

Account owners,
**THERE ARE EXCITING
CHANGES AHEAD**

I want to
share with you.

JAMES, FINANCIAL GURU

This January, ScholarShare 529 will launch enhancements to its investment portfolios and transition to a new administrative platform.

Together, these changes will offer several benefits, including:

- Enrollment Year Investment Portfolios
- Enhanced online account management

WHAT YOU NEED TO KNOW

Be sure to read this guide carefully, as well as the updated Plan Description (received electronically or enclosed). Your account information, including historical information, account preferences and investment selections will automatically transition to the new administrative platform.

After the transition is complete, you will need to reestablish your login credentials by creating a new user ID and password to access your account online. You will need your account number for this process. And if you haven't established online access yet, we encourage you to do so after the transition to take advantage of easy account access and management.

Certain account owners who currently make contributions directly from their paycheck have received a separate communication providing details for updating their payroll direct deposit. If you did not receive this communication, please visit ScholarShare529.com/transition or contact us at **800.544.5248**.

Because some account and bank routing information will change with the transition to the new administrative platform, any direct deposit contributions submitted by your employer on your behalf after January 23, 2020, will be rejected and returned to your employer unless you take action.

IMPORTANT:

You will need your account number to reestablish your login credentials. So be sure to write it down and save it.

SCHOLARSHARE 529 COLLEGE SAVINGS PLAN ENHANCEMENTS:

a brief overview

Here are the main changes you will see with your ScholarShare 529 college savings account.



Enrollment Year Investment Options

- If you currently have the Age-Based Investment Portfolio, your account will automatically convert from an Age-Based Investment Portfolio to an Enrollment Year Investment Portfolio, based on your child's age **as of January 24, 2020**. See the next section for details.
- The new Enrollment Year Investment Portfolios offer the **same convenience** as the current Age-Based Investment Portfolio, **but with flexibility** to choose the portfolio that corresponds to your child's expected year of enrollment, or the one that best meets your investment risk profile and investment time horizon.
- The underlying investments of the Enrollment Year Investment Options are the same quality investments you enjoyed in the Age-Based Investment Portfolio.
- This transition will not create a taxable event or count toward your two allowable investment changes per year. After the transition you may change your investment selection(s) if you have not already made two changes in 2020.



Enhanced Online Account Management

- An **improved online account management interface**. You'll enjoy simplified methods for making contributions and withdrawals, as well as enhanced gifting capabilities. The new interface will maintain the current security features to keep your personal information safe.
- **Call Center support**. Of course, you can always contact our Call Center with questions at 800.544.5248. Hours: 8 a.m. to 7 p.m. PT.



ScholarShare529 

800.544.5248 | [ScholarShare529.com](https://www.ScholarShare529.com)

Do you currently have an Age-Based Investment Portfolio?

We are transitioning the current Age-Based Investment Portfolios to Enrollment Year Investment Portfolios, offering you the flexibility to choose the expected year of enrollment in school for your child or to choose an option that more closely **aligns with your investment objectives and risk tolerance**. ScholarShare 529 is committed to innovation, and more importantly, to positioning your college savings investments for **optimal performance throughout the lifetime of your account**.

If your beneficiary is not enrolled in this investment option, you may skip ahead to the “Transition Timeline” section found on the next page.

Your Current Investment

Your current Age-Based Investment Portfolio, a popular investment choice for families, is based on your beneficiary’s age, and automatically adjusts the investment mix of stocks, bonds, and a cash equivalent over time to become more conservative as your future student nears the age of 18.

You likely appreciate this portfolio’s **ease of use**—it’s a professionally managed, diverse investment portfolio that does not require you to make any manual changes throughout the life of the investment.

While the Age-Based methodology worked well, it is being improved to offer **more flexibility** to meet varying investment objectives, risk profiles and time horizons. Account owners may also benefit from more frequent asset allocation adjustments in the Enrollment Year Investment Portfolios which provide a **more gradual** investment allocation shift reducing the timing risk associated with making allocation changes to equities over the life of the investment.

This chart shows how your current Age-Based Investment Portfolio will be transitioned to an Enrollment Year Investment Portfolio.

