529 SAVINGS PLAN

nuveen
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Scholars Choice
EDUCATION SAVINGS PLAN
BY COLLEGEINVEST®

Scholars Choice Education Savings Plan®

A pay-for-school playbook

When it comes to education, don't just call it a dream

Make it a plan

When it comes to paying the high price of a higher education, one thing is for sure: A plan to learn needs a plan to pay.

Considering college alone, families spent $28,409 to cover the cost of the 2023–24 academic year[1], which represents an 1% increase from the prior year. In fact, the costs of obtaining a college education in the U.S. have ballooned relative to overall inflation. Average college tuition and fees have increased by 1534% since 1978, while inflation (as measured by the Consumer Price Index) is up 405%[2].

That's how – over the years – adventures in learning turned into challenges in paying. It's no wonder that many families struggle to pay while student debt has continued to soar.

So if you're looking for a plan to pay for higher education: Good for you! You're in the right place.

Not enough families are planning

Only 59% of families considering higher education say they have a plan to pay for it.

And, only 57% of parents feel confident their funds will not run out before their student completes college.

Source: Sallie Mae, *How America Pays for College,* 2024.

But those who do plan have an advantage

When comparing families who have created a plan to pay for higher education to families who haven't created a plan, planners seem to have the advantage in terms of commitment, preparedness, and confidence.

Planners feel more confident they made the right financial decisions regarding paying for college: 93% of planners feel 'completely' or 'somewhat' confident vs 69% of non-planners.

> **"Families who developed a plan for how to pay for college before the student enrolled are nearly twice as likely to feel confident than non-planners."**

Source: Sallie Mae, *How America Pays for College,* 2024.

Finally, most agree: It's not just about paying for education…it's about investing in the future

9 in 10

families say college is an investment in their student's future

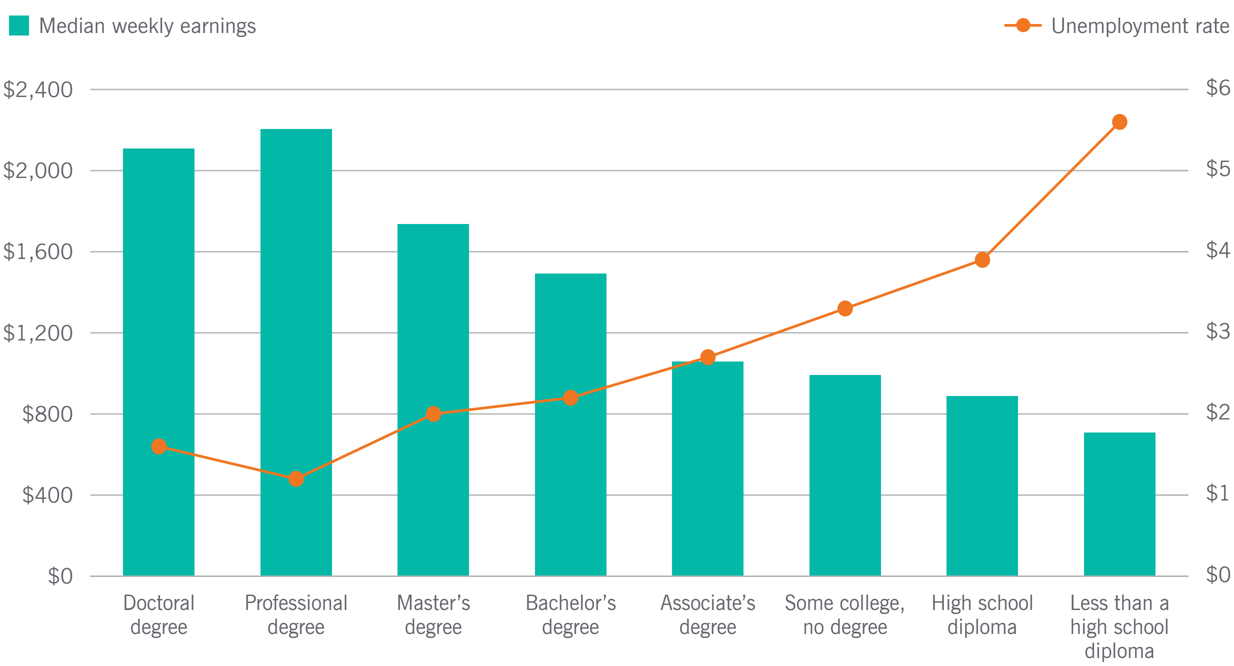
Nearly 9 in 10 families agree higher education is an investment in the student, with payoffs that include the student achieving career goals and higher earnings, while a smaller majority (72%) agree that college represents the "American Dream."

