



The Advisor's Guide to Private College 529 Plan

Presented by

PRIVATE

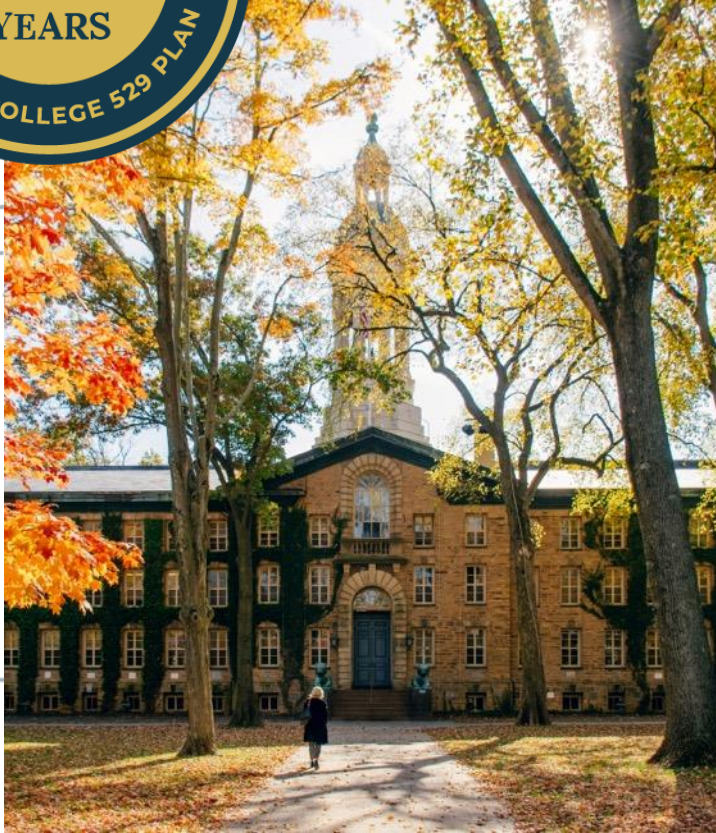
COLLEGE 529 PLAN

by CollegeWell



Our agenda

- The 20-plus-year history of Private College 529 Plan
- Who we are, how it works and savings examples
- Plan benefits and frequently asked questions



Princeton University, a founding member

Our history

Tuition Plan Consortium was established in 1998 by a group of private colleges to ensure families have access to the distinctive benefits that a private college or university can provide for its students. **The group focused on three guiding principles:**

- Encourage families to save for college
- Help make costs more manageable for families
- Develop a broad and diverse national group of colleges for students to save for

Private College 529 Plan launched on September 3, 2003.



Who we are

Private College 529 Plan is a prepaid tuition plan that locks in current tuition rates to save on future tuition.

- 300 member colleges nationwide
- Guaranteed prepaid tuition for up to 30 years
- No fees or market risk
- No state residency requirements to save

CollegeWell helps families save and pay for college



How it works

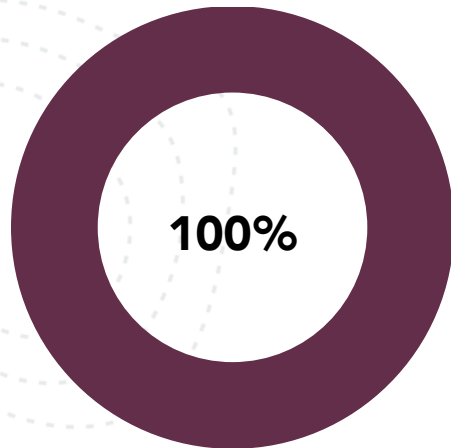
Step 1: Open an account

- Identify an account owner.
- Assign a beneficiary.
- Make an initial deposit.

