companies) may participate in the Program by completing a Participation Agreement and making contributions to an Account. If an Account is opened by an entity rather than an individual, additional documents may be required. Account Owners are not restricted by income or residence. *An Account Owner may not be a minor. An Account must have only one Account Owner; joint ownership is not permitted. However, multiple Accounts may be opened for the same Beneficiary.* Account Owners, including residents of the District of Columbia, who elect to purchase Shares with the assistance of a financial professional will pay the sales charges described under the section entitled "Other Fees and Charges," unless otherwise noted in Section 11 of the Participation Agreement.

Successor Account Owner. An Account Owner may designate a successor in the Participation Agreement or change a previous designation upon written notice to Calvert. If the original Account Owner dies, the successor becomes the Account Owner. If no successor is named, ownership of the Account will pass by operation of law. The Successor Account Owner may not be a minor.

Only One Beneficiary. Each Account can have only one Beneficiary at any time. However, there may be multiple Accounts for the same Beneficiary. The Beneficiary must be designated at the time the Account is opened.

Exception: A Beneficiary does not have to be named when the Account Owner is a state or local government (or agency or instrumentality thereof) or an organization described in Code section 501(c)(3) and exempt from taxation under Code section 501(a) as part of a scholarship program operated by such government or organization.

Contributing to an Account

There are several ways to fund an Account, including:

- 1) contributions made by check;
- 2) contributions made by the telephone purchase option for established Accounts;
- 3) contributions made through electronic transfers from your bank (which can be established on a semi-monthly, monthly, or quarterly basis); or
- 4) contributions made by investing systematically with a payroll deduction program established through your employer.

Anyone can contribute to your Account, although such a contribution will be credited toward the maximum total account balance limit of the Program and may have federal and/or DC tax consequences. See "Federal Tax Considerations — Benefits, Limitations, and Penalties" and "State/DC Tax Considerations — Benefits and Limitations." However, only the Account Owner can make decisions regarding an Account, including making distributions from the Account, changing the Beneficiary of the Account, or changing the Investment Option of an Account.

Applications and contributions sent to Calvert at DC College Savings, P.O. Box 11466, Washington, DC, 20008 will be sent overnight to the Plan's transfer agent and will be considered received when delivered to the transfer agent. Contribution checks postmarked by December 31st, however, will count towards the current tax year.

Other Sources of Funding Methods.

- 1) **Rollovers.** Rollovers are also permitted from the Program to another qualified tuition program or from another qualified tuition program to the Program, in each case for the benefit of the same Beneficiary (provided that a prior Rollover for

the benefit of that same Beneficiary did not occur within the prior 12-month period) or a Member of the Family of the current Beneficiary. However, another qualified tuition program may penalize an Account Owner if that Account Owner attempts a Rollover into or from that qualified tuition program. You should review the terms of your Participation Agreement and any agreement or program disclosure booklet/brochure relating to the other qualified tuition program prior to attempting a Rollover.

- 2) **Coverdell Education Savings Account.** Amounts may be rolled over on a federally tax-free basis from a Coverdell Education Savings Account in order to make contributions to an Account.
- 3) **US Savings Bonds.** There may be tax advantages to funding your Account with the proceeds from the redemption of certain US Savings Bonds. You should consult your tax advisor.
- 4) **UTMA/UGMA Accounts.** A custodian for a UTMA/UGMA account is permitted to be an Account Owner. However, as for all Account Owners, contributions to an Account by a custodian of a UTMA/UGMA must be in the form of cash, check, or electronic transfer only. If the Account is established by a UTMA/UGMA, the child will become the Account Owner when he or she is no longer a minor. An existing UTMA/UGMA account must be liquidated to generate cash to contribute to an Account. There may be tax implications. You should consult your tax advisor.

Contribution Minimums. The minimum to open an Account is \$100 per Investment Option selected. Accounts established with an automatic payment option have a minimum investment of \$25 per Investment Option selected (accounts established with payroll deduction have a minimum investment of \$15 per pay period).

Additional investments must be in amounts of at least \$25 per Investment Option selected (\$15 per pay period for payroll deduction).

Maximum Total Contribution. The maximum total account balance limit for each Beneficiary, aggregating all Accounts for the Beneficiary (regardless of Account Owner), is currently \$260,000. If the balance in the aggregate Accounts for any Beneficiary exceeds the account balance limit, no additional contributions will be accepted for that Beneficiary. This maximum may be increased by the Trustee, in which case additional contributions up to the new maximum account balance limit will then be accepted. The actual account

balance for a Beneficiary may exceed the account balance limit if the excess is due to earnings on the Account. If the excess is due to earnings, it will not automatically be returned to the Account Owner. However, no additional contributions will be accepted unless and until the actual account balance is less than the account balance limit.

Excess Contributions. Any contributions received in excess of the account balance limit will be returned to the Account Owner, without adjustment for gains or losses.

Temporary Withdrawal Restriction. When your contribution is received by check or electronic funds transfer (assuming all are in good order), Calvert reserves the right, subject to applicable laws, to restrict distributions from your Account for up to 10 business days. Redemptions will not be sent on days when either the Federal Reserve Wire System is closed or on days when the New York Stock Exchange (“NYSE”) is closed. No contributions will be credited to Accounts when the NYSE is closed.

Prohibited Assignability or Pledging. Neither Account Owners nor Beneficiaries may assign, transfer, or pledge an Account, or any portion of an Account, as security for any loan (including, but not limited to, a loan used to make a contribution to an Account) or otherwise. Any pledge of an interest in an Account will be of no force and effect.

Bankruptcy. New bankruptcy legislation that became effective for bankruptcy cases commenced by individuals under Title 11 of the United States Code on or after October 17, 2005 expressly excludes from such individual’s bankruptcy estate (and, therefore, will not be available for distribution to such individual’s creditors), certain funds paid to or contributed by such individual to an Account. The bankruptcy protection for these types of Accounts, however, is limited. To be protected, the Beneficiary of the Account must be a child, stepchild, grandchild, or step-grandchild of such individual during the year of such contribution and the funds must have been contributed at least 365 days prior to a bankruptcy filing. The new bankruptcy protection also imposes a cap on the amount of the monies that may be excluded from such individual bankruptcy’s estate. The maximum amount entitled to the new bankruptcy exclusion is \$5,000 for payments or contributions made by such individual to the Account for the Beneficiary during the period between 365 and 720 days prior to the bankruptcy filing. Contributions made more than 720 days prior to the bankruptcy filing should not be part of the bankruptcy estate provided that the aggregate

amount contributed by such individual to the Account does not exceed the account balance limit at the time of the bankruptcy filing, as adjusted for changes in the cost of education under a specified index. This information is not meant to be individual advice and Account Owners should consult with their own advisors concerning their individual circumstances.

Selecting an Investment Option/Limitations on Changing Investment Options

You must designate an Investment Option on the Participation Agreement form by directing your contributions to the Program to be invested in one or more Investment Option(s). The Participation Agreement allows the Account Owner to choose among the three investment approaches described in the “Choice of Investment Strategies” section of this Program Disclosure Booklet. See the “Choice of Investment Strategies” section of this Program Disclosure Booklet for a detailed explanation of the Age-Based Portfolio Strategy, the Single Fund Investment Strategy, and the Stability of Principal Investment Strategy.

After receiving your contribution and Participation Agreement in good order, Calvert will send you a confirmation of your choice of investments. You must notify Calvert immediately after receiving this confirmation if any investment information in the confirmation is incorrect.

You can change Investment Options without federal tax consequences once per calendar year or upon a change in Beneficiary to a Member of the Family of the current Beneficiary.

The Trustee reserves the right to change Investment Options from time to time when it is believed to be in the best interest of the Program. Account Owners will be informed in advance of such change and information respecting the manner in which you may choose to redirect the investment in the Account.

Taking Distributions From an Account

The Account Owner is the only person authorized to request a distribution from an Account, except as may otherwise be provided by law. All distributions must be approved by the Trustee in accordance with the Declaration of Trust.

Distribution Request Form. An Account Owner can request a distribution at any time by completing the appropriate distribution request form and providing all documentation. Calvert needs to receive the original distribution request form; a fax is not acceptable.

All distributions require the Social Security (or tax identification) number of the recipient of the distribution. Checks for all distributions may be made payable either to the Account Owner or the Beneficiary at the Account Owner’s direction.

Distribution Minimums. The distribution minimum is the lesser of \$100 or the account balance. Calvert reserves the right to limit the number of distributions that may be requested each month.

Distributions — Qualified/Non-qualified Distributions

Qualified Distributions. Qualified Distributions include:

- 1) distributions that are not in excess of the Beneficiary’s Qualified Expenses during the relevant tax year; and
- 2) a Rollover to an account in another qualified tuition program for the benefit of the same Beneficiary (subject to the requirement that no prior Rollover has occurred with respect to that Beneficiary within the prior 12-month period) or to another Account (or to an account in another qualified tuition program) for the benefit of a Member of the Family of the current Beneficiary.

Non-Qualified Distributions. All distributions other than Qualified Distributions are considered Non-Qualified Distributions. The earnings portion of a Non-Qualified Distribution is subject to federal (and possibly DC or state) income taxes. In addition, subject to certain exceptions, the earnings portion of a Non-Qualified Distribution will be subject to a 10% federal surtax. The surtax will not apply under certain circumstances (See the discussion under “Federal Tax Considerations — Benefits, Limitations, and Penalties”). Neither the Trustee nor the Program Manager will collect or withhold any income tax on the federal surtax. The Account Owner or Beneficiary will have the responsibility for reporting the Non-Qualified Distribution to the IRS and paying any necessary tax.

Qualified Expenses. Your account balance can be used to pay expenses for tuition, fees, books, supplies, equipment, room and board (subject to certain limitations), and special needs services in the case of a special needs Beneficiary, incurred while attending an Eligible Institution. These include colleges and universities (including graduate school), as well as certain technical schools. You can research Eligible Institutions on the U.S. Department of Education’s school code search page at www.fafsa.ed.gov.

Distributions. Distributions are typically paid by check or ACH, although wire transfers may be available in some cases. Calvert or your bank may charge wire transfer fees.

Distribution Requests. You must use the Program's distribution form to request a distribution. The form requires that you specify the Investment Option(s) from which the distribution will be made, and the amount from each Investment Option. If you do not specify any Investment Option, your request will not be processed and will be returned to you.

If you request distributions from one or more Investment Options which have insufficient funds to make the distribution, Calvert will redeem your entire interest in the Investment Option(s), but will not increase the amount distributed from any other Investment Option. This will result in the amount of the distribution being less than the amount requested, and you will have to make a separate distribution request for the remainder.

Requests received in good order before the close of regular trading of the NYSE (currently 4 p.m. Eastern Time) on any day the NYSE is open for business are processed within seven days of the day the request is received. Requests received after that time are processed within seven days of the next day the NYSE is open for business.

Closing an Account. You can close your Account by having all the money in your Account distributed or transferred to another Account or qualified tuition program. If the account has not already paid the Annual Maintenance Fee, such fee will be taken at closing.

Share Values. Share values are calculated for each Investment Option after the NYSE closes (usually 4 p.m. Eastern time) on each day the NYSE is open for business. The Share value is calculated by dividing the value of an Investment Option's net assets (total assets minus liabilities) by the number of outstanding Shares in the Investment Option. The net asset values of the Underlying Investments are calculated in a similar manner.

Calvert reserves the right to suspend distributions for periods during which trading on the NYSE is restricted, or during which an emergency causing redemptions or determination of net asset value is deemed not to be reasonably practicable.

Keeping Track of Your Accounts

Calvert will send you a confirmation when you initially contribute to your Account(s) and after each subsequent purchase or distribution (except systematic contributions). Subsequent contributions will also

appear each quarter on your Account statement that details your contributions, distributions, total account balance, current investments, and personal rate of return. Contributions through payroll deduction and systematic contributions are reported on your quarterly statement.

You will also receive a confirmation when you change Account information, such as your address or Beneficiary. Households with multiple Accounts for more than one Beneficiary can elect to receive all statements in one mailing envelope. You may also elect to receive electronic statements.

Other Sources for Account Information. Visit our Web site at www.DCCollegeSavings.com or for telephone access, call 1-800-987-4859 (1-800-368-2745 for non-DC residents).