Source: Sallie Mae, *How America Pays for College,* 2024.

And what about that "investment in the future" part?

Turns out, it might be true. Having a college degree (or any advance degree) may help your children earn more – and help them remain employed during trying times. Additionally, these days, a college degree can be a necessity for many professional opportunities, growth and advancement.

More learning might equal more earning



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.

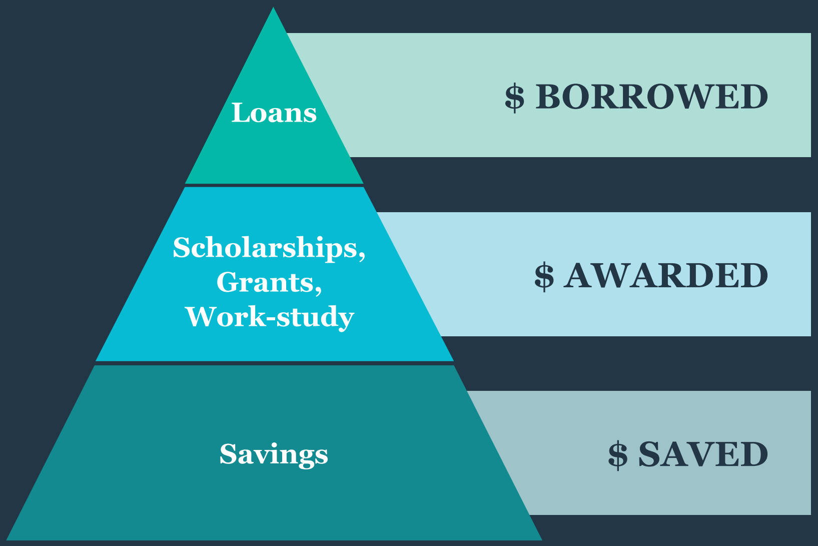
Source: As of 29 Aug 2024. Current Population Survey, U.S. Department of Labor, U.S. Bureau of Labor Statistics. https://www.bls.gov/emp/chart-unemployment-earnings-education.htm.

The foundation of smart education funding

As the cost of college continues to climb, many families can't save the entire amount, especially if there is more than one child to plan for. We have a simple plan for a complete college funding strategy that includes:

- Money you save, such as assets in a 529 education savings plan
- Money you "win," including student need and merit awards like scholarships, grants or inclusion in federal work-study programs, and
- Money you borrow, like federal and private student loans

At the end of the day, a smart pay-for-school plan is weighted something like this:



How much you'll need from the top two levels will depend on the bottom level – how much you're able to save. The best plan, to avoid overreliance on pricey student loans, is to have most of the weight on the bottom. That means focusing on money you don't have to pay back – only supplementing with loans to fill the gap.

It can all seem very complicated. But you don't have to be an expert on all these topics. You just need a basic understanding, which we'll offer here. Your financial professional is a great resource, too.

Let's plan…

A simple strategy...
for the plan-to-pay challenge

When it comes to paying for post-secondary education, consider basing your plan on this SAVE-WIN-BORROW approach. It's as simple as this: Focus on money you won't have to pay back. Consider the gap between your available resources and the cost of college, then close the gap with money you will *have to pay back. This is illustrated below.*

Your Save-Win-Borrow plan to pay

1

SAVE

Parent & student assets
= $$ no pay back

2

WIN

Scholarships, grants and work-study programs
= $$ no pay back

3

BORROW

Fill any gaps with federal (first) and private (last) loans
= pay back with interest