Step 2: Save during the plan year, July 1-June 30

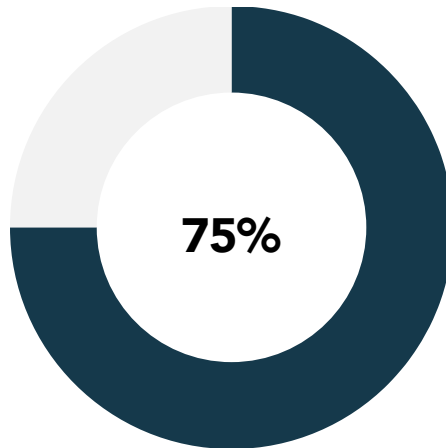
- Every deposit locks in a percentage of a year of tuition and fees at each college in the Plan.
- After the plan year ends, deposits aggregate into a single tuition certificate for each college.
- Tuition and fee rates reset on July 1st.

College X



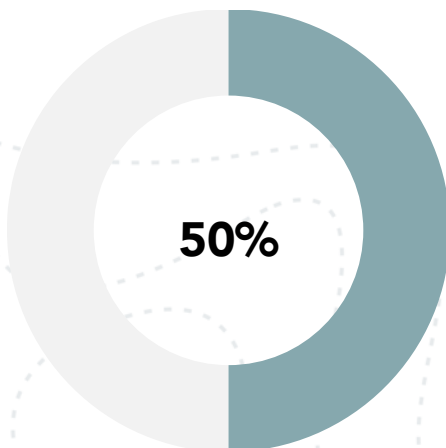
Where annual tuition
costs \$30,000

College Y



Where annual tuition
costs \$40,000

College Z



Where annual tuition costs \$60,000

Locking in tuition

The percentage of annual tuition that **\$30,000** locks in at three different colleges

If College X costs \$30,000 in annual tuition and fees, \$30,000 in deposits locks in 100% of one year of tuition.

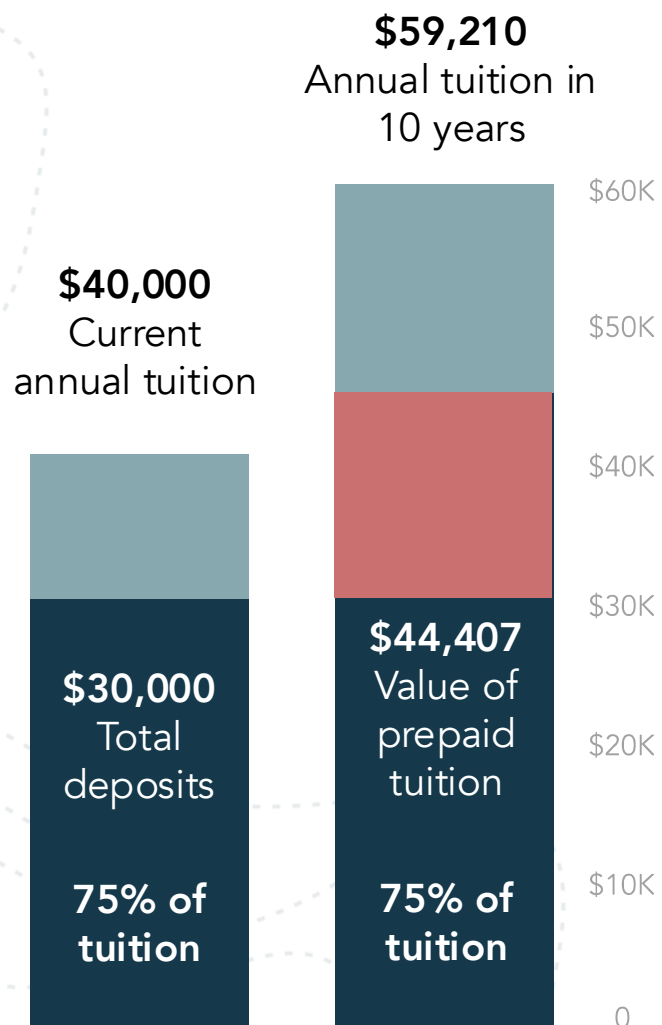


How it works

Step 3: Redeeming prepaid tuition

- Clients can start redeeming tuition certificates when their child enrolls at a member college.
- The redeemable value of their prepaid tuition depends on how long they've held tuition certificates for and the annual increase in tuition and mandatory fees.