Changing a Beneficiary

Documentation and Limitations. A Beneficiary change is effective only when all required documents are received by Calvert in good order and processed. Also, a Beneficiary change or transfer of assets may be denied if it causes one or more Accounts to exceed the account balance limit for a Beneficiary.

Effect on Investment Options. Unless you choose to reallocate your investment among the Investment Options upon a Qualified Change in Beneficiary, Calvert will automatically do the following: for any money that is invested in the Age-Based Portfolio, if the new Beneficiary is a different age than the original Beneficiary, the money in the Age-Based Portfolio will be transferred to the appropriate band of the Age-Based Portfolio for the new Beneficiary. Any money that is invested in a Single Fund Investment Option or the Stability of Principal Investment Option will remain in those Investment Options following a change of Beneficiary.

Changing an Investment Option. Upon a change of Beneficiary, the Account Owner may choose to redirect the investment of the Account to another Investment Option. For details on tax matters relating to transfers, please see the sections titled "Federal Tax Considerations — Benefits, Limitations, and Penalties" and "State/DC Tax Considerations — Benefits and Limitations" and consult your tax advisor.

CHOICE OF INVESTMENT STRATEGIES

The Program is designed to offer various alternatives to meet the risk tolerance and investment objective of most investors. You may choose one or any combination of the following three types of investment strategies: the Age-Based Portfolio Strategy, which will adjust the relative risk of the investments to the Beneficiary's age; the Single Fund Investment Strategy (each Investment Option invests in a single underlying mutual fund); or the Stability of Principal Strategy, which provides for a guarantee of principal and a minimum contractual annual interest rate of 3% to the Trust. Within the Age-Based Portfolio Strategy, there are five age bands available for those who wish the asset allocation of their investment to change as the Beneficiary ages, from greater stock exposure in the early years to mostly fixed-income and a funding agreement in the later years. In the Single Fund Investment Strategy, there are currently six Single Fund Investment Options for those who wish to choose from one or more Single Fund Investment Options. The Stability of Principal Strategy provides an option for those whose primary investment objective is the protection of the principal they invest.

Age-Based Portfolio Strategy

The Age-Based Portfolio Strategy is made up of five age-based portfolios. Specifically, the five age-based portfolios are: (1) age band 0-5 years; (2) age band 6-10 years; (3) age band 11-13 years; (4) age band 14-16 years; and (5) age band 17 and older. Starting with the age-based portfolio for age band 0-5, each successive age band is generally more conservative and likewise generally offers lower return potential and less potential for loss than the preceding band. To select this strategy, you simply open an account with a contribution to one of the five age-based portfolios. You select the age-based portfolio that matches the age of the Beneficiary for whom you are saving. The assets will automatically be moved to the next age band as the Beneficiary reaches the pre-determined age in the next successive age band. Consequently, as the age of the Beneficiary gets closer to the age for attending an Eligible Institution, a greater portion of the asset allocation in an age-based portfolio shifts from equity investments to fixed income investments and a funding agreement that provides, at the minimum, for stability of principal. As this shift occurs, the potential for greater return is reduced but the risk for loss is also reduced. You may choose to invest in any of these age bands as you deem appropriate, regardless of the Beneficiary's age. Note that if you choose to invest in an age band that is lower than the Beneficiary's actual age, no automatic movement to a different age band will occur as the Beneficiary's age changes.

Each of the five age bands primarily seeks total return with capital appreciation or income, in either case with reasonable safety of principal, consistent with the dates of birth of the Beneficiaries for which they were designed. The target asset allocation for each of the five age bands is designed to provide an approach to asset allocation that is neither overly aggressive nor overly conservative. In general, each of these five age bands is managed according to its target asset allocation strategy, and does not intend to trade actively among the investment products or attempt to capture short-term market opportunities.

The ability of each of the age bands to meet its investment objective is directly related to its target asset allocation among the investment products and, in turn, the ability of those investment products to meet their own investment objectives.

Single Fund Investment Strategy

There are currently six Single Fund Investment Options, each of which invests in a single underlying mutual fund. These six Investment Options focus on a single investment strategy or asset class. Depending on its investment objective, the Underlying Investment may strive to maximize capital appreciation or to generate income and preserve principal. In general, stocks offer a potentially greater reward than other investments, but they also carry greater risk and volatility. Hence, the appropriate asset allocation among the different Single Fund Investment Options depends on the investment goals and risk tolerance of the Account Owner and the time horizon of the Beneficiary to attend an Eligible Institution.

Stability of Principal Investment Strategy

This option focuses on protecting the principal you invest. It is the most conservative Investment Option and provides a guarantee of principal and a minimum contractual interest rate of 3 percent to the Trust.

PORTFOLIOS AND UNDERLYING INVESTMENTS

The Underlying Investments and the respective asset allocations in the age bands of the Age-Based Portfolio Strategy are shown below:

Age-Based Portfolio Strategy

Beneficiary's Age	ASSET CLASS					
	US Large Cap Equity	US Mid Cap Equity	US Small Cap Equity	Non-US Equity	Bonds	Cash (Funding Agreement)
DC College Savings 0 – 5	50.00%	6.00%	9.00%	25.00%	10.00%	0.00%
DC College Savings 6 – 10	45.00%	5.00%	6.00%	25.00%	19.00%	0.00%
DC College Savings 11 – 13	39.00%	5.00%	4.00%	17.00%	35.00%	0.00%
DC College Savings 14 – 16	18.00%	4.00%	0.00%	8.00%	40.00%	30.00%
DC College Savings 17 & up	7.00%	0.00%	0.00%	6.00%	31.00%	56.00%

US Large-Cap Equity: Calvert Social Index Fund — Class A

US Mid-Cap Equity: Calvert Capital Accumulation Fund — Class A

US Small-Cap Equity: Calvert Small Cap Fund — Class A

Non-US Equity: Calvert International Equity Fund — Class A

Bonds: Calvert Bond Portfolio — Class A

Cash (Funding Agreement): Acacia Principal Plus

Single Fund Investment Strategy

Asset Class	Investment Option	Underlying Investment
Bonds	Calvert Income Fund — DC 529	Calvert Income Fund — Class A
Balanced	Calvert Balanced Portfolio — DC 529	Calvert Balanced Portfolio — Class A
US Large-Cap Equity	Calvert Equity Fund — DC 529	Calvert Equity Portfolio — Class A
	State Street Equity 500 Index Fund — DC529	State Street Equity 500 Index Fund — Service Class
US Small-Cap Equity	Calvert Small Cap Fund — DC 529	Calvert Small Cap Fund — Class A
Non-US Equity	Calvert International Equity Fund — DC 529	Calvert International Equity Fund — Class A

Stability of Principal Investment Strategy

The Stability of Principal Investment Option invests in Acacia Principal Plus.

After approval of the Trustee, Calvert may eliminate or replace one or more of the Underlying Investments discussed above with another Underlying Investment. You would be notified prior to the time the substitution is effected. The Underlying Investments are subject to certain risks. See Appendix A.

DESCRIPTION OF UNDERLYING INVESTMENTS

Set forth below are descriptions of each of the Underlying Investments. Prospectuses for the Calvert funds are available upon request by visiting www.calvert.com or calling Calvert at 1-800-368-2745. The Age-Based Portfolios are not registered under the Investment Company Act of 1940. To obtain a prospectus for the State Street Equity 500 Index Fund, call 1-800-647-7327 or visit www.ssga.com. Also see www.dccollegesavings.com. Risks associated with the Underlying Investments below are discussed in Appendix A. An investment performance summary has been included for the time period ending December 31, 2010 in Appendix B. Performance may be reviewed by visiting www.dccollegesavings.com.

Calvert Income Fund

Advisor: Calvert Investment Management, Inc.

The Fund seeks to maximize income, to the extent consistent with preservation of capital, through investment in bonds and other income-producing securities. The benchmark for this Fund is the Barclays U.S. Credit Index.

The Fund uses an active strategy, seeking relative value to earn incremental income. The Fund typically invests at least 65% of its net assets in investment grade, U.S. dollar-denominated debt securities, as assessed at the time of purchase. A debt security is investment grade when assigned a credit quality rating of BBB or higher by Standard & Poor's or an equivalent rating by a nationally recognized statistical rating organization ("NRSRO"), including Moody's Investors Service or Fitch Ratings, or if unrated, considered to be of comparable credit quality by the Fund's Advisor.

The Fund may invest up to 35% of its net assets in below-investment grade, high-yield debt securities (commonly known as "junk bonds"), including bonds

rated in default. A debt security is below investment grade when assigned a credit quality rating below BBB by Standard & Poor's or an equivalent rating by an NRSRO, or if unrated, considered to be of comparable credit quality by the Fund's Advisor.

Calvert Bond Portfolio

Advisor: Calvert Investment Management, Inc.

The Fund seeks to provide as high a level of current income as is consistent with prudent investment risk and preservation of capital through investment in bonds and other straight debt securities while meeting the Fund's investment and social criteria. The benchmark for this Fund is the Barclays U.S. Credit Index.

The Fund uses an active strategy, seeking relative value to earn incremental income. Under normal circumstances, the Fund invests at least 80% of its net assets (including borrowings for investment purposes) in fixed-income securities. At least 65% of the Fund's net assets will be invested in investment grade debt securities rated A or above. A debt security is investment grade when assigned a credit quality rating of BBB or higher by Standard & Poor's ("S&P") or an equivalent rating by a nationally recognized statistical rating organization ("NRSRO"), including Moody's Investors Service or Fitch Ratings, or if unrated, considered to be of comparable credit quality by the Fund's Advisor.

The Fund may invest up to 35% of its net assets in below-investment grade, high-yield debt securities (commonly known as "junk bonds"), including bonds rated in default. A debt security is below investment grade when assigned a credit quality rating below BBB by Standard & Poor's or an equivalent rating by an NRSRO, or if unrated, considered to be of comparable credit quality by the Fund's Advisor.

The Fund seeks to invest in companies and other enterprises that demonstrate positive environmental, social and governance performance as they address corporate responsibility and sustainability challenges. Calvert believes that there are long-term benefits in an investment philosophy that attaches material weight to the environment, workplace relations, human rights, indigenous peoples' rights, community relations, product safety and impact, corporate governance and business ethics. Calvert also believes that managing risks and opportunities related to these issues can contribute positively to company as well as investment performance over time.

Calvert Balanced Portfolio

Advisor: Calvert Investment Management, Inc.

Subadvisor: New Amsterdam Partners, LLC

The Fund seeks to achieve a competitive total return through an actively managed portfolio of stocks, bonds and money market instruments which offer income and capital growth opportunity and which satisfy the investment criteria, including financial, sustainability and social responsibility factors. The benchmark for this Fund is the Russell 1000 Index.

The Fund typically invests about 60% of its net assets in stocks and 40% in bonds or other fixed-income investments. Stock investments are primarily common stock in large-cap companies, while the fixed-income investments are primarily a wide variety of investment grade securities, including corporate debt securities, mortgage-backed securities and asset-backed securities.

The Fund invests in a combination of stocks, bonds and money market instruments in an attempt to provide a complete investment portfolio in a single product. The Advisor rebalances the portfolio quarterly to adjust for changes in market value.

The Fund seeks to invest in companies and other enterprises that demonstrate positive environmental, social and governance performance as they address corporate responsibility and sustainability challenges. Calvert believes that there are long-term benefits in an investment philosophy that attaches material weight to the environment, workplace relations, human rights, indigenous peoples' rights, community relations, product safety and impact, corporate governance and business ethics. Calvert also believes that managing risks and opportunities related to these issues can contribute positively to company as well as investment performance over time.

Calvert Social Index Fund

Advisor: Calvert Investment Management, Inc.

Subadvisor: World Asset Management, Inc.

Calvert Social Index Fund seeks to match the performance of the Calvert Social Index®, which measures the investment return of large- and mid-capitalization stocks.

The Fund employs a passive management strategy designed to track, as closely as possible, the performance of the Calvert Social Index. The Fund uses a replication index method, investing in the common stock of each company in the Index in about the same proportion as represented in the Index itself. Under normal circumstances, the Fund will invest at least 95% of its net assets (including borrowings for investment purposes) in securities contained in the Index.

The Calvert Social Index measures the performance of those companies that meet sustainable and social investment criteria selected from the universe of approximately the 1,000 largest U.S. companies, based on total market capitalization, included in the Dow Jones Total Market Index (the "Dow Jones TMI"). The Dow Jones TMI represents the top 95% of U.S. companies based on float-adjusted market capitalization, excluding the very smallest and least liquid stocks.