1. Save as much as possible in tax-advantaged 529 education savings plans.

2. Seek to win awards that are based on student need and merit, including scholarships and grants.

3. Fill in any gaps with loans. Start with federal student loans and supplement with private student loans, if needed.

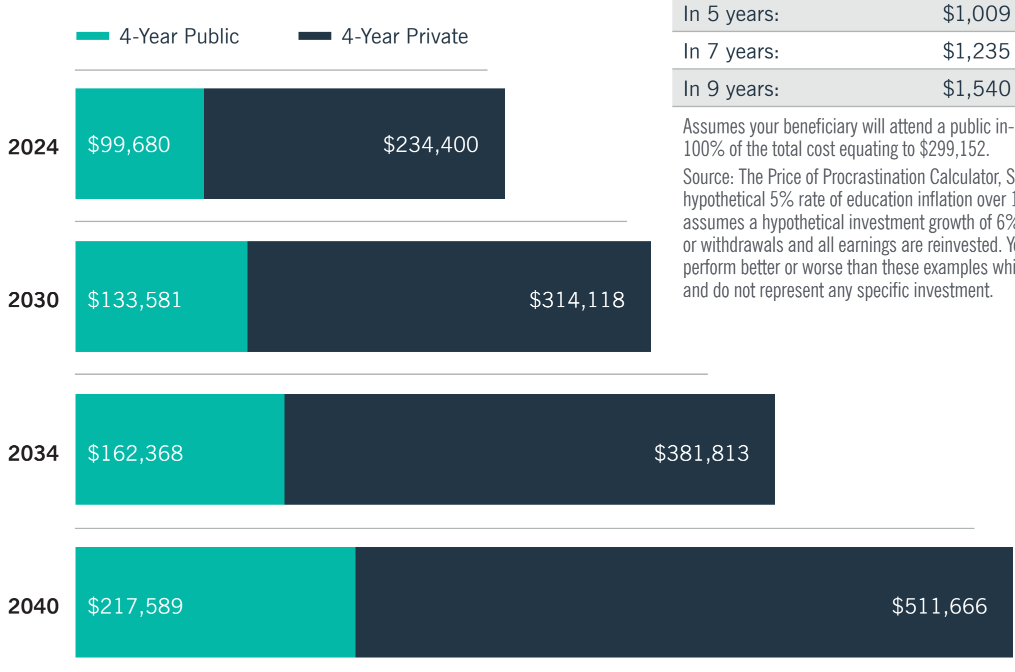
Planning to SAVE

To get a handle on your savings plan, you need to know how much you might need to pay and decide how much you can put away toward that goal each month. The earlier you start, the better. Then, you'll also need a smart plan for helping your savings grow.

Know the cost

As discussed earlier, the cost of college education in America has been climbing faster than inflation for decades. That means planning for college expenses in the future with today's costs in mind won't give you an accurate picture. For now, check out the projections below to get a handle on cost projections for both public and private schools. And, when you're ready to get more precise, there are helpful college calculators at **scholars-choice.com**. (Also see the resources on the last page.)

Projected cost of four years of college:
Public and private colleges 2024–2040



Source: The College Board, 2024. Assumes college costs rise at 5% per year. Public college costs based on in-state rates.

Set your savings goal and start early to save less

The just-mentioned calculators and resources can also help you determine a saving strategy, including a monthly goal – a tangible pay-for-school plan. The most important thing to know is this: Start as soon as you can. As shown by the table below, there's a high cost for procrastination. As the years go by, the price and payments keep going up.

Then, you won't have to save (or borrow) as much!

If you start saving...	Your monthly contribution will be...
Now:	$645
In 3 years:	$837
In 5 years:	$1,009
In 7 years:	$1,235
In 9 years:	$1,540

Assumes your beneficiary will attend a public in-state university in 18 years, covering 100% of the total cost equating to $299,152.

Source: The Price of Procrastination Calculator, SavingforCollege.com. Assumes a hypothetical 5% rate of education inflation over 18 years. Your monthly contribution assumes a hypothetical investment growth of 6% assuming no additional contributions or withdrawals and all earnings are reinvested. Your investment will vary and may perform better or worse than these examples which are for illustrative purposes only and do not represent any specific investment.

Help your savings grow with another great plan: A 529 plan, like Scholars Choice

529 plans offer several savings and investing benefits, including:

Tax advantages

Your investments will grow tax-deferred as long as the money remains in your Scholars Choice account.

Withdrawals used to pay for higher education expenses such as tuition, fees, room and board, books, required supplies and computers are currently free from federal and state income tax. And now, 529 plan withdrawals can also be used to pay for up to $10,000/year of tuition at public, private or religious elementary or secondary schools (K-12). The tax consequences of using 529 plans for elementary or secondary education tuition expenses may include recapture of tax deductions received from the original state as well as penalties.[3]

Account owner control

Account owners always maintain control over the account, including the ability to use the money for purposes other than college should the need arise.[4] The Designated Beneficiary cannot use the saved money without the consent of the account owner.

Flexibility

Any U.S. resident, including parents, grandparents, relatives, and even friends of the family, can open accounts for the benefit of anyone.

You may change the beneficiary to an eligible family member of the beneficiary without penalty.

And, you can use your account balance to pay for qualified expenses at accredited schools throughout the U.S. and overseas, including vocational and trade schools.

Gifting and estate planning

Contributions to your account are considered completed gifts and are excluded from your federal taxable estate. Up to $19,000 ($38,000 for married couples filing jointly) can be given in a single year without incurring federal gift tax.