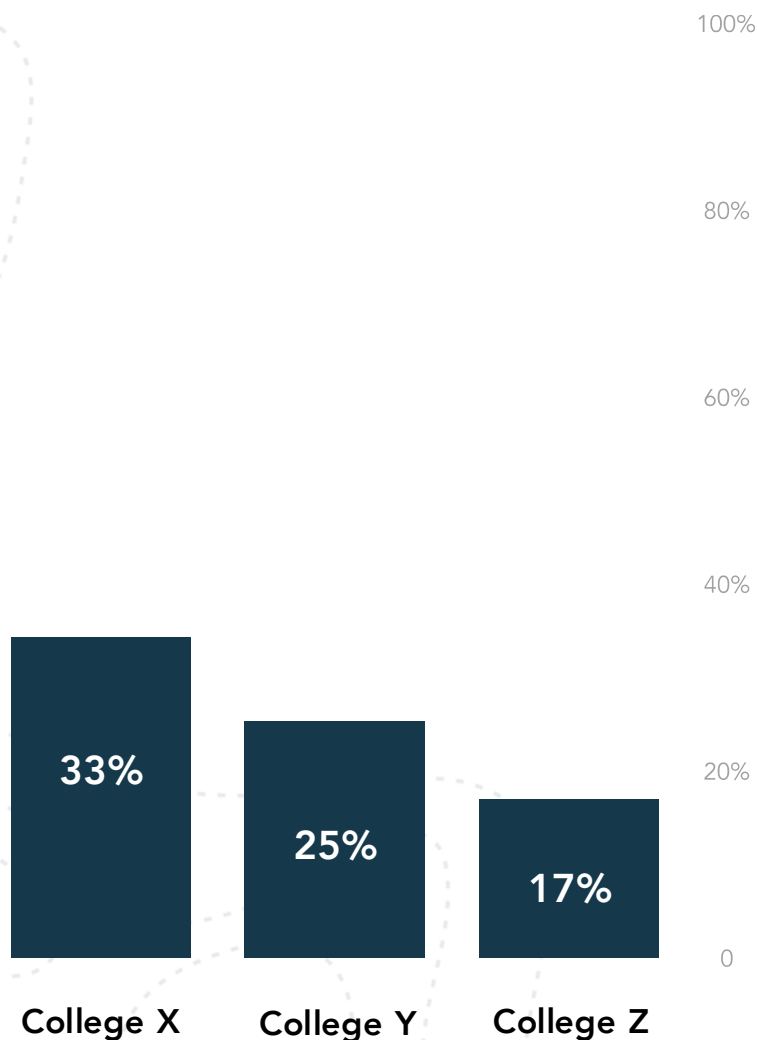
If tuition increases 4% per year at their child's college, the value of their tuition certificates increase 4% per year — tax-free.



The future value of prepaid tuition

The value of tuition certificates increase at the same rate as tuition and fees, meaning clients will still own the same percentage of annual tuition at each college but now at a higher value.

Your client saves \$14,407 on tuition tax-free.



