7 reasons why saving for college with ScholarShare 529 is smart.

1 Tax savings that really add up.
ScholarShare 529’s tax-free growth means you could have more money to help pay for college—up to 25% more.

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<table>
<thead>
<tr>
<th>Taxable account</th>
<th>ScholarShare 529</th>
</tr>
</thead>
<tbody>
<tr>
<td>$40,000</td>
<td>$7,758</td>
</tr>
<tr>
<td>$30,000</td>
<td>$7,050</td>
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<tr>
<td>$20,000</td>
<td>$6,350</td>
</tr>
<tr>
<td>$10,000</td>
<td>$5,650</td>
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</table>
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This hypothetical example assumes an initial contribution of $5,000, monthly contributions of $50 for 18 years, and an average annual return of 7% compounded monthly for an effective rate of 7.23%. Tax calculations assume the maximum federal capital gains tax of 20% and the maximum state marginal tax rate of 13.3%. At the end of the accumulation period the taxable account would be worth $31,290. The ScholarShare 529 account would be worth 25% more than that amount or $39,049. Assumes taxes are paid in lump sum at the end of the accumulation period, and state taxes are not federally deductible. This is only an example and you should expect that your performance and personal tax situation may vary. Past performance does not guarantee future results.

2 It’s financial-aid friendly.
Saving with ScholarShare 529 has a minimal impact on your financial aid award.¹

- **ScholarShare 529**
  ScholarShare 529 has a minimal impact on aid—no more than **5.64%** of the account balance each year.

- **UMGA/UTMA**
  A custodial account under UMG/UTMA will be counted as a student asset and can reduce the aid package by **20%** of its value each year.

- **IRA**
  Tap into your IRA and it can lower aid by as much as **50%** of the amount withdrawn each year.
3 Contribution levels that fit your budget.
Most families save about $200 per month, but you can start off with as little as $25 or $15 per pay period.

4 Lower expenses.
ScholarShare 529 investment fees are less than 1/2 the national average and less than 1/3 the average for the advisor-sold plans.²

5 You don’t need to be a savvy investor.
It’s not about choosing “the right” investment; it’s about choosing the investment that’s right for you. One option you may consider is an Enrollment Year Investment Portfolio.

- Automatically shifts from aggressive-to-conservative investments as your child ages.
- The mix of equities, bonds and cash adjusts automatically as your child’s enrollment year approaches.
- No need to manually rebalance your portfolio each year.

6 Flexibility and control.
Anyone can contribute, not just parents. You can maintain control even when the beneficiary turns 18 years old. Funds can be withdrawn for many purposes (income subject to taxes and penalty).

7 Your employer has made it extra easy.
Participate in our Workplace Savings direct deposit program. If you already have a 529 plan, we can help you move it to ScholarShare 529.

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²The treatment of investments in a 529 savings plan varies by school. Assets are typically treated as the account holder’s and not the student’s. Student assets are generally assessed at 20% whereas parental assets are generally assessed at 5.6%. Any investments, including those in 529 accounts, may affect the student’s eligibility to get financial aid based on need. You should check with the schools you are considering regarding the issue. ScholarShare 529 figures assume account is held by parents of students. IRA withdrawals are often treated as parental income and impact subsequent years. Source: ISS Market Intelligence 529 College Savings Quarterly Fee Analysis First Quarter 2020. ScholarShare 529’s average annual asset-based fees are 0.28% for all portfolios compared to 0.59% for all 529 plans. Advisor-sold plans data includes: A. Advisor Plans: A-Shares (unless only one class available) and B. Fee-Based Advisor Plans (Share Classes or Plans). Average expenses for advisor plans, all plans, direct plans and ScholarShare 529 are 0.89%, 0.59%, 0.40% and 0.28% respectively.

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.