

Independent 529 Plan Fact Sheet

Overview

Independent 529 Plan is the first private college-sponsored, national, prepaid 529 plan enabling families to purchase future tuition at over 270[†] private colleges in the country, at less than today's price. This unique way to pay for private college offers the security of a guarantee against tuition inflation, freedom from market risk, and the flexibility of a national program — free from federal taxes.**The prepaid tuition will be valid at any of the participating colleges, provided the student is accepted and enrolls.*

Plan Statistics[†]

- 5,000+ accounts
- Average account size is over \$20,000
- More than \$100 million under management

Program Features

- Future tuition at less than today's price
- Over 270[†] member institutions in 38 states plus Washington DC
- No fees
- Accepts rollovers from other 529 plans***

Quick Facts

- **Flexibility to Enroll at Anytime, Add to Your Account at Any Time.** Independent 529 Plan offers a number of ways to participate—from prepaying the full cost of several years to paying a set amount each month. You can also contribute as little as \$25 a month as long as a minimum of \$500 is accumulated within two years.
- **No Special Eligibility Requirements, No Income Limits for Participation.** If you are an adult U.S. resident who wants to help fund a private college education for children, grandchildren or any loved one, you are eligible. In addition to opening an account for a named beneficiary, you can open an account in the name of a trust or estate. Qualified organizations can also open accounts for scholarships for unnamed beneficiaries.
- **National in Scope.** Some of the finest private colleges and universities across the nation are members, offering a wide variety of choices to fit the talents and interests of every student. New schools joining Independent 529 Plan will retroactively honor certificates from all current holders. If a school should ever withdraw from the plan, it would continue to honor all certificates generated during and prior to the time of its participation.
- **High Contribution Limits.** Overall contribution limits to Independent 529 Plan are designed to cover the tuition and fees for five years at the most expensive college or university in the plan (\$177,500 for the 2007-2008 school year).
- **Significant Estate and Gift Tax Benefits.** Reduce the taxable value of your estate; contributions to Independent 529 Plan are completed gifts and qualify for the \$12,000 annual gift tax exclusion. This reduces the taxable value of your estate, while you retain complete control of the account. If you are married, your spouse may elect to split the gifts made to purchase a tuition certificate for a beneficiary, thereby doubling the amount of the annual gift tax exclusion—from \$12,000 to \$24,000.

Like all 529 Plans, Independent 529 Plan enjoys the benefit of a federal 5 year-averaging provision. You can elect to treat up to \$60,000 (\$120,000 if married and filing jointly) as having been made in 5 equal gifts over a 5-year period. If you contribute more than \$60,000 in one year, the excess would be a taxable gift in the year of contribution.

The tax information herein is not intended to be used and cannot be used by any taxpayer for the purpose of avoiding tax penalties. It was written to support the promotion of Independent 529 Plan. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.

*Participation in Independent 529 Plan does not guarantee admission to any college or university, nor does it affect the admissions process. Each year, each member college offers a discounted rate of at least 0.5% less than its current tuition rates. Discount rate can vary from year to year.

** This is provided that withdrawals are used to pay for qualified tuition expenses. Purchasers should read the Disclosure Booklet, including the Enrollment Agreement, carefully before making purchase decisions. Tuition Plan Consortium, LLC is the program sponsor and TIAA-CREF Tuition Financing, Inc. is the program manager.

*** There may be tax consequences associated with these options.

† As of April 2008