Similarly, up to $95,000 ($190,000 for married couples filing jointly) can be given as long as there are no additional gifts for five years.[5]

529 plan basics

Saving for college, graduate school, vocational training, apprenticeship programs, or even K-12 public, private, or religious schools can be more attainable with the tax-advantaged benefits of a 529 savings plan.[3]

A 529 plan is...

- A tax-advantaged education-savings account
- Similar to a Roth IRA account, but used for education instead of retirement
- Designed to cover the cost of tuition and related qualified education expenses
- Named after a section of the Internal Revenue Code

The Federal Tax Cuts and Jobs Act (TCJA), which was signed into law in December 2017 and became effective January 1, 2018, expanded the definition of a qualified higher education expense to include up to $10,000 (federal tax-free withdrawals) per year in tuition expenses at public, private and religious elementary and secondary schools (K-12).

The state tax consequences of using 529 plans for elementary or secondary education tuition expenses will vary depending on state law and may include recapture of tax deductions received from the original state and may also include taxes and penalties. Some states (such as Colorado) do not offer state tax deductions or tax credits for K-12 tuition, and other restrictions may apply.

Nuveen Securities, Inc., its affiliates and its employees are not in the business of providing tax or legal advice to taxpayers. These materials and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any such taxpayer for the purpose of avoiding tax penalties or complying with any applicable tax laws or regulations. Tax-related statements, if any, may have been written in connection with the "promotion or marketing" of the transaction(s) or matter(s) addressed by these materials, to the extent allowed by applicable law. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Planning to WIN and BORROW

Sources of student aid

Don't worry if you can't save the entire cost of college; student aid is available.

Aid primarily comes in four forms: scholarships, grants, federal work-study programs and student loans – federal and private. The first three provide students with money at no cost, while student loans come at a price.

Scholarships – A scholarship is money awarded that the recipient is not expected to pay back. Scholarship amounts can vary greatly depending on the type of scholarship awarded.

Grants – Unlike scholarships, which typically require students to maintain certain requirements, such as a minimum GPA or number of credit hours, grants generally come with no strings attached.

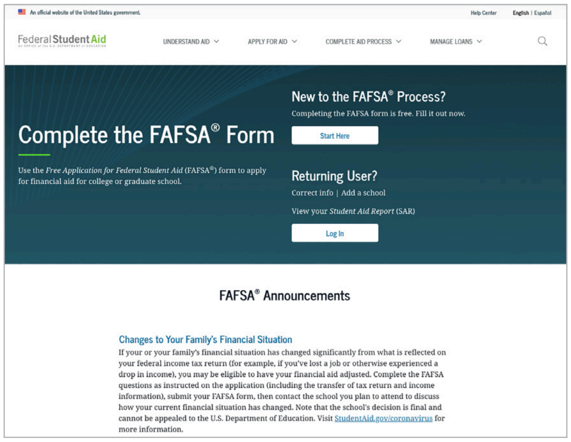
Federal work-study programs – These programs, administered by participating schools, provide part-time jobs located both on and off campus for students who demonstrate financial need.

Student loans – A loan is borrowed funds that must be repaid with interest.

- A federal student loan allows students and their parents to borrow money at low interest rates with flexible repayment terms through programs supported by the federal government.
- A private student loan is issued by a lender such as a bank or credit union.

Applying for aid

The first step in applying for federal financial aid is to complete the Free Application for Federal Student Aid (FAFSA).



The FAFSA is used to determine a student's eligibility for federal financial aid - as well as state and college-sponsored financial aid - and all students, regardless of parental income or perceived lack of federal financial aid eligibility, are encouraged to complete the application. Thanks to the 2021 Consolidated Appropriations Act, many new financial aid changes go into effect for the 2024-2025 school year, including a shorter and more user-friendly FAFSA! The fastest and easiest way to apply is online at www.FAFSA.gov.

If college is years away, you can still estimate how much federal aid your child may qualify for using the Federal Student Aid Estimator (available at studentaid.gov/aid-estimator). This tool will provide an estimate of how much federal aid the student might be eligible for, based on on the current award year.

How is your 529 plan factored in?

529 plan assets owned by a parent will be treated as parental assets, and counted up to 5.6% in the Student Aid Index (or SAI, previously know as the Expected Family Contribution or EFC) which is used to help determine a student's demonstrated financial need for federal aid. If the 529 plan owner is a grandparent, neither the assets nor distributions from that plan will be counted.*

Scholars Choice also offers an unmatched combination of expert 529 and investment management capabilities

The Scholars Choice Education Savings Plan (the "Plan") combines the capabilities of two world-class financial organizations, TIAA and Nuveen. TIAA[6], a pioneer in the 529 industry since 1998, brings demonstrated experience in managing every aspect of a successful 529 program.

