

**SUMMARY OF SUBSTANTIVE CHANGES
TO THE
RULES AND REGULATIONS
OF THE
ARKANSAS TAX-DEFERRED TUITION SAVINGS PROGRAM
July, 2005**

- The name of the committee is changed from Investment Committee to the Section 529 Plan Review Committee.
- All references to sales of Section 529 accounts by brokers is deleted, since the plan will now be a direct-sold plan only.
- The description of the investment portfolios is revised to reflect the investment options available by the new Investment Manager, Vanguard Funds.
- Some of the definitions are revised or deleted.
- The proposed rules clarify that contributions must generally be made in U.S. dollars by check or electronic transfer.
- The proposed rules state that contributions received by check in a given year will be considered received by the program if received on or before January 7th of the following year; and contributions by electronic transfer will be considered received in a given year if initiated by the account owner by December 31st of that year.
- Section 5 dealing with withdrawal procedures has been re-written to be more consistent with Section 529 of the Internal Revenue Code.
- Section 6 has been added, providing for arbitration in the event of a dispute between an account owner and the trust.