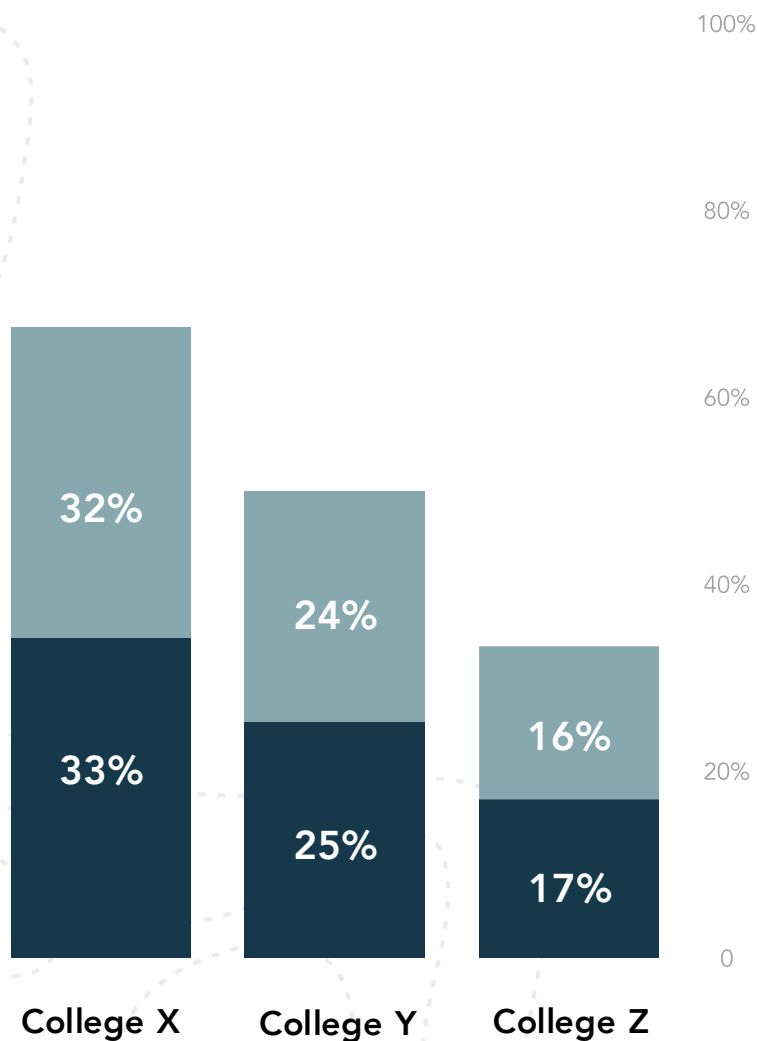
Saving over multiple years

Plan Year 1: Your client opens an account with \$10,000. Current tuition and mandatory fees cost:

- \$30,000 at College X
- \$40,000 at College Y
- \$60,000 at College Z

Their \$10,000 locks in:

- 33% at College X
- 25% at College Y
- 17% at College Z



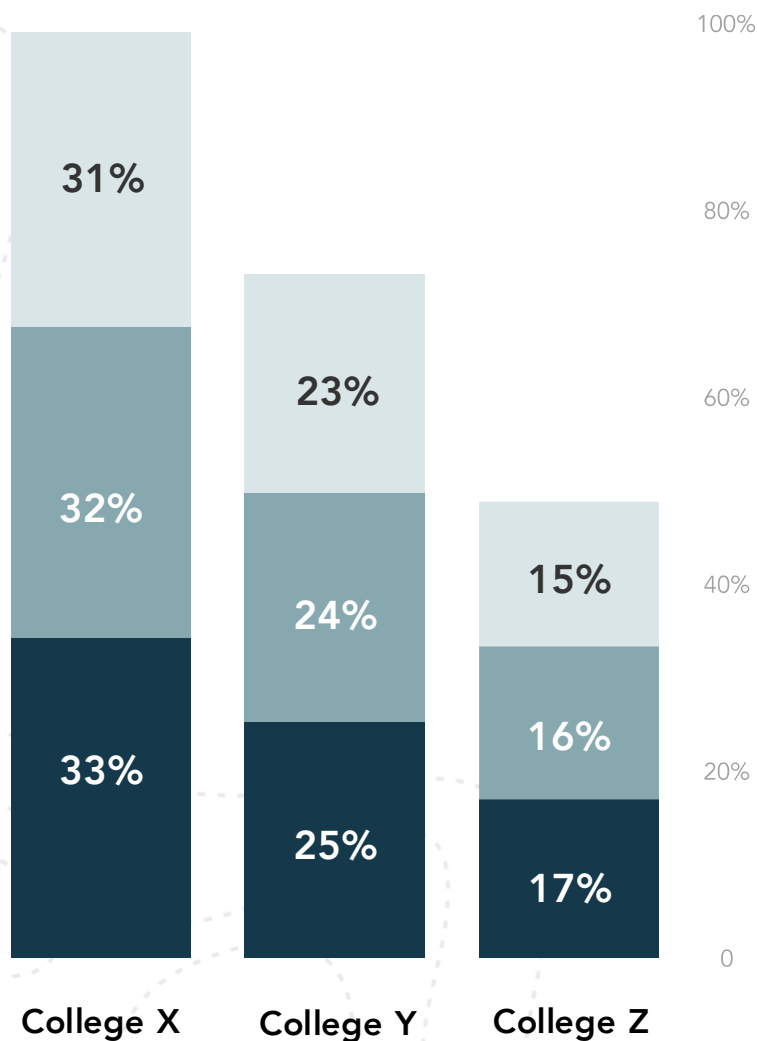
Saving over multiple years

Plan Year 2: Your client makes another \$10,000 deposit. Assuming a 4% annual increase, current tuition and mandatory fees cost:

- \$31,200 at College X
- \$41,600 at College Y
- \$62,400 at College Z

They lock in slightly less during the second plan year, but in total, they own:

- 65% of one year at College X
- 49% of one year at College Y
- 33% of one year at College Z



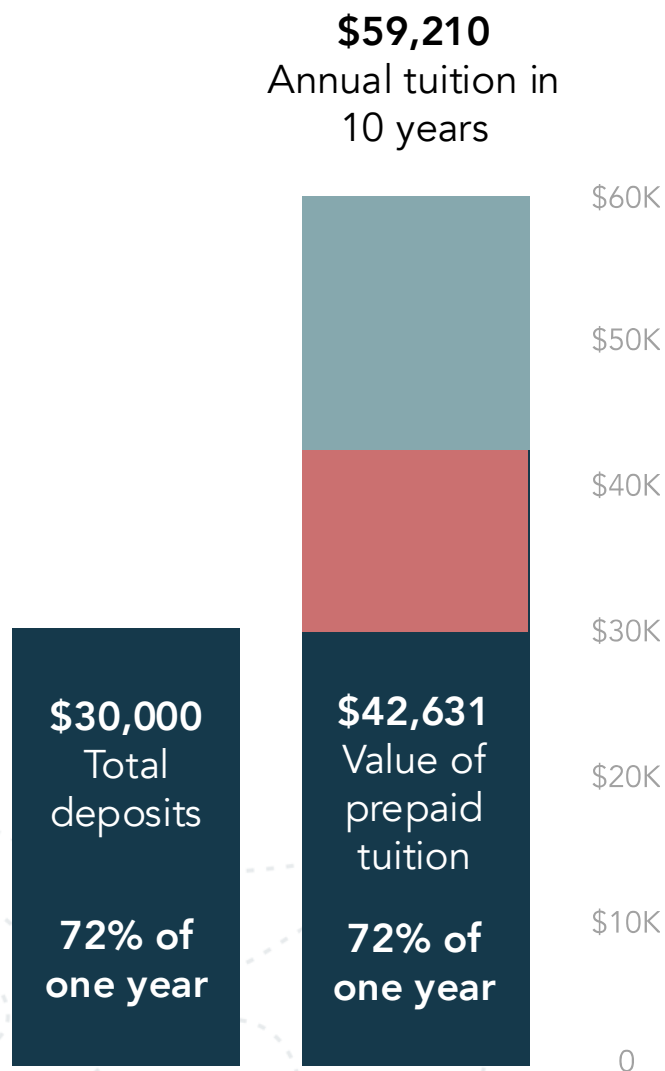
Saving over multiple years

Plan Year 3: Your client makes another \$10,000 deposit. Assuming a 4% annual increase, current tuition and mandatory fees cost:

- \$32,448 at College X
- \$43,264 at College Y
- \$64,896 at College Z

They lock in slightly less again during the third plan year, but in total, they own:

- 96% of one year at College X
- 72% of one year at College Y
- 48% of one year at College Z



Assumes 4% tuition increase each year

Time to redeem

After 10 years: We'll assume your client stopped making deposits after plan year 3, and tuition and mandatory fees continued to increase 4% each year.

Their child enrolls at College Y where it now costs \$59,210. Since they locked in 72% of one year of tuition at College Y, the redeemable value of their prepaid tuition is now \$42,631 or 72% of \$59,210.

Your client saves \$12,631 on tuition tax-free.