The Index is reconstituted once a year based on an updated list of the 1,000 largest U.S. companies. The Index is also reviewed quarterly to adjust for sustainable and socially responsible investment criteria and other factors.

State Street Equity 500 Index Fund

Advisor: SSgA Funds Management, Inc.

State Street Equity 500 Index Fund seeks to replicate as closely as possible, before expenses, the performance of the S&P 500 Index. The Fund invests substantially all of its investable assets in another fund that has the same objective and substantially similar investment policies.

The S&P 500 Index is a well-known stock market index that includes common stocks of 500 companies from a number of sectors representing a significant portion of the market value of all stocks publicly traded in the United States.

Using a "passive" or "indexing" investment approach, the Fund intends to invest in all 500 stocks comprising the Index in approximate proportion to their weightings in the Index. However, under various circumstances, it may not be possible or practical to purchase all 500 stocks in those weightings. In those circumstances, the Fund may purchase a sample of

the stocks in the Index in proportions expected by the Advisor to match generally the performance of the S&P 500 Index as a whole. In addition, from time to time, stocks are added to or removed from the Index. The Fund may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, in anticipation of their removal from or addition to the Index. Under normal market conditions, the Fund will not invest less than 80% of its total assets in stocks in the Index. In addition, the Fund may at times purchase or sell futures contracts on the Index, or options on those futures, in lieu of investing directly in the stocks making up the Index.

Calvert Equity Portfolio

Advisor: Calvert Investment Management, Inc.

Subadvisor: Atlanta Capital Management Company, LLC

The Fund seeks growth of capital through investment in stocks of issuers in industries believed to offer opportunities for potential capital appreciation and which meet the Fund's investment criteria, including financial, sustainability and social responsibility factors. The benchmark for this Fund is the S&P 500 Index.

Under normal circumstances, the Fund will invest at least 80% of its net assets (including borrowings for investment purposes) in equity securities. The Fund invests primarily in the common stocks of U.S. large-cap companies. The Fund defines large-cap companies as those whose market capitalization falls within the range of the Standard & Poor's ("S&P") 500 Index. Under normal circumstances, the Fund seeks to have a weighted average market capitalization of at least \$20 billion.

The Subadvisor looks for established companies with a history of steady earnings growth. Companies are selected based on the Subadvisor's opinion that the company has the ability to sustain growth through high profitability and that the stock is favorably priced with respect to those growth expectations.

The Fund seeks to invest in companies and other enterprises that demonstrate positive environmental, social and governance performance as they address corporate responsibility and sustainability challenges. Calvert believes that there are long-term benefits in an investment philosophy that attaches material weight to the environment, workplace relations, human rights, indigenous peoples' rights, community

relations, product safety and impact, corporate governance and business ethics. Calvert also believes that managing risks and opportunities related to these issues can contribute positively to company as well as investment performance over time.

Calvert Capital Accumulation Fund

Advisor: Calvert Investment Management, Inc.

Subadvisor: New Amsterdam Partners, LLC

The Calvert Capital Accumulation Fund seeks to provide long-term capital appreciation by investing primarily in mid-cap stocks that meet the Fund's investment criteria, including financial, sustainability and social responsibility factors. The benchmark for this Fund is the Russell Midcap Growth Index.

Investments are primarily in the common stocks of mid-size U.S. companies.

The Fund currently defines mid-cap companies as those whose market capitalization falls within the range of the Russell Midcap Growth Index.

Stocks chosen for the Fund combine growth and value characteristics or offer the opportunity to buy growth at a reasonable price. The Subadvisor favors companies which have an above market average prospective growth rate, but sell at below market average valuations.

The Fund seeks to invest in companies and other enterprises that demonstrate positive environmental, social and governance performance as they address corporate responsibility and sustainability challenges. Calvert believes that there are long-term benefits in an investment philosophy that attaches material weight to the environment, workplace relations, human rights, indigenous peoples' rights, community relations, product safety and impact, corporate governance and business ethics. Calvert also believes that managing risks and opportunities related to these issues can contribute positively to company as well as investment performance over time.

Calvert Small Cap Fund

Advisor: Calvert Investment Management, Inc.

The Fund seeks to provide long-term capital appreciation through investment primarily in small-cap common stocks of U.S. companies that meet the Fund's investment criteria, including financial, sustainability and social responsibility factors and, at the time of purchase, are considered by the Advisor to be attractively valued. The Fund offers opportunities for long-term capital appreciation with a moderate degree of risk through a mix of smaller company stocks that meet the Fund's investment criteria, including financial, sustainability and social responsibility factors. The benchmark for this Fund is the Russell 2000 Index.

Under normal circumstances, at least 80% of the Fund's net assets (including borrowings for investment purposes) will be invested in the common stocks of small companies. Calvert quantifies small companies as having a market capitalization of \$3 billion or less at the time of initial purchase.

The Fund seeks to invest in companies and other enterprises that demonstrate positive environmental, social and governance performance as they address corporate responsibility and sustainability challenges. Calvert believes that there are long-term benefits in an investment philosophy that attaches material weight to the environment, workplace relations, human rights, indigenous peoples' rights, community relations, product safety and impact, corporate governance and business ethics. Calvert also believes that managing risks and opportunities related to these issues can contribute positively to company as well as investment performance over time.

Calvert International Equity Fund

Advisor: Calvert Investment Management, Inc.

Subadvisors: Martin Currie Investment, Inc.

Thornburg Investment Management, Inc.

The Fund seeks to provide a high total return consistent with reasonable risk by investing primarily in a diversified portfolio of stocks that meet the Fund's investment criteria, including financial, sustainability and social responsibility factors. The benchmark for this Fund is the MSCI EAFE Global Investable Market Index.

Under normal circumstances, the Fund will invest at least 80% of its net assets (including borrowings for investment purposes) in equity securities of foreign companies.

The Fund invests primarily in the common and preferred stocks of non-U.S. large cap companies. The Fund defines "non-U.S. large cap" companies as those whose market capitalization falls within the range of the MSCI EAFE Global Investable Market Index.

In the multi-manager structure, Thornburg and Martin Currie are two growth-biased managers that serve as the main alpha-generating vehicles for the Fund, while Calvert provides style balance to the Fund with a more value-oriented, more diversified investment strategy and lower tracking error. Calvert may shift allocations between managers depending on market conditions, managers' respective style biases, and performance opportunities.

The Fund seeks to invest in companies and other enterprises that demonstrate positive environmental, social and governance performance as they address corporate responsibility and sustainability challenges. Calvert believes that there are long-term benefits in an investment philosophy that attaches material weight to the environment, workplace relations, human rights, indigenous peoples' rights, community relations, product safety and impact, and corporate governance and business ethics. Calvert also believes that managing risks and opportunities related to these issues can contribute positively to company as well as investment performance over time.

Acacia Principal Plus

Advisor: Acacia Life Insurance Company

The Plan allocates your contributions under this Investment Option to the Funding Agreement issued by Acacia Life Insurance Company ("Acacia Life"). The Funding Agreement is a contract that provides the Trust with a guaranteed return of principal and an annualized minimum rate of return of 3 percent, minus any premium tax, if applicable, and the opportunity for additional interest. On a quarterly basis Acacia Life will declare the rate it will pay under the Funding Agreement for the subsequent quarter, including any return in excess of the minimum annual guarantee of three percent (3%) to the Trust.

The rate is declared in advance for a period of three months but is not guaranteed for future periods. Neither the Trust nor Acacia Life can predict the amount of any such additional returns under the Funding Agreement. See Appendix A for additional information.

Acacia Life will establish the quarterly rate using the experience of a reference portfolio within its general account. The reference portfolio shall primarily consist of investment grade fixed-income securities having a short to intermediate duration. Similar to the overall general account of Acacia Life, a majority of these investments are expected to be made in securities such as U.S. Treasuries, mortgage-backed securities, corporate bonds, private placement bonds, and commercial mortgage loans.

Acacia Life Insurance Company is a regulated life insurance company domiciled in the District of Columbia. Acacia Life is an affiliate of Calvert. The

Funding Agreement is a general obligation of Acacia Life to the Trust. As such, the Funding Agreement provides the guarantee described herein to the Trust for the benefit of the participants who have selected the Stability of Principal Investment Option, but the guarantee is not made directly to the Participants or Beneficiaries. This guarantee to the Trust forms the basis of returns that are credited to Accounts invested in the Stability of Principal Investment Option. In addition, neither the Stability of Principal Investment Option nor any account invested in this Investment Option is guaranteed by the District of Columbia, the Trustee, the Program Manager, or any other person or entity. The Funding Agreement is issued to the Trust and is not guaranteed or insured by any person other than Acacia Life.

For the plan, the benchmark for the Acacia Principal Plus is the Merrill Lynch 90-day Treasury Index plus 100 basis points (1.0%).

FEES AND EXPENSES OF THE INVESTMENT OPTIONS

The following charts (Chart 1 and Chart 2) illustrate the fees and expenses incurred by an Account Owner.

Description of Contents

Estimated Underlying Fund Expenses

Estimated underlying fund expenses for each Underlying Investment are as of its last fiscal year, as set forth in the Underlying Investment's most recent prospectus, published as of January 31, 2012. Estimated underlying fund expenses include investment advisory fees, distribution fees, shareholder servicing fees, custodian fees, professional fees, and other expenses. Fees are based on expenses for each Underlying Investment's most recently reported fiscal year end and are calculated as a percentage of the average daily net assets of each Underlying Investment. Where appropriate, expense ratios are adjusted to reflect current fee waivers and/or expense reimbursements.

Each Underlying Investment's annual operating expenses can be found in its prospectus and annual and semi-annual reports. The annual operating expenses reflect the Underlying Investment's most recent past fiscal period and, unless otherwise stated, are not a guarantee of future expenses. Such expenses will vary on a periodic basis.

Administrative Fee

Each Investment Option is subject to an Administrative Fee of 0.15 percent of the average annual assets of the Trust, for the benefit of the Program, for services such as administration and other Program related services and expenses; 0.10 percent is payable to the Program Manager, and 0.05 percent is payable to the DC College Savings Trust. This fee will be calculated daily as a percentage of the average daily net assets of each Underlying Investment and deducted from the balance of each Account monthly.

Annual Account Maintenance Fee

Account Owners who are residents of the District of Columbia will be charged a \$15 Annual Account Fee per Account each year. For non-DC residents, this fee is \$30 per Account. The fee is automatically deducted directly from Account assets once per calendar year.

FEES AND EXPENSES FOR DIRECT-SOLD OFFERING – CHART 1

The following table illustrates the fees and expenses incurred by an Account Owner, if an Account Owner is a resident of the District of Columbia who purchases Shares directly from the Program Manager or if an Account Owner contributes through payroll deduction from a company with 300 or more employees.

Annual Asset-Based Fees

Investment Option	Underlying Fund Expenses	Estimated Administrative Fee ¹	Miscellaneous Fees
STABILITY OF PRINCIPAL			
Acacia Principal Plus	0.00%	0.15%	0.00%
AGE-BASED			
DC College Savings (0-5)	1.19%	0.15%	0.00%
DC College Savings (6-10)	1.19%	0.15%	0.00%
DC College Savings (11-13)	1.14%	0.15%	0.00%
DC College Savings (14-16)	0.80%	0.15%	0.00%
DC College Savings (17 & Up)	0.51%	0.15%	0.00%
FIXED INCOME			
Calvert Income Fund — DC 529	1.25%	0.15%	0.00%
BALANCED			
Calvert Balanced Portfolio — DC 529	1.25%	0.15%	0.00%
EQUITY			
State Street Equity 500 Index Fund — DC 529	0.35%	0.15%	0.00%
Calvert Equity Fund — DC 529	1.22%	0.15%	0.00%
Calvert Small Cap Fund — DC 529	1.69% ³	0.15%	0.00%
Calvert International Equity Fund — DC 529	1.82%	0.15%	0.00%

¹ Regarding the Administrative Fee of 0.15 percent, 0.10 percent is payable to the Program Manager, and 0.05 percent is payable to the DC College Savings Trust.

² The maintenance fee for non-DC residents is \$30 per year.

³ The contractual cap for these expenses is currently 1.69% through January 31, 2013. The total expense ratio, as of the January 31, 2012 prospectus, is 1.81%.