BENEFICIARY AGE ON 1/24/20	ENROLLMENT YEAR INVESTMENT PORTFOLIO
0-1	2036 / 2037 Enrollment Year
2-3	2034 / 2035 Enrollment Year
4-5	2032 / 2033 Enrollment Year
6-7	2030 / 2031 Enrollment Year
8-9	2028 / 2029 Enrollment Year
10-11	2026 / 2027 Enrollment Year
12-13	2024 / 2025 Enrollment Year
14-15	2022 / 2023 Enrollment Year
16-17	2020 / 2021 Enrollment Year
18+	Enrollment Year

Automatic Conversion to the New Enrollment Year Investment Portfolio

Just as with the Age-Based Investment Portfolios, the new Enrollment Year Investment Portfolios have an Active version and a Passive version. Active portfolio management focuses on outperforming the market compared to a specific benchmark, while passive portfolio management aims to mimic the investment holdings and performance of a particular index.

During the transition, ScholarShare 529 will automatically convert your Active or Passive Age-Based Investment Portfolio to the corresponding Active or Passive Enrollment Year Investment Portfolio, based on your beneficiary's age on January 24, 2020, and the year range when they will turn 18. If you had an Active Aged-Based Investment Portfolio, you will have an Active Enrollment Year Investment Portfolio. If Passive, then Passive.

As with all 529 Plans, you may change your investments in your ScholarShare 529 account up to twice per calendar year, or upon change in beneficiary.

TRANSITION TIMELINE

Thursday, January 23, 2020

- **No transaction activity** will be processed beginning at 1:00 p.m. PT until after the transition.

Friday, January 24, 2020

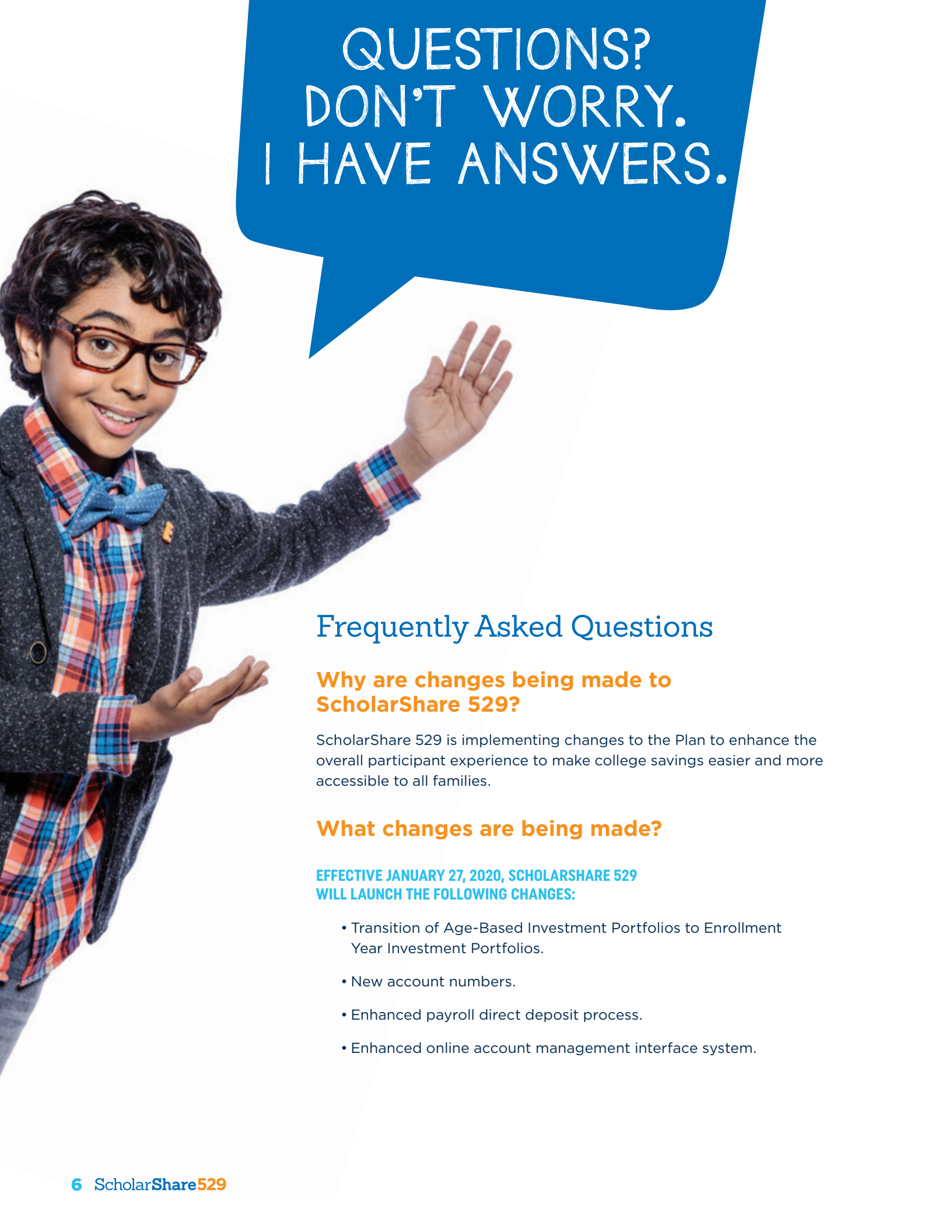
- Website will be **unavailable beginning at 1:00 p.m. PT** until after the transition. Please call if you need assistance.
- Your account records and assets will **automatically transfer** to the new administrative platform.
- After the transition to the new administrative platform is complete, you will receive a post-conversion confirmation statement by mail or email.
 - If you are currently invested in the Age-Based Investment Portfolio, your account balance(s) will automatically transfer to the new Enrollment Year Investment Portfolio.