Inside your account

- ▼ Your Accounts
- » Plan Details
- Transaction History
- FAFSA Value

Plan Details

Select a Beneficiary

BENE NAME: Savings - 1234567890 - Active - Individual Account

BENE NAME

Mailing Address
123 MAIN STREET
MARLBOROUGH, MA 01752

Account Number
1234567890

Account Status
Active

Product Type
Individual Account

Successor Account Owner:

MARY SMITH

Mailing Address
123 MAIN STREET
MARLBOROUGH, MA 01752

Basic
demographic
information

Program year
(or plan year)
saved in

Account Summary

Program Year	Gross Contributions	<i>i</i> Net Contributions	<i>i</i> Certificate Eligibility Date
2023/2024	\$4,420.00	\$4,420.00	07/19/2026
2022/2023	\$15,540.00	\$15,540.00	07/19/2025
2021/2022	\$14,400.00	\$14,400.00	07/19/2024
2020/2021	\$10,000.00	\$10,000.00	07/17/2023
2019/2020	\$9,250.00	\$9,250.00	07/15/2022
2018/2019	\$6,500.00	\$6,500.00	07/02/2021
Totals	\$60,110.00	\$60,110.00	

Earliest date
clients can begin
redeeming tuition
certificates in a
plan year

Inside your account

Value of Tuition Purchased:

Represents the current tuition value at the designated sample school multiplied by "years of tuition purchased."

Years of Tuition Available:

Tuition certificates must be held for 36 months from their purchase date before they can be redeemed at a member college. The purchase date is the date of the first contribution in a plan year.

Sample School Summary

Sample School	Years of Tuition Purchased	i Value of Tuition Purchased	i Years of Tuition Available
GEORGETOWN UNIVERSITY	1.0188	\$66,304.52	0.4602
DAVIDSON COLLEGE	1.0901	\$65,460.51	0.4827
RICE UNIVERSITY	1.1523	\$66,980.89	0.5213
MIDDLEBURY COLLEGE	1.0128	\$66,115.58	0.4554
DUKE UNIVERSITY	1.0040	\$66,068.22	0.4499
CARLETON COLLEGE	1.0039	\$65,712.28	0.4492
THE UNIVERSITY OF DENVER	1.1043	\$64,566.21	0.4906
PRINCETON UNIVERSITY	1.1170	\$67,351.75	0.5160
UNIVERSITY OF NOTRE DAME	1.0345	\$64,855.91	0.4616
AMHERST COLLEGE	0.9807	\$65,981.50	0.4372



Why this plan?

The family has a strong affinity for private college.

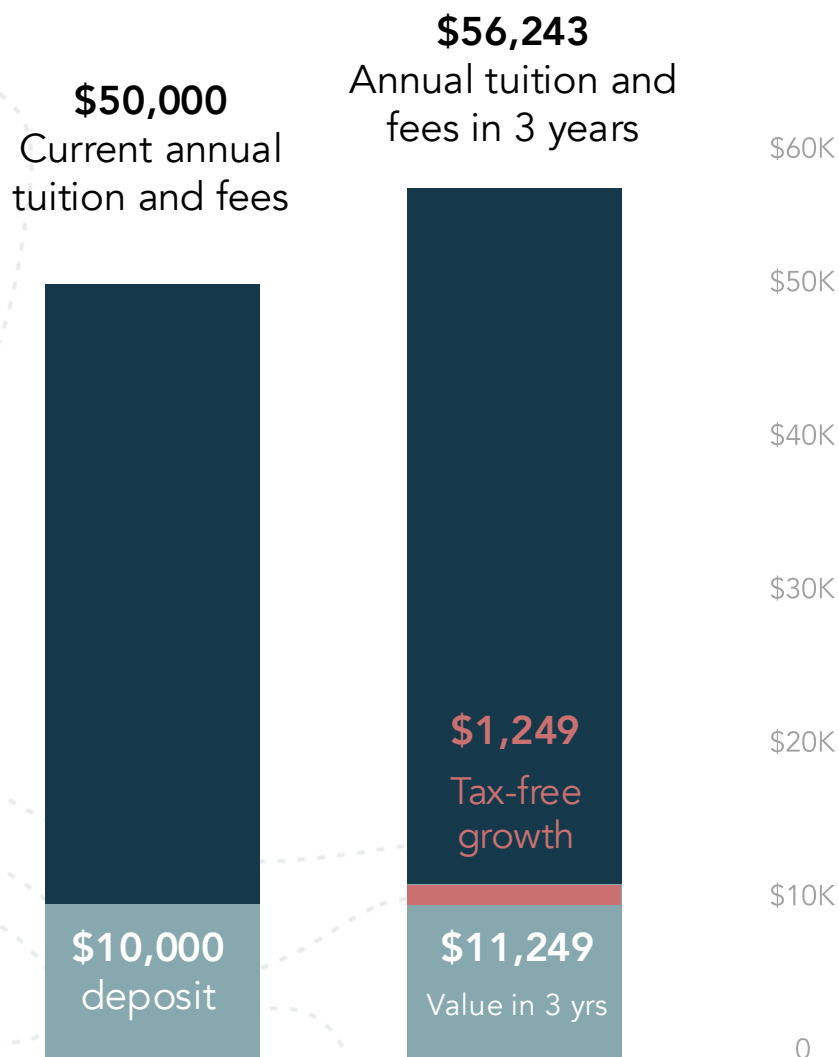
Regardless of their child's age, private college is a top priority for the family.