FEES AND EXPENSES FOR DIRECT-SOLD OFFERING – CHART 1 (Continued)

The following table illustrates the fees and expenses incurred by an Account Owner, if an Account Owner is a resident of the District of Columbia who purchases Shares directly from the Program Manager, or if an Account Owner contributes through payroll deduction from a company with 300 or more employees.

Investment Option	Annual Asset-Based Fees (Continued)		Additional Investor Expenses	
	Annual Distribution Fee	Total Annual Asset-Based Fees	Maximum Initial Sales Charge	Annual Account Maintenance Fees ²
STABILITY OF PRINCIPAL				
Acacia Principal Plus	0.00%	0.15%	0.00%	\$15
AGE-BASED				
DC College Savings (0-5)	0.00%	1.34%	0.00%	\$15
DC College Savings (6-10)	0.00%	1.34%	0.00%	\$15
DC College Savings (11-13)	0.00%	1.29%	0.00%	\$15
DC College Savings (14-16)	0.00%	0.95%	0.00%	\$15
DC College Savings (17 & Up)	0.00%	0.66%	0.00%	\$15
FIXED INCOME				
Calvert Income Fund — DC 529	0.00%	1.40%	0.00%	\$15
BALANCED				
Calvert Balanced Portfolio — DC 529	0.00%	1.40%	0.00%	\$15
EQUITY				
State Street Equity 500 Index Fund — DC 529	0.00%	0.50%	0.00%	\$15
Calvert Equity Fund — DC 529	0.00%	1.37%	0.00%	\$15
Calvert Small Cap Fund — DC 529	0.00%	1.84%	0.00%	\$15
Calvert International Equity Fund — DC 529	0.00%	1.97%	0.00%	\$15

FEES AND EXPENSES FOR ADVISOR-SOLD OFFERING – CHART 2

The following table illustrates the fees and expenses incurred by an Account Owner, if an Account Owner purchases Shares with the assistance of a financial professional or non-DC residents who purchase directly from Calvert.

Annual Asset-Based Fees			
Investment Option	Underlying Fund Expenses	Estimated Administrative Fee ¹	Miscellaneous Fees
STABILITY OF PRINCIPAL			
Acacia Principal Plus	0.00%	0.15%	0.00%
AGE-BASED			
DC College Savings (0-5)	1.19%	0.15%	0.00%
DC College Savings (6-10)	1.19%	0.15%	0.00%
DC College Savings (11-13)	1.14%	0.15%	0.00%
DC College Savings (14-16)	0.80%	0.15%	0.00%
DC College Savings (17 & Up)	0.51%	0.15%	0.00%
FIXED INCOME			
Calvert Income Fund - DC 529	1.25%	0.15%	0.00%
BALANCED			
Calvert Balanced Portfolio - DC 529	1.25%	0.15%	0.00%
EQUITY			
State Street Equity 500 Index Fund - DC 529	0.35%	0.15%	0.00%
Calvert Equity Fund - DC 529	1.22%	0.15%	0.00%
Calvert Small Cap Fund - DC 529	1.69% ³	0.15%	0.00%
Calvert International Equity Fund - DC 529	1.82%	0.15%	0.00%

¹ Regarding the Administrative Fee of 0.15 percent, 0.10 percent is payable to the Program Manager, and 0.05 percent is payable to the DC College Savings Trust.

² The maintenance fee for District residents is \$15 per year. The maintenance fee for non-District residents is \$30 per year.

³ The contractual cap for these expenses is currently 1.69% through January 31, 2013. The total expense ratio, as of the January 31, 2012 prospectus, is 1.81%.

FEES AND EXPENSES FOR ADVISOR-SOLD OFFERING – CHART 2 (Continued)

The following table illustrates the fees and expenses incurred by an Account Owner, if an Account Owner purchases Shares with the assistance of a financial professional or non-DC residents who purchase directly from Calvert.

Investment Option	Annual Asset-Based Fees (Continued)		Additional Investor Expenses	
	Annual Distribution Fee	Total Annual Asset-Based Fees	Maximum Initial Sales Charge	Annual Account Maintenance Fees ²
STABILITY OF PRINCIPAL				
Acacia Principal Plus	0.00%	0.15%	0.00%	\$30/\$15
AGE-BASED				
DC College Savings (0-5)	0.00%	1.34%	4.75%	\$30/\$15
DC College Savings (6-10)	0.00%	1.34%	4.75%	\$30/\$15
DC College Savings (11-13)	0.00%	1.29%	4.75%	\$30/\$15
DC College Savings (14-16)	0.00%	0.95%	3.75%	\$30/\$15
DC College Savings (17 & Up)	0.00%	0.66%	2.75%	\$30/\$15
FIXED INCOME				
Calvert Income Fund — DC 529	0.00%	1.40%	3.75%	\$30/\$15
BALANCED				
Calvert Balanced Portfolio — DC 529	0.00%	1.40%	4.75%	\$30/\$15
EQUITY				
State Street Equity 500 Index Fund — DC 529	0.00%	0.50%	4.75%	\$30/\$15
Calvert Equity Fund — DC 529	0.00%	1.37%	4.75%	\$30/\$15
Calvert Small Cap Fund — DC 529	0.00%	1.84%	4.75%	\$30/\$15
Calvert International Equity Fund — DC 529	0.00%	1.97%	4.75%	\$30/\$15

OTHER FEES AND CHARGES

The Trustee has established fees and other charges relating to the Program, some or all of which may be paid from the Account of an Account Owner.

In addition to the expenses set forth under “Fees and Expenses of the Investment Options” above, each Account Owner is subject to the fees, payable to Calvert, set forth below.

Enrollment/Application Fee

Each Account Owner who is not a DC resident will be charged a one-time enrollment fee of \$25 at the time an Account is opened. The enrollment fee is in addition to the initial investment.

Residence-Based Fees and Sales Charges

Certain fees depend on the residency of the Account Owner and the manner in which Shares are purchased and contributions are made.

Shares purchased by Account Owners who are residents of the District of Columbia who purchase directly through Calvert or Account Owners who contribute through payroll deductions from any company with 300 or more employees will be purchased at a price equal to the net asset value of the Investment Option to which their money is allocated (i.e., no sales load will be charged). District residents who elect to purchase Shares with the assistance of a financial professional may be charged the loads identified below (see Section 8 of the Participation Agreement for further information).

Account Owners not residing in the District of Columbia will be subject to the sales charges described below. The rate is based upon the amount you invest in the Plan (and/or other investments with the Program Manager) and decreases as the size of your investment increases to certain levels, which are called breakpoints. Certain Account Owners, such as employees of Calvert Investments, Inc. and its affiliates or financial professionals for their own Account (as described in the Calvert prospectus for the Underlying Funds), and account owners who contribute through payroll deductions from any company with 300 or more employees may also purchase Shares at net asset value.

Shares of the Stability of Principal Investment Option are sold at net asset value, and no load is assessed. The following sales charges, or “loads,” to be deducted from contributions at the time they are made to an Account and the corresponding payments to be made to brokers through which these contributions are made, are set forth as follows:

Age-Based Portfolio (Age Bands 0-5, 6-10, 11-13) and all Equity Fund Options

	Load	Payment to Broker ¹
0-\$49,999	4.75%	4.00%
\$50,000-\$99,999	3.75%	3.00%
\$100,000-\$249,999	2.75%	2.25%
\$250,000-\$499,999	1.75%	1.25%
\$500,000-\$999,999	1.00%	0.80%
\$1 million and over	0.00%	0.00%

Age-Based Portfolio (Age Band 14-16) and Bond Fund Option

	Load	Payment to Broker ¹
0-\$49,999	3.75%	3.00%
\$50,000-\$99,999	3.00%	2.25%
\$100,000-\$249,999	2.25%	1.75%
\$250,000-\$499,999	1.75%	1.25%
\$500,000-\$999,999	1.00%	0.80%
\$1 million and over	0.00%	0.00%

Age-Based Portfolio (Age Band 17 and Up)

	Load	Payment to Broker ¹
0-\$49,999	2.75%	2.25%
\$50,000-\$99,999	2.25%	1.75%
\$100,000-\$249,999	1.75%	1.25%
\$250,000-\$499,999	1.25%	0.95%
\$500,000-\$999,999	1.00%	0.80%
\$1 million and over	0.00%	0.00%

You may receive a reduced sales charge through Rights of Accumulation, applying shares from various Accounts in the District of Columbia College Savings Plan (whether for the same or different Beneficiary) or another Calvert account of which you are the owner to achieve a higher purchase level and a reduced load. Please notify Calvert if you believe you are entitled to a reduction in the load charged.

¹ The Distributor also pays the selling broker up to 0.25% in trail commissions. Note: SSgA Funds Management and Acacia Life are paying Calvert up to 0.60%, subject to certain minimums. These payments are for distribution and recordkeeping.

Miscellaneous Charges

A fee of \$25 will be assessed against an Account by Calvert for each check or ACH that is not honored by a bank, regardless of the reason.

For each record an Account Owner or other person requests, a fee of \$5 per year for items over 2 years old will be charged. If multiple documents are requested, this charge will be adjusted to \$1 per page.

EXPENSE CHARTS

The Expense Charts below provide you with useful and thorough examples of expenses that may be incurred when investing in the DC College Savings Plan.

Description of Contents

Fee Structure Cost Chart for Direct-Sold Offering

(Chart 3) illustrates the approximate costs associated with investing \$10,000 in the DC College Savings Plan with no assistance from a financial professional over different periods of time given a set of listed assumptions. These costs apply to DC residents who purchase Shares directly from Calvert and Account Owners who purchase Shares through a payroll deduction plan from a company with over 300 employees.

Fee Structure Cost Chart for Advisor-Sold Offering

(Chart 4) illustrates the approximate costs associated with investing \$10,000 in the DC College Savings Plan with the assistance of a financial professional over different periods of time given a set of listed assumptions. These costs less apply to non-District residents who purchase directly from Calvert.

FEE STRUCTURE COST CHART FOR DIRECT-SOLD OFFERING – CHART 3

The following tables compares the approximate cost of investing in the DC College Savings Plan over different periods of time. Your actual cost may be higher or lower. The table is based on the following assumptions:

- 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.
- 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 Fees and Expenses table (see pages 16-19).
- Expenses for each Investment Option include the entire annual account maintenance fee of \$15. (Non-DC residents are charged a \$30 annual account maintenance fee. Therefore, in the table below, the actual cost for non-DC residents would be higher.)

Approximate Cost of \$10,000 Investment

Investment Option	One Year	Three Years	Five Years	Ten Years
STABILITY OF PRINCIPAL				
Acacia Principal Plus	\$30	\$93	\$160	\$342
AGE-BASED				
DC College Savings (0-5)	\$151	\$470	\$809	\$1,763
DC College Savings (6-10)	\$151	\$470	\$809	\$1,763
DC College Savings (11-13)	\$146	\$454	\$783	\$1,706
DC College Savings (14-16)	\$112	\$348	\$600	\$1,316
DC College Savings (17 & Up)	\$ 82	\$256	\$443	\$972
FIXED INCOME				
Calvert Income Fund — DC 529	\$158	\$488	\$841	\$1,830
BALANCED				
Calvert Balanced Portfolio — DC 529	\$158	\$488	\$841	\$1,830
EQUITY				
State Street Equity 500 Index Fund — DC 529	\$66	\$205	\$355	\$778
Calvert Equity Fund — DC 529	\$154	\$479	\$825	\$1,796
Calvert Small Cap Fund — DC 529	\$202	\$624	\$1,071	\$2,309
Calvert International Equity Fund — DC 529	\$215	\$663	\$1,137	\$2,446

FEE STRUCTURE COST CHART FOR ADVISOR-SOLD OFFERING – CHART 4

The following tables compares the approximate cost of investing in the DC College Savings Plan over different periods of time. Your actual cost may be higher or lower. The table is based on the following assumptions:

- 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.
- 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 Fees and Expenses table (see pages 16-19).
- Expenses for each Investment Option include the entire annual account maintenance fee of \$15. (Non-DC residents are charged a \$30 annual account maintenance fee. Therefore, in the table below, the actual cost for non-DC residents would be higher.)
- The investor pays the applicable (if any) maximum initial sales charge (without regard to possible breakpoints).