Monday, January 27, 2020

- Transaction activity resumes as normal.
- If you currently have online account access, you will need to **reestablish your username and password** on or after January 27, 2020. Be sure to have your account number handy to make this change.

PLEASE NOTE:

You must reestablish your online account access at ScholarShare529.com after the transition AND select a new username and password to continue managing your account online.



QUESTIONS?
DON'T WORRY.
I HAVE ANSWERS.

Frequently Asked Questions

Why are changes being made to ScholarShare 529?

ScholarShare 529 is implementing changes to the Plan to enhance the overall participant experience to make college savings easier and more accessible to all families.

What changes are being made?

EFFECTIVE JANUARY 27, 2020, SCHOLARSHARE 529 WILL LAUNCH THE FOLLOWING CHANGES:

- Transition of Age-Based Investment Portfolios to Enrollment Year Investment Portfolios.
- New account numbers.
- Enhanced payroll direct deposit process.
- Enhanced online account management interface system.

What is staying the same?

- TIAA-CREF Tuition Financing, Inc., (TFI) as Plan Manager.
- Our website and phone number.
 - [ScholarShare529.com](https://www.scholarshare529.com)
 - **800.544.5248**
- Investment Menu Options, with exception of the Age-Based Investment Portfolios.
- **Your current account elections** (e.g., most delivery methods, investment allocation instructions, banking information on file).
- **Your current automatic recurring contributions** from a checking or savings account.
- **Security levels** of online account management interface system.

What do I need to do?

- Review this transition guide and call if you have questions.
- When accessing your online account on or after January 27, 2020, you will need to **reestablish your username and password. Be sure to have your account number handy to make this change.**
- If you are currently contributing to your account through your paycheck, you should have received a separate mailing with transition instructions. If you did not receive this mailing, visit [ScholarShare529.com/transition](https://www.scholarshare529.com/transition) or contact us for assistance. **Account owners who are employees of California state government agencies are exempt from this requirement.** These agencies include all State of California departments, University of California, California State University, and California State Legislature.
- If bill pay is utilized, **update your bank bill pay profile with your new ScholarShare 529 account number.**
- **Destroy any ScholarShare 529 investment slips and old plan forms** you may have. New investment slips will be periodically provided with your statements.
- **Download and keep your year-end account statements** for the last two years.
- Please be aware during the transition there will be a brief period when no account transaction activity will be processed. Please review the transition timeline on the previous page.

STILL HAVE QUESTIONS? WE'VE GOT YOU COVERED.

There's always more to learn about maximizing your college savings with ScholarShare 529. For more information, or if you have questions, check out the options below.

GIVE US A CALL.

Call us toll free at **800.544.5248**. Our friendly, knowledgeable college savings plan consultants are always ready to answer your questions.

VISIT [SCHOLARSHARE529.COM](https://www.scholarshare529.com).

Register for a webinar where you can learn more about the features and benefits of the ScholarShare 529 plan.

SCHEDULE A ONE-ON-ONE MEETING.

Go to [ScholarShare529.com](https://www.scholarshare529.com) and set up an in-person info session with one of our California-based college saving consultants.



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To learn more about the California 529 College Savings Plan, its investment objectives, tax benefits, risks, and costs, please see the Plan Description at ScholarShare529.com. Read it carefully. Check with your home state to learn if it offers tax or other benefits such as financial aid, scholarship funds or protection from creditors for investing in its own 529 plan.

Consult your legal or tax professional for tax advice. Investments in the Plan are neither insured nor guaranteed and there is the risk of investment loss. If the funds aren't used for qualified higher education expenses, a 10% penalty tax on earnings (as well as federal and state income taxes) may apply. Non-qualified withdrawals may also be subject to an additional 2.5% California tax on earnings. TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributor and underwriter for the California 529 College Savings Plan.