Nuveen, the investment manager of TIAA, offers capabilities that span public and private markets, over five decades of leadership in responsible investing. Nuveen traces its history back to 1898 and TIAA was founded in 1918.[7]

* Treatment of 529 plan assets is subject to interpretation and may change. Consult with your financial professional for details and advice.

Scholars Choice at a glance

Here's a look at the many features and benefits you'll find with Scholars Choice. It's not just an education savings plan, it's a plan for possibllities.

FEATURES	BENEFITS
Tax-advantaged investing	• Tax-deferred compounding of contributions and earnings • Tax-free withdrawals for qualified education expenses* • Tax-deductible contributions for Colorado taxpayers†
Gifting and estate planning opportunities	• Contributions (completed gifts) and investment gains removed from taxable estate • Gifting: Up to $38,000 per beneficiary (filing joint) each year free from gift taxes • Accelerated gifting: Five years of tax-free gifts in a single year – up to $190,000 per beneficiary from couples and $95,000 from individuals**
Account owner control and flexibility	• Account owner retains full control over assets • Ablility to change beneficiaries or transfer unused assets to certain other family members • Covers any qualified expense at accredited schools throughout the U.S. and aborad, including vocational and trade schools*** • Minimal impact on financial aid eligibility when owned by parents • Assets within 529 plans may be protected from bankruptcy**** • Unused funds may be rolled into the beneficiary's Roth IRA without incurring federal income tax or penalties (but may incur CO income tax and penalties; restrictions apply)*****
Ease of Use	• No income limits on contributors • No age limits on beneficiaries or contributors • Affordable: Low, $25 minimum contribution • High contribution limits – $500,000 per beneficiary • Contributions can be made conveniently through payroll direct deposit or automatic transfers from a bank account

Pay-for-school possibilities: qualified expenses include...

- Apprenticeship programs[3]
- Books & supplies
- College undergrad and beyond
- Computers & related equipment
- K-12 tuition[3]
- Room & board
- Special needs
- Student loan payments[3]
- Thousands of qualified educational institutions all over the world
- Trade or vocation schools
- Tuition & fees

† Rollovers from an out-of-state qualified state tuition program to a Colorado qualified state tuition program may qualify for Colorado's income tax deduction for contributions.

* Earnings on federal non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes. Colorado tax deductions may be subject to recapture in certain additional circumstances such as rollovers to another state's 529 plan, or withdrawals used to pay elementary or secondary school tuition ("K-12 Tuition Expenses"), or qualified education loan repayments ("Qualified Education Loan Expenses") as described in the Plan Description. State tax benefits for non-resident Colorado taxpayers may vary. Tax and other benefits are contingent on meeting other requirements. Please consult your tax professional about your particular situation.

** No additional gifts can be made to the same beneficiary over a five-year period. If the donor does not survive the five years, a portion of the gift is returned to the taxable estate.

*** To search for accredited schools, visit https://fafsa.ed.gov/spa/fsc/#/SEARCH.

****The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 expressly excludes from an individual debtor's bankruptcy estate (and, therefore, will not be available for distribution to such individual's creditors), certain assets that have been contributed to a 529 Plan account. However, bankruptcy protection for 529 Plan assets is limited and has certain conditions. See the Plan Description for details.

***** See the Plan Description for details and note: Colorado authorities have determined that a rollover from a 529 plan account to a Roth IRA by Colorado taxpayers will be treated as a non-qualified rollover and will be subject to Colorado state income tax and Colorado's deduction recapture provisions. Account Owners and Beneficiaries should consult with a qualified tax professional before rolling over funds into a Roth IRA.

Put your plan-to-pay in action!

Learn more about Scholars Choice:

- **Ask:** Your financial professional!
- **Visit:** scholars-choice.com
- **Call:** 888.5.SCHOLAR (888.572.4652) (toll-free Monday through Friday 9:00 am to 10:00 pm ET)
- **Write:** Scholars Choice, P.O. Box 219372, Kansas City, MO 64121

Financial professionals: For account-level questions, contact Scholars Choice service center at 888.572.4652. For sales and marketing questions, contact Nuveen at 800.752.8700, Monday to Friday, 8:00 am to 7:00 pm ET.

1 Source: SallieMae "How America Pays For College" 2024.

2 U.S. Bureau of Labor Statistics. Data extracted December 2024. Date range for data pulled from Jan 1978 – Oct 2024.

3 Not a qualified (tax-free) withdrawal in all states; check with your tax professional. Withdrawals for K-12 tuition expenses at a public, private or religious elementary, middle, or high school; registered apprenticeship programs; and