Our plan supports a balanced college savings portfolio.

Private College 529 Plan pairs well with traditional 529 plans, providing stability and protection from market volatility.

We offer exceptional protection for late-stage college savers.

Families with high school students can protect their college savings from tuition inflation and market volatility in the last few years before using the funds.



Assumes 4% tuition increase each year

Late-stage strategy

If a child is accepted into a member college, the family can open an account to lock in tuition for senior year of college.

After receiving their financial aid award letter from the college, the family may be able to identify a gap in the tuition bill. They can prepay that amount now for senior year of college before rates increase and the gap widens.

What they save on tuition tax-free is like a guaranteed scholarship.



Plan benefits

30-year guarantee: Member colleges are obligated to honor our prepaid tuition for up to 30 years regardless of tuition increases.

Options: We have nearly 300 colleges and universities nationwide. Families don't select a school until their student enrolls.

No fees: Every dollar deposited buys tuition at the current rates.

No market risk: Account value is tied to tuition increases not investment markets.

No income limits: There are no income phase-outs, and account caps are generous.

Tax and estate planning: Earnings are federal tax-free if used for qualified education expenses, and contributions qualify for annual gift tax exemption.

Frequently asked questions by families



Do I choose a college when opening an account?

Yes, sort of. You can choose up to ten sample schools for tracking the progress of your prepaid tuition. You can change your sample schools at any time.



Do I have to prepurchase an entire year of tuition?

No. The amount of tuition you purchase is based on the current rate of tuition at each member college and will vary by school.



What happens if a new college joins the plan or drops out?

Tuition certificates purchased today can be used at any school that currently participates or any that join later. However, tuition certificates purchased after a school withdrew from the plan would not be honored by that school.

Frequently asked questions by families



How quickly can I redeem my tuition certificates?

Tuition certificates must be held for 36 months from the purchase date before they can be redeemed at a member college. The purchase date is the date of the first contribution in a plan year.



What happens if my beneficiary does not attend a member college?

If your beneficiary enrolls at a non-participating school or doesn't go to college at all, you have options. You can change the beneficiary to a qualified family member, roll over into a state-sponsored 529 plan, or request a withdrawal.

The value of refunds and withdrawals is calculated as your total contributions adjusted for net investment returns up to a maximum increase of 2 percent per year compounded annually.



The University of Chicago

Our member colleges

Nearly 300 colleges and universities nationwide including:

- Amherst College
- Baylor University
- Caltech
- Carnegie Mellon
- Duke University
- Emory University
- Georgetown University
- Johns Hopkins University
- MIT
- Princeton University
- Texas Christian University
- University of Chicago
- University of Notre Dame
- University of Southern California



Find us online



PrivateCollege529.com/advisors



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The refund value of a Tuition Certificate is calculated as your total contributions adjusted for net investment returns up to a maximum increase of 2 percent per year compounded annually. If the refunded amount is not used to pay qualified higher education expenses, the earnings portion will be subject to federal income tax and an additional 10 percent tax penalty. See Disclosure Statement for details.