Approximate Cost of \$10,000 Investment

Investment Option	One Year	Three Years	Five Years	Ten Years
STABILITY OF PRINCIPAL				
Acacia Principal Plus*	\$30	\$93	\$160	\$342
AGE-BASED				
DC College Savings (0-5)	\$620	\$924	\$1,249	\$2,161
DC College Savings (6-10)	\$620	\$924	\$1,249	\$2,161
DC College Savings (11-13)	\$615	\$910	\$1,224	\$2,108
DC College Savings (14-16)	\$483	\$711	\$956	\$1,648
DC College Savings (17 & Up)	\$356	\$525	\$708	\$1,225
FIXED INCOME				
Calvert Income Fund — DC 529	\$527	\$847	\$1,187	\$2,142
BALANCED				
Calvert Balanced Portfolio — DC 529	\$626	\$942	\$1,279	\$2,225
EQUITY				
State Street Equity 500 Index Fund — DC 529	\$539	\$673	\$816	\$1,223
Calvert Equity Fund — DC 529	\$623	\$933	\$1,264	\$2,193
Calvert Small Cap Fund — DC 529	\$668	\$1,071	\$1,498	\$2,681
Calvert International Equity Fund — DC 529	\$680	\$1,109	\$1,562	\$2,812

* Shares of Acacia Principal Plus are sold at net asset value, so no sales load is assessed.

PRINCIPAL INVESTMENT RISKS

Risks of Investing in the Program

Prospective Account Owners in the Program should carefully consider, along with other matters referred to in this Disclosure Booklet, the following risks of investing in the Program.

Your Investment is Not Guaranteed. There can be no guarantee that the Program's investment objectives will be realized. No guarantee of any type is made with respect to your account's principal, earnings on performance (except any guarantees under the Funding Agreement issued by Acacia Life) by DC, the Trustee, the DC Chief Financial Officer, the DC Treasurer, or Calvert. No one can predict the returns from the investment of your contributions to the Program. The rate of return from an Account may be less than the rate of increase in the costs of higher education over the same period, may not increase at all, or may even decrease.

No Guarantee of Attendance or Expense. Participation in the Program does not guarantee that a Beneficiary will be accepted for admission to any institution of higher education, or if admitted, will graduate or receive a degree, or otherwise be permitted to continue to attend. Further, there is no guarantee that a Beneficiary will be treated as a resident of any particular state for purposes of admissions or tuition rates. Even if the account balance of an Account has reached the account balance limit on Contributions, the balance in the Account may not be sufficient to cover the Beneficiary's Qualified Expenses.

Relevant Tax Law May Change. Proposed federal tax regulations that have been issued under section 529 of the Code and certain IRS administrative pronouncements provide guidance and requirements for the establishment and operation of the Program, but do not provide guidance on certain aspects of the Program. Final regulations or other administrative guidance or court decisions might be issued that could adversely impact the federal tax consequences or requirements with respect to the Program or contributions to, or distributions from, Accounts. Congress could also amend section 529 of the Code or other federal law in a manner that would materially change or eliminate the federal tax treatment described in this Disclosure Booklet. Such changes in federal law could materially affect the DC tax treatment of Account contributions, earnings, and distributions. The District of Columbia could also make changes to its tax law, which could materially affect the DC tax treatment of the Program, or to the College Savings Act, which could terminate or

otherwise adversely affect the Program. Changes in the law governing the federal and/or DC tax consequences described in this Disclosure Booklet might require material changes to the Program. Changes in applicable securities laws may also affect the continued operation of the Program as described in this Disclosure Booklet.

Your Investment in the Program is Illiquid.

Investment in the Program involves the risk of reduced liquidity regarding your investment. Once you open an Account for a Beneficiary, the circumstances under which funds may be distributed from the Account without adverse tax consequences are limited. If the money distributed is not used for Qualified Expenses, you will have to pay federal (and possibly state) income taxes on the earnings portion of the distribution. In most cases, you will also have to pay a 10% federal surtax. See "Description of the Program — Distributions" for further information about these restrictions.

Limited Account Owner Control. The extent to which Account Owners are able to exercise control over the investment of their Accounts, including the Investment Options and the underlying mutual funds and the Funding Agreement in which the Investment Options investment, is limited.

Change of the Program Manager

Calvert will not necessarily continue as Program Manager or Distributor for the entire period your Account is open. The current contract between Calvert and the Trustee expires after July 30, 2013. The Trustee may hire a new Program Manager(s) or Distributor(s) in the future to manage or distribute all or part of the Program. If this happens (or even if it does not), there is no assurance that the terms and conditions of your Participation Agreement will continue without material change. There are, accordingly, various potential consequences that should be considered. These include (1) changes in the investment manager, or the addition of new investment manager(s) to provide services to the Program, (2) changes in the current administrative fee or other expenses, and (3) if Calvert ceases to be the Program Manager or Distributor, your Account may be transferred to the successor Program Manager for future contributions on behalf of your Beneficiary.

Impact on Financial Aid. Investment in the Program may impact the Beneficiary's eligibility for financial aid. See "Federal Financial Aid Treatment of Program

Accounts.”

Relationship of your Account to Medicaid Eligibility.

It is unclear how local and state government agencies will treat Qualified Tuition Program assets in determining whether you are eligible for Medicaid. It is possible that the assets in an Account may be considered available assets of the Account Owner for Purposes of Medicaid eligibility. Although there are federal guidelines under Title XIX of the Social Security Act of 1965, each state administers its Medicaid program under its own rules, which may vary significantly from state to state. You should check with an attorney or your local Medicaid administrator if you have any questions about the potential impact of your Account on your future eligibility for Medicaid.

Risks Associated with the Underlying Investments

The value of any Account may increase or decrease each day, and the rate of return on an Account will vary, based on the investment performance of the Underlying Investments in which the Account is then invested. Investment risk can have a material impact on the value of an Account. See the “Investment Practices and Risks” chart in Appendix A.

INFORMATION ABOUT THE DISTRICT OF COLUMBIA

The Government of the District of Columbia was created in 1791 by an act of the United States Congress (“Congress”) and presidential proclamation and has served as the capital of the United States of America since 1800. Under Article I, Section 8, of the United States Constitution, Congress has exclusive legislative authority over Washington, DC as the Nation’s Capital. Since January 2, 1975, Washington, DC has been governed in accordance with DC Home Rule Act, Public Law 93-198, an act of Congress signed by the President on December 24, 1973, as amended (the “Home Rule Act”). Under the Home Rule Act, Washington, DC is governed by an elected Mayor and an elected Council. With limited exceptions, including the payment of debt service, the District may not obligate or expend funds absent annual Congressional appropriation. Washington, DC is a unique governmental entity, combining state, county, and municipal characteristics.

The Government of the District of Columbia’s Role:

The DC Chief Financial Officer (“CFO”) is responsible for the implementation and administration of the DC College Savings Act of 2000, as stated in DC Law 13-212, approved March 31, 2001, and as amended by the College Savings Program Temporary Act of 2002 DC

Law 14-186, approved October 1, 2002, and the College Savings Program Act of 2002 DC Law 14-307, approved June 5, 2003.

Pursuant to DC Regulations, 49 DCR 9859, November 1, 2002, made final at D.C. Mun. Regs, tit. 9, sec. 155 (2004), the CFO entered into a Declaration of Trust, establishing the DC College Savings Program Trust, an instrumentality of the District of Columbia. In addition, pursuant thereto, the CFO or the Treasurer, as designated by the CFO, shall serve as the fiduciary and Trustee of the District of Columbia College Savings Program Trust.

The CFO or the Treasurer, as designee of the CFO, is responsible for selecting a qualified financial institution as the program manager to administer the Program. In addition, the CFO or the Treasurer, as designee of the CFO, is responsible for approving the selection of the Underlying Investments in the Trust. The CFO or the Treasurer of the District of Columbia, as designee of the CFO, is responsible for the administration of the Program. The CFO or the Treasurer of the District of Columbia, as designee of the CFO, shall receive advice respecting the Program from the DC College Savings Program Advisory Board, which shall meet periodically and at least once annually.

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INFORMATION ABOUT CALVERT

Through its extensive operations and customer service resources, Calvert has established an administrative structure for offering, administering, and marketing the Program. Calvert’s sophisticated systems enable the provision of prompt, efficient customer service and accuracy in maintaining Accounts and processing contributions and distributions.

Calvert’s Role

Calvert Investment Management, Inc. is the Program Manager for the Program. As Program Manager, it is responsible for the Program’s administration and investment operations, although decisions regarding the purchases and sales of investments in the Underlying Investments are made by the Underlying Investments’ advisors, which are identified above. Calvert is subject to supervision by the Trustee, an official of Washington, DC. Calvert Investment Distributors, Inc. serves as the distributor of interests in the Program and is registered as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority.

Calvert is part of the Calvert Investments, Inc., which, in turn, is an indirect subsidiary of Acacia Life. Calvert sponsors a family of registered mutual funds with over \$12 billion in assets under management as of December 31, 2011. Calvert’s address is 4550 Montgomery Avenue, Suite 1000N, Bethesda, MD 20814.

Recordkeeper for the Program

Calvert has chosen Boston Financial Data Services, a subsidiary of State Street Bank and Trust Company, to provide recordkeeping and related services to the Program.

Tenure as Program Manager

Calvert has been selected by the Trustee as Program Manager through July 30, 2013. After that time the agreement between the Trustee and Calvert may be extended for an additional two years or the Trustee may terminate Calvert as Program Manager (in which case a different program manager may be retained).

FEDERAL FINANCIAL AID TREATMENT OF PROGRAM ACCOUNTS

The following discussion is a summary of the financial aid treatment of Accounts under the federal financial aid methodology. This discussion is based on provisions of the Higher Education Act and interpretations existing on the date of this document. However, this discussion is not exhaustive or intended as financial advice, and it is possible that Congress, the US Department of Education, or the courts may take actions that will affect this Higher Education Act and/or the interpretations thereunder. You should consult with a financial aid advisor or with the financial aid office at a particular school.

In addition, Account Owners should be aware that while the federal financial aid methodology is used to determine need or eligibility for federal financial aid (such as Federal Stafford Loans, Federal Perkins Loans, William D. Ford Federal Direct Loans, Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, and Federal Work Study), individual schools are not required to use the federal financial aid methodology in awarding their institutional financial aid. Thus, the financial aid treatment of an Account by an individual school may differ from the treatment of the Account under the federal financial aid methodology. Again, you might wish to consult with a financial aid advisor or with the financial aid department of a particular school.

Basic Description of Federal Financial Aid Methodology

A student's need or eligibility for federal financial aid is determined by subtracting the "expected family contribution" ("EFC") with respect to that student from the "cost of attendance" (which includes tuition, fees, books, and room and board). The EFC for each student is derived from the parents' income and net assets (if the student is a dependent), that student's income and net assets, and from the income and net assets of the student's spouse (if any). No other person's income or assets are included in determining the EFC for a particular student.

In determining the EFC for a particular student, parental income and income of that student are often the single largest factor, and assets a secondary factor. For parental assets, certain categories of assets, such as assets in retirement plans, are excluded from consideration. Parental assets that are included in the formula are assessed at a maximum rate of 5.6 percent. Generally student assets (and spousal assets of the student, if applicable) are assessed at a 20 percent rate.

Treatment of Program Accounts under Federal Financial Aid Methodology

The US Department of Education has issued guidance stating that all amounts in a qualified tuition program are treated as assets of the parent or other account owner in determining eligibility for federal financial aid. Therefore, the EFC for a child's college costs will include at most 5.6 percent of the value of an Account owned by a parent for each academic year. This is advantageous in comparison to the current 20 percent assessment against assets owned in a custodial account. Accounts owned by grandparents or other individuals are not factored into a child's EFC calculation. Also, federal legislation effective July 1, 2006 specifically excludes a qualified tuition program account that is owned by a dependent student, such as a UGMA that has been rolled into a qualified tuition program from the determination of eligibility for federal financial aid.

FEDERAL TAX CONSIDERATIONS — BENEFITS, LIMITATIONS, AND PENALTIES

This summary is based on the relevant provisions of the Code, Proposed Regulations, Notices, and IRS rulings existing on the date of this Disclosure Booklet. There can be no assurance that the IRS will accept the conclusions reached herein or, if challenged by the IRS, that such conclusions would be sustained in court. It is possible that Congress, the Treasury Department, the IRS, other taxing authorities, or the courts may take actions, including the issuance of final tax regulations, that would adversely affect the tax law consequences described herein, or require the terms of the Program to change. This section takes a closer look at some of the Federal tax considerations you should be aware of when investing in the Program. However, the discussion is a summary only and is not meant as tax advice.

In the event that the Program, as currently structured or as subsequently modified, does not meet the requirements of section 529 of the Code for any reason, the tax consequences to Account Owners and Beneficiaries may be uncertain and it is possible that Account Owners or Beneficiaries could be subject to taxes currently on undistributed earnings in their Accounts as well as to other adverse tax consequences. A potential Account Owner should consult a tax advisor.

The federal and state tax consequences applicable to Account ownership in the Program by an entity or the establishment of an Account to fund scholarships by an eligible governmental or other organization will vary according to the particular circumstances of the situation and are beyond the scope of this discussion. Entities should consult a tax advisor about the tax consequences of opening such accounts.

The federal tax consequences associated with an investment in the Program can be complex. You should consult with your tax advisor regarding the application of tax laws to your particular circumstances.

Pursuant to U.S. Treasury Department regulations, we must inform you that any tax advice contained in this Disclosure Booklet is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any penalties that may be imposed under the Internal Revenue Code. In addition, any U.S. federal tax advice contained in this Disclosure Booklet was written to support the promotion or marketing of the D.C. College Savings Plan. Each taxpayer should seek advice based on the taxpayer's particular circumstance from a qualified and

independent tax advisor.

Federal Income Tax Treatment

The Program is designed as a qualified tuition program under section 529 of the Code. As such, undistributed earnings allocated to Accounts of the Program are exempt from federal income tax. In addition, Qualified Distributions (that is, distributions from Accounts not in excess of a Beneficiary's Qualified Expenses or Rollovers) are exempt from federal income tax. In order to be eligible for such tax treatment and for Account Owners and Beneficiaries to receive the favorable federal income, estate, gift and generation-skipping transfer tax treatment described below, the Program is required to implement certain restrictions and procedures applicable to the operation of the Program. Certain of these restrictions and procedures are described below.

Contributions. Contributions to an Account by an Account Owner do not result in taxable income to the Beneficiary. See discussion below under "Federal Gift, Estate, and Generation-Skipping Transfer Taxes." An Account Owner may not deduct the contribution from income for purposes of determining federal income taxes.

Contributions for any Beneficiary will be rejected and returned if the amount of the contribution would cause the total account balance for the District of Columbia Accounts held for that Beneficiary (regardless of the Account Owner) to exceed the account balance limit discussed under "Description of the Program—Contributing to an Account—Maximum Total Contribution." That limit is currently \$260,000. It is not expected, but is possible, that under federal law a lower limit on the maximum balance of Accounts for the same Beneficiary might be determined. Accounts that have reached the account balance limit may continue to accrue earnings.

Account Earnings. Earnings from the investment of contributions to an Account will not be included in computing the federal taxable income of the Account Owner or the Beneficiary until funds are distributed, in whole or in part, from the Account. As long as distributions are used for the Beneficiary's Qualified Expenses, the earnings portion of the distributions will not be includible in either the Account Owner's or the Beneficiary's federal taxable income.

Qualified Distributions. Neither the Account Owner

nor the Beneficiary will be required to include the earnings portion of a Qualified Distribution in his or her taxable income. (See important coordination rules described below under “Coordination with Other Income Tax Incentives for Education” if you have a Coverdell Education Savings Account— formerly known as an Education Individual Retirement Account — or plan to take the Hope Scholarship Credit or Lifetime Learning Credit.)

The Recipient of any Qualified Distribution should retain receipts, invoices, or other documents and information adequate to substantiate that a particular expense is a Qualified Expense of the Beneficiary, because it is his or her responsibility to substantiate any expense claimed as a Qualified Expense if the IRS requires him or her to do so. The IRS may require that Qualified Expenses be paid in the same taxable year that a distribution is made in order to treat such distribution as a Qualified Distribution as discussed above.

Non-Qualified Distributions. The Recipient of a distribution must include the earnings portion, but not the contribution portion, of a Non-Qualified Distribution in his or her federal (and possibly state) taxable income as ordinary income in the year the distribution is made. No part of the earnings portion will be treated as capital gain. Under current law, the tax rates on ordinary income are generally greater than the tax rates on capital gain. Furthermore, subject to the exceptions below, an additional 10% federal surtax is imposed on the earnings portion of a Non-Qualified Distribution. Recipients of distributions are responsible for paying the federal tax and surtax to the US Treasury through their federal income tax returns.

A taxpayer who directly deposits an economic stimulus payment under the Economic Stimulus Act of 2008 into an Account may be able to withdraw the payment or less than the full amount of the payment without incurring federal income tax or a surtax. Consult your tax advisor to determine whether this rule applies to you or your Beneficiary.

Exceptions to the 10% Federal Surtax. Although the Recipient of a distribution always must include in his or her taxable income the earnings portion of a Non-Qualified Distribution, no federal surtax is due with respect to any such distribution if:

- Such distribution is made to a beneficiary of the Beneficiary (or to the estate of the Beneficiary) on or after the death of the Beneficiary.

- Such distribution is made because the Beneficiary has become disabled. “Disabled” means that the Beneficiary is unable to engage in any substantial gainful activity by reason of any medically determined physical or mental impairment which can be expected to result in death or to be of long continued and indefinite duration.
- Such distribution is made in an amount that does not exceed certain qualified scholarships, allowances or payments received by the Beneficiary. For this purpose, a scholarship includes certain educational assistance allowances under section 25A(g)(2) of the Code.
- A Hope Scholarship Credit and/or Lifetime Learning Credit is allowed to any person for payment of the Beneficiary’s Qualified Higher Education Costs.
- The Beneficiary attends the United States Military Academy, the United States Naval Academy, the United States Air Force Academy, the United States Coast Guard Academy, or the United States Merchant Marine Academy, to the extent that the Non-Qualified Distribution does not exceed the costs of “advanced education” as that term is defined in 10 U.S.C. Section 2005(e)(3), attributable to such attendance.

The Recipient of a distribution should retain receipts, invoices, or other documents and information adequate to substantiate that a particular distribution was made for any of the foregoing purposes, because it is his or her responsibility to substantiate the reason for such a distribution if the IRS requires him or her to do so. Even if an exception to the federal surtax applies, the earnings portion of any Non-Qualified Distribution is subject to regular federal (and possibly state) income tax.

Computation of Earnings Portion of Distributed Amounts. Any distribution will be treated in part as a distribution of contributions to the Account and in part as a distribution of earnings (if any). For a given calendar year, a pro rata portion of the total amount distributed will be considered a return of contributions and the remainder portion will be considered to be earnings. The calculation of earnings is based on the Proposed Regulations as of the date of this Disclosure Booklet. First, all Accounts for the same Account Owner and Beneficiary are aggregated and treated as one Account. Next, to determine contribution and earnings portions for federal tax purposes, a formula is used that calculates the proportion of all the contributions in relation to the aggregated

Account's overall market value. Under these rules, an amount distributed from a particular Investment Option or Account may carry with it a greater or lesser amount of earnings than the earnings in that Investment Option or Account.

Refunds of Payments of Qualified Expenses. If an Eligible Institution refunds to a Recipient any portion of an amount distributed from an Account that the institution receives under the Program for the payment of Qualified Expenses, the Recipient will be required to treat the refund as a Non-Qualified Distribution for purposes of federal income tax unless the amount is allocated to other Qualified Expenses. Unless the refund was made due to the death or disability of the Beneficiary, or as the result of a scholarship award, the 10% surtax will apply. If the refund is allocated to other Qualified Expenses or if it is exempt from the 10% surtax, you or the Beneficiary should retain receipts, invoices, or other documents and information adequate to substantiate this allocation or reason for the distribution in order to avoid income tax and/or the federal surtax.

Rollovers and Account Transfers. The earnings portion of any distribution from an Account (or any direct transfer of funds from an Account) will not be treated as taxable income of the Recipient, and the federal surtax will not apply, if the distribution or transfer represents a Rollover. Similarly, Rollovers into the Program or an Account will not be subject to federal (and possibly state) income tax or the federal surtax. If funds received from a Rollover are not properly identified as to principal and earnings as required by the Program, the full amount will be treated as earnings and could result in the taxation of such amount upon distribution.

The Recipient should retain documents and information adequate to substantiate that a particular Rollover is not subject to federal income tax because it is the Recipient's responsibility to substantiate that such Rollover qualifies for the tax treatment described above.

Qualified Change in Beneficiary. The Account Owner may change Beneficiaries without federal income tax consequences (including the federal surtax) so long as the new Beneficiary is a Member of the Family of the current Beneficiary. A Qualified Change in Beneficiary can be made as frequently as the Account Owner wishes. Upon a Qualified Change in Beneficiary, the Account Owner may elect to reallocate the account balance among different Investment Options. A change in Beneficiary may have federal gift or gen-

eration-skipping transfer tax consequences and, if the new beneficiary is not a Member of the Family of the current Beneficiary, the change is treated as a Non-Qualified Distribution. An Account Owner may not transfer funds between Accounts if the transfer would result in the account balance limit for the new Beneficiary being exceeded.

See "Federal Gift, Estate, and Generation-Skipping Transfer Taxes" in connection with any change of Account Owners or Beneficiaries or transfer of Accounts.

Coordination with Other Income Tax Incentives for Education. An Account Owner who meets certain income limitations and who makes a contribution to an Account, the Beneficiary of which is the Account Owner, the Account Owner's spouse, or an eligible dependent of the Account Owner, from the proceeds of the redemption of certain US savings bonds issued after 1989 may be allowed to exclude all or a portion of the income or gain realized from such redemption in computing the Account Owner's federal taxable income for the year in which the redemption and contribution occur. In those circumstances, some or all of the excluded savings bond income may be recognized at the time of a subsequent distribution from an Account. An Account Owner who makes a contribution to an Account, and is thereby entitled to exclude such bond earnings from income for federal income tax purposes, should contact the Program Manager for more information and should consult a qualified tax advisor with respect to the specific federal and DC tax effects of the redemption and contribution.

Coverdell Education Savings Accounts

An Account Owner may contribute to, or distribute money from, both a 529 qualified tuition program account and a Coverdell Education Savings Account in the same year. However, to the extent the total distributions from both accounts for the benefit of the same Beneficiary in the same year exceed the amount of Qualified Expenses, the Recipient must treat only a portion of the distributions from the Account as a Qualified Distribution. The Coverdell Education Savings Account funds will be treated as the payment source of the rest of the expenses. The same expenses cannot count as Qualified Expenses for both the Program and the Coverdell Education Savings Account. An Account Owner who contributes to, or distributes money from, both the Program and a Coverdell Education Savings Account in the same year should consult a tax advisor.

Hope Scholarship Credit and/or Lifetime Learning Credit

A Hope Scholarship Credit and/or Lifetime Learning Credit may be claimed in the same year that a Qualified Distribution is made so long as any distribution from the Account is not used for the same expenses for which the credit was claimed. After the Beneficiary reduces Qualified Expenses by tax-free educational assistance (as a result of certain qualified scholarships, allowances, or payments), he or she must further reduce them by the expenses taken into account in determining the Hope Scholarship Credit and/or Lifetime Learning Credit.

Federal Gift, Estate, and Generation-Skipping Transfer Taxes

Contributions to the Program are considered completed gifts for federal tax purposes and are, therefore, potentially subject to federal gift tax. Generally, no federal gift tax will be imposed on an Account Owner for gifts to a Beneficiary during a year if the Account Owner's contributions to an Account for the Beneficiary, together with all other gifts by the Account Owner to the Beneficiary that year, are less than \$13,000 during the year, or \$26,000 for a married couple who elects to split gifts. (These exclusions are subject to inflation adjustments as provided under federal law. This discussion is based on the exclusions in effect as of the date of this Program Disclosure Booklet.) If an Account Owner's contributions to Accounts for a Beneficiary in a single year exceed \$13,000, the Account Owner may elect to treat up to \$65,000 (also subject to periodic adjustment for inflation) of the contributions, or \$130,000 in the case of a consenting married couple, as having been made ratably over a five-year period. In addition, to the extent not previously used, each Account Owner has a lifetime credit that may be applied to gifts in excess of the annual exclusion amounts referred to above. A married couple may elect to split gifts and apply their combined lifetime credits to gifts by either of them. Accordingly, while gift tax returns are required for gifts in excess of the annual exclusion amounts referred to above (including gifts which the Account Owner elects to treat as having been made ratably over a five-year period), no gift tax will be due until the lifetime credits have been exhausted. (Such credits also apply for federal estate tax purposes, and their use against the gift tax will reduce their availability for use against the estate tax.) A potential Account Owner should consult with his or her own tax advisor regarding the current lifetime credits, the effect of use

of the credits on the Account Owner's potential federal estate tax liability and the gift tax filing requirements.

Amounts in an Account that were considered completed gifts by the Account Owner will not be included in the Account Owner's gross estate for federal estate tax purposes. However, if the Account Owner elected to treat the gifts as having been made over a five-year period and dies before the end of the five-year period, the portion of the contribution allocable to the remaining years in the five-year period (not including the year in which the Account Owner died) will be includible in computing the Account Owner's gross estate for federal estate tax purposes. Amounts in an Account at the death of a Beneficiary will be included in the Beneficiary's gross estate for federal estate tax purposes to the extent such amounts are paid to a beneficiary of the Beneficiary or the Beneficiary's estate.

A permissible change of the Beneficiary of an Account or a permissible transfer or Rollover to an Account (or an account in another qualified tuition program) for another Beneficiary will potentially be subject to gift tax if the new Beneficiary is of a lower generation than the Beneficiary being replaced or is not a Member of the Family of the prior Beneficiary. In addition, if the new Beneficiary is two or more generations below the prior Beneficiary (for example, the grandchild of the prior Beneficiary), the transfer may be subject to the generation-skipping transfer tax discussed below. Account Owners should consult their own tax advisors for guidance when considering a change of Beneficiary or any transfer (including a Rollover) to another Account. Furthermore, Account Owners and newly designated Account Owners should consult their tax advisors regarding the potential applicability of income, gift, or generation-skipping transfer taxes as a result of the transfer of ownership of an Account to a new Account Owner.

Because contributions to an Account are treated as completed gifts for federal transfer tax purposes, an Account Owner may also need to be concerned about the generation-skipping transfer tax. This tax may apply to contributions in excess of the amount that may be elected to be ratably spread over the above-referenced five-year period where the Beneficiary is more than one generation lower than the generation of the contributor, such as a grandchild of the contributor. Each taxpayer has a generation-skipping transfer tax exemption that will be allocated to combined

lifetime and testamentary transfers that are subject to the generation-skipping transfer tax unless certain elections are made. A potential Account Owner concerned about application of the generation-skipping transfer tax should consult his or her own tax advisor.

Tax Reports

The Program Manager will report distributions and other matters to the IRS, Recipients of distributions, and other persons, if any, to the extent required pursuant to federal, state, or local law, regulation, or ruling. Under federal law, a separate return will be filed by the Program Manager with the IRS reporting distributions from an Account to each Recipient reflecting, among other information, the earnings portion distributed during the calendar year to which the report pertains. For any year there is a distribution from an Account, by January 31 of the following year, the Program will provide the Recipient of the distribution with a Form 1099-Q, which reports the total amount of the distribution and identifies the contribution portion and the earnings portion (if any) of the distribution. The Program is not required to withhold taxes from distributions and is not required to pay applicable taxes and penalties; the Program simply reports the amount of the distribution and identifies the contribution and earnings portions for the IRS, the Recipient, and other persons, if any, to the extent required pursuant to federal, state, or local law, regulation, or ruling.

Lack of Certainty of Tax Consequences/Future Changes in Law

As of the date of this Disclosure Booklet, proposed federal tax regulations have been issued under section 529 of the Code and certain IRS administrative pronouncements provide guidance and requirements for the establishment and maintenance of the Program as a qualified tuition program. Under a qualified tuition program, the Program, the Account Owners, and the Beneficiaries are eligible for favorable federal income tax benefits pursuant to section 529 of the Code. The proposed tax regulations do not, however, provide guidance on certain aspects of the Program. Final regulations or other administrative guidance or court decisions might be issued that could adversely impact the federal tax consequences or requirements with respect to the Program or contributions to, or distributions from, Accounts. Congress could also amend section 529 of the Code or other federal law in a manner that would materially change or eliminate the federal tax treatment described above. If neces-

sary, the Trustee and the Program Manager intend to modify the Program within the constraints of applicable law in order for the Program to meet the requirements of section 529 of the Code. Changes in the law governing the federal and/or state tax consequences described above might necessitate material changes to the Program for the anticipated tax consequences to apply.

In the event that the Program, as currently structured or as subsequently modified, does not meet the requirements of section 529 of the Code for any reason, the tax consequences to Account Owners and Beneficiaries may be uncertain and it is possible that Account Owners or Beneficiaries could be subject to taxes currently on undistributed earnings in their Accounts as well as to other adverse tax consequences. A potential Account Owner should consult a tax advisor.

STATE/DC TAX CONSIDERATIONS — BENEFITS AND LIMITATIONS

This section briefly describes some of the state tax considerations you should be aware of when investing in the Program. This discussion is a summary only and is not meant as tax advice. Regardless of your state of residence, you should consult your tax advisor regarding the specific state tax consequences of investing in the Program.

DC Tax Benefits

Contributions. Account Owners who are required to file a DC income tax return may annually deduct up to \$4,000 of contributions to their Accounts. Married or domestic partner DC taxpayers filing joint returns in DC may each annually deduct up to \$4,000 of contributions so long as each makes such contributions to Accounts of which he or she is the Account Owner. DC taxpayers may not deduct contributions to Accounts which they do not own.

Rollovers from another qualified tuition program are not considered contributions eligible for the DC tax deduction.

A DC taxpayer who makes annual deductible contributions to Accounts in excess of \$4,000 may carry forward the excess for five years. The amounts may be deducted for DC income tax purposes subject to the \$4,000 annual limit on the deduction for Account contributions.

Any deduction is subject to recapture if a distribution is made from the Account other than to pay Qualified Expenses or in the event the Beneficiary dies, has a disability, or receives a scholarship (to the extent the scholarship is equal or greater than the amount of the distribution). The deduction is also subject to recapture if, within two years of establishing the Account, the Account is rolled over into another state's qualified tuition program. Amounts recaptured are included in the Account Owner's income for DC Income Tax purposes in the year of withdrawal or rollover of the funds.

Account Earnings. Amounts earned on Accounts are not subject to DC income taxation so long as they remain in an Account maintained under the Plan. When withdrawn, Account earnings are subject to DC income taxation unless they are used to pay Qualified Expenses. The earnings portion of all other withdrawals are included in DC income if the Recipient is subject to DC taxation.

Non-DC Residents

State tax treatment of your investments in the Program may differ from the federal tax treatment based on your state of residence. It is possible that other state or

local taxes will apply to distributions from and accumulations within the Program, depending on the residency or domicile of the Account Owner or Beneficiary. Account Owners should consult their tax advisor about the applicability, if any, of state or local taxes of other jurisdictions.

Nearly every state offers its own 529 savings program. Some states offer state tax benefits for their residents participating in their own respective programs.

Therefore, depending upon the laws of the home state of the Account Owner or Beneficiary, favorable state tax treatment or other benefits offered by such home state for investing in 529 college savings plans may be available only if the Account Owner invests in the home state's 529 college savings plan; any state-based benefit offered with respect to a particular 529 college savings plan should be one of the many appropriately weighted factors to be considered in making an investment decision; and the Account Owner should consult with his or her financial, tax or other advisor to learn more about how state-based benefits (including any limitations) would apply to the customer's specific circumstances and also may wish to contact his or her home state or any other 529 college savings plan to learn more about the features, benefits, and limitations of that state's 529 college savings plan.

CONTINUING DISCLOSURE

To comply with Rule 15c2-12(b)(5) under the Securities Exchange Act of 1934, as amended, certain financial information and operating data (the "Annual Information") relating to the Program and notices of the occurrence of certain enumerated events will be produced and disseminated as required by Rule 15c2-12(b)(5). Provision has been made for the filing of the Annual Information with each Nationally Recognized Municipal Securities Information Repository (the "NRMSIRS") and with any information depository that the District of Columbia may establish. In addition, appropriate arrangements have been made to file notices of certain enumerated events with each of the NRMSIRS or the Municipal Securities Rulemaking Board and with any DC information repository.

APPENDIX A: INVESTMENT PRACTICES AND RISKS

The value of any Account may increase or decrease each day, and the rate of return on an Account will vary, based on the investment performance of the Underlying Investments in which the Account is then invested. Investment risk can have a material impact on the value of an Account.

The following factors, which apply to the Underlying Investments as indicated, can significantly affect a fund's performance:

Key to Table

- ⊛ Fund currently uses as a principal investment practice
- ☐ Permitted, but not typically used as a principal investment practice
- ✘ Not permitted
- xN Allowed up to x% of Fund's net assets
- xT Allowed up to x% of Fund's total assets
- N/A Not applicable to this type of fund

Investment Practices	Calvert Income	Calvert Bond	Calvert Balanced	Calvert Social Index Fund	State Street Equity 500 Index	Calvert Equity	Calvert Capital Accumulation Fund	Calvert International Equity	Calvert Small Cap
<p>Active Trading Strategy/Turnover involves selling a security soon after purchase. An active trading strategy causes a fund to have higher portfolio turnover compared to other funds and higher transaction costs, such as commissions and custodian and settlement fees, and may increase your tax liability. Risks: Opportunity, Market, and Transaction.</p>	⊛	⊛	⊛	☐	☐	☐	☐	☐	☐
<p>Temporary Defensive Positions. During adverse market, economic, or political conditions, the Fund may depart from its principal investment strategies by increasing its investment in short-term interest-bearing securities. During times of any temporary defensive position, a Fund may not be able to achieve its investment objective. Risks: Opportunity.</p>	☐	☐	☐	☐	☐	☐	☐	☐	☐
<p>Hedging Strategies. The hedging technique of purchasing and selling US Treasury securities and related futures contracts may be used for the limited purpose of managing duration (duration is a measure of the interest rate-sensitivity of the Fund). Risks: Correlation and Opportunity.</p>	⊛	⊛	⊛	☐	✘	✘	✘	✘	✘
<p>Stocks in General The Fund is subject to stock market risk. Stock prices overall may decline over short or even long periods. The Fund is also subject to investment style risk, which is the chance that returns from the type of stocks it purchases (large-cap, mid-cap, growth, value, etc.) will trail returns from other asset classes or the overall stock market. Each type of stock tends to go through cycles of doing better or worse than the stock market in general. Finally, individual stocks may lose value for a variety of reasons, even when the overall stock market has increased. Risks: Market.</p>	☐ N/A		⊛	⊛	⊛	⊛	⊛	⊛	

Conventional Securities

Foreign securities. Securities issued by companies whose principal place of business is located outside the US. For funds that may invest in debt, this includes debt instruments denominated in other currencies such as Eurobonds. **Risks: Market, Currency, Transaction, Liquidity, Information and Political.**

Small cap stocks. Investing in small companies involves greater risk than with more established companies. Small cap stock prices are more volatile and the companies often have limited product lines, markets, financial resources, and management experience. **Risks: Market, Liquidity, and Information.**

Mid cap stocks. Investing in the securities of mid-cap companies generally involves greater risk than investing in larger, more established companies. The greater risk, in part, is attributable to the fact that the securities of mid-cap companies usually have more limited marketability and, therefore, may be more volatile than securities of larger, more established companies or the market averages in general. Because mid-cap companies normally have fewer shares outstanding than larger companies, it may be more difficult to buy or sell significant amounts of such. **Risks: Information, Market, Opportunity, Liquidity and Transaction.**

Investment grade bonds. Bonds rated BBB/Baa or higher by an NRSRO, or comparable unrated bonds. **Risks: Interest Rate, Market, and Credit.**

Below-investment grade bonds. Bonds rated below BBB/Baa or comparable unrated bonds are considered junk bonds. They are subject to greater credit and market risk than investment grade bonds. **Risks: Credit, Market, Interest Rate, Liquidity, and Information.**

Unrated debt securities. Bonds that have not been rated by an NRSRO; the Advisor has determined the credit quality based on its own research. **Risks: Credit, Market, Interest Rate, Liquidity, and Information.**

Illiquid securities. Securities which cannot be readily sold because there is no active market. Special Equities (venture capital private placements) and High Social Impact Investments are illiquid. **Risks: Liquidity, Market, and Transaction.**

	Calvert Income	Calvert Bond	Calvert Balanced	Calvert Social Index Fund	State Street Equity 500 Index	Calvert Equity	Calvert Capital Accumulation Fund	Calvert International Equity	Calvert Small Cap
Foreign securities	25N	25N	25N	5N	✗	25N	25N	⊕	25N
Small cap stocks	N/A	N/A	☐	☐	N/A	☐	☐	☐	⊕
Mid cap stocks	N/A	N/A	☐	☐	☐	☐	⊕	☐	☐
Investment grade bonds	⊕	⊕	⊕	N/A	N/A	☐	☐	☐	☐
Below-investment grade bonds	35N	35N ¹	15N ¹	N/A ¹	N/A	15N ¹	10N ¹	5N ¹	☐
Unrated debt securities	⊕	⊕	⊕	N/A ¹	N/A	☐	☐	☐	☐
Illiquid securities	15N	15N	15N	15N	15N	15N	15N	15N	15N

	Calvert Income	Calvert Bond	Calvert Balanced	Calvert Social Index Fund	State Street Equity 500 Index	Calvert Equity	Calvert Capital Accumulation Fund	Calvert International Equity	Calvert Small Cap
Unleveraged Derivative Securities									
<p>Asset-backed securities. Securities are backed by unsecured debt, such as automobile loans, home equity loans, equipment or computer leases, or credit card debt. These securities are often guaranteed or over-collateralized to enhance their credit quality. Risks: Credit, Interest Rate, and Liquidity.</p> <p>Mortgage-backed securities. Securities are backed by pools of mortgages, including senior classes of collateralized mortgage obligations (CMOs). Risks: Credit, Extension, Prepayment, Liquidity, and Interest Rate.</p> <p>Currency contracts. Contracts involving the right or obligation to buy or sell a given amount of foreign currency at a specified price and future date. Risks: Currency, Leverage, Correlation, Liquidity and Opportunity.</p>	★	★	★	N/A	N/A	☐	☐	☐	☐
	★	★	★	N/A	N/A	☐	☐	☐	☐
	☐	☐	☐	N/A	N/A	☐	5T	5T	☐
Leveraged Derivative Instruments									
<p>Options on securities and indices. Contracts giving the holder the right but not the obligation to purchase or sell a security (or the cash value, in the case of an option on an index) at a specified price within or at a specified time. In the case of writing options, the Fund will write call options only if it already owns the security (if it is “covered”). Risks: Interest Rate, Currency, Market, Leverage, Correlation, Liquidity, Credit, and Opportunity.</p> <p>Futures contract. Agreement to buy or sell a specific amount of a commodity or financial instrument at a particular price on a specific future date. Risks: Interest Rate, Currency, Market, Leverage, Correlation, Liquidity, and Opportunity.</p>	☐	5T ²	5T ²	N/A	5T ²	5T ²	5T ²	5T ²	5T ²
	5N ³	5N ³	5N ³	5N ³	5T ³	5N ³	5N ³	5N ³	5N ³

1 Excludes any high social impact investments.
2 Based on net premium payments.
3 Based on initial margin required to establish the position.

The Funds have additional investment policies and restrictions. These policies and restrictions are discussed in the Statements of Additional Information for the respective Underlying Investments.

RISKS RELATED TO ACACIA PRINCIPAL PLUS

The Plan allocates assets invested in Acacia Principal Plus to a Funding Agreement issued by Acacia Life Insurance Company to the Trust.

The Funding Agreement is a general obligation of Acacia Life to the Trust. All deposits made by the Trust through the Funding Agreement are deposited into the general account of Acacia Life and not into any separate account insulated from the claims of creditors. As such, the guarantee provided by the Funding Agreement is based on Acacia Life's ability to meet its obligations under the Funding Agreement. Furthermore, the Funding Agreement provides the guarantee described herein to the Trust for the benefit of the Participants who have selected this Investment Option, but the guarantee is not made directly to Participants or Beneficiaries.

No financial information on Acacia Life is provided in this disclosure document, but their Annual Statement is on file with the Department of Insurance and Securities Regulation for the District of Columbia and is available on a consolidated basis on the Internet at www.ameritasacacia.com. There is a risk that Acacia Life could fail to perform its obligations under the Funding Agreement for financial or other reasons. However, Acacia Life has been assigned an "A+" (Strong) rating by Standard & Poor's for insurance financial strength, which is the fifth highest of their 21 ratings and an "A" (Excellent) rating from A.M. Best Company for financial strength and operating performance, which is the third highest of their 15 ratings.

TYPES OF INVESTMENT RISK

Correlation risk is the risk that when a Fund “hedges,” two investments may not behave in relation to one another the way Fund managers expect them to, which may have unexpected or undesired results. For example, a hedge may reduce potential gains or may exacerbate losses instead of reducing them.

Credit risk is the risk that the issuer of a security or the counterparty to an investment contract may default or become unable to pay its obligations when due.

Currency risk occurs when a Fund buys, sells, or holds a security denominated in foreign currency. Adverse changes in foreign currency values may cause investment losses when a Fund’s investments are converted to US dollars.

Extension risk is the risk that slower than anticipated prepayments (usually in response to higher interest rates) will extend the life of a mortgage-backed security beyond the expected maturity date, typically reducing the value of a mortgage-backed security purchased at a discount.

Information risk is the risk that information about a security or issuer or the market might not be available, complete, accurate, or comparable.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investor’s securities. When interest rates rise, the value of fixed-income securities will generally fall. Conversely, a drop in interest rates will generally cause an increase in the value of fixed-income securities. Longer-term securities and zero coupon/“stripped” coupon securities (“strips”) are subject to greater interest rate risk.

Leverage risk is the risk that occurs in some securities or techniques which tend to magnify the effect of small changes in an index or a market. This can result in a loss that exceeds the amount actually invested.

Liquidity risk is the risk that occurs when investments cannot be readily sold. A Fund may have to accept a less-than-desirable price to complete the sale of an illiquid security or may not be able to sell it at all.

Market risk is the risk that securities prices in a market, a sector, or an industry will fluctuate, and that such movements might reduce an investment’s value.

Opportunity risk is the risk of missing out on an investment opportunity because the assets needed to take advantage of it are committed to less advantageous investments or strategies.

Political risk is the risk that may occur when the value of a foreign investment may be adversely affected by nationalization, taxation, war, government instability, or other economic or political actions or factors, including risk of expropriation.

Prepayment risk is the risk that faster than anticipated prepayments (usually in response to lower interest rates) will cause a mortgage-backed security to mature earlier than expected, typically reducing the value of a mortgage-backed security purchased at a premium. The Fund must also reinvest those assets at the current market rate, which may be lower.

Transaction risk is the risk that a Fund may be delayed or unable to settle a transaction or that commissions and settlement expenses may be higher than usual.

APPENDIX B — INVESTMENT PERFORMANCE SUMMARY

The following table provides investment performance results for standard reporting periods ending on 12/31/2011. For performance data current to the most recent month-end, visit www.dccollegesavings.com.

Investment Option	30-Day Yield	Since Inception Yield	1-Year Return	3-Year Return	5-Year Return	Inception Return	Since Inception Date
STABILITY OF PRINCIPAL							
Acacia Principal Plus	3.66%	3.81%	3.63%	3.65%	3.82%	3.79%	10/31/2002
Benchmark: Merrill Lynch 90-Day T-Bill Plus 100 Basis Points			1.11%	1.19%	2.56%	3.02%	
Benchmark: Average 5-Year US Govt Treasury Yield*	1.97%	3.31%					

Investment Option	1-Year Return	3-Year Return	5-Year Return	Inception Return	Since Inception Date
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AGE-BASED

DC College Savings (0-5)	at NAV	-3.52%	11.30%	-1.15%	4.93%	10/31/2002
	at Max Load	-8.11%	9.52%	-2.11%	4.38%	
Benchmark: DC 529 Age-Based 0 to 5 Years Blended		-1.64%	13.09%	-0.32%	7.06%	
DC College Savings (6-10)	at NAV	-2.85%	10.72%	-0.90%	4.84%	10/31/2002
	at Max Load	-7.48%	8.94%	-1.86%	4.28%	
Benchmark: DC 529 Age-Based 6 to 10 Years Blended		-0.85%	12.68%	0.27%	6.95%	
DC College Savings (11-13)	at NAV	-0.50%	11.18%	0.85%	5.23%	10/31/2002
	at Max Load	-5.23%	9.39%	-0.12%	4.67%	
Benchmark: DC 529 Age-Based 11 to 13 Years Blended		1.42%	12.55%	1.70%	6.76%	
DC College Savings (14-16)	at NAV	2.52%	8.02%	2.42%	5.24%	10/31/2002
	at Max Load	-1.32%	6.65%	1.64%	4.80%	
Benchmark: DC 529 Age-Based 14 to 16 Years Blended		3.01%	8.85%	3.21%	5.53%	
DC College Savings (17 & Up)	at NAV	3.04%	5.71%	2.81%	4.28%	10/31/2002
	at Max Load	0.23%	4.73%	2.24%	3.97%	
Benchmark: DC 529 Age-Based 17 & up Years Blended		2.62%	5.56%	3.27%	4.54%	

FIXED INCOME

Calvert Income Fund — DC 529	at NAV	3.07%	8.40%	3.26%	5.13%	10/31/2002
	at Max Load	-0.79%	7.02%	2.47%	4.70%	
Benchmark: Barclays U.S. Credit Index TR		8.35%	10.90%	6.80%	6.26%	

APPENDIX B — INVESTMENT PERFORMANCE SUMMARY (Continued)

The following table provides investment performance results for standard reporting periods ending on 12/31/2011. For performance data current to the most recent month-end, visit www.dccollegesavings.com.

Investment Option		1-Year Return	3-Year Return	5-Year Return	Inception Return	Since Inception Date
BALANCED						
Calvert Balanced Portfolio — DC 529	at NAV	3.25%	12.26%	n/a	5.24%	9/30/2008
	at Max Load	-1.66%	10.45%	n/a	3.67%	
Benchmark: Russell 1000 Index		1.50%	14.81%	n/a	5.04%	
Benchmark: Balanced Composite Index — DC 529**		4.61%	12.83%	n/a	7.35%	
EQUITY						
State Street Equity 500 Index Fund — DC 529	at NAV	1.60%	13.62%	-0.63%	4.52%	7/31/2003
	at Max Load	-3.20%	11.80%	-1.59%	3.91%	
Benchmark: S&P 500 Index Monthly Reinvested		2.11%	14.11%	-0.25%	4.90%	
Calvert Equity Fund — DC 529	at NAV	-2.38%	15.03%	1.47%	5.48%	10/31/2002
	at Max Load	-7.01%	13.18%	0.48%	4.92%	
Benchmark: S&P 500 Index Monthly Reinvested		2.11%	14.11%	-0.25%	6.00%	
Calvert Small Cap Fund — DC 529	at NAV	-5.21%	11.93%	-1.98%	0.32%	8/1/2005
	at Max Load	-9.71%	10.14%	-2.93%	-0.44%	
Benchmark: Russell 2000 Index***		4.18%	15.63%	0.15%	2.64%	
Calvert International Equity Fund — DC 529	at NAV	-14.01%	3.33%	n/a	-5.29%	9/30/2008
	at Max Load	18.07%	1.66%	n/a	-6.69%	
Benchmark: MSCI EAFE Index		-12.21%	8.86%	n/a	0.93%	

Performance data quoted represents past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted here. Visit www.dccollegesavings.com to obtain performance data current to the most recent month-end.

* The 5-Year US Government Treasury Yield reflects the current, or simple, yield. The SEC refers to a simple yield as an annualized yield in which it is assumed that income distributions earned on principal are not reinvested. In contrast, the effective yield stated for the Acacia Principal Plus - DC 529 investment account assumes reinvestment of all income earned on principal distributions.

** The Balanced Composite Index is comprised of 60% Russell 1000 Index and 40% Barclays U.S. Credit Index.

*** On November 29, 2010, the Calvert Small Cap Fund converted from a small-cap value fund to a small-cap core fund and changed its benchmark to the Russell 2000 Index from the Russell 2000 Value Index.

Returns published "at NAV" represent total return without a deduction of any applicable sales charge.

Returns published "at Max Load" represent total return net of the maximum applicable sales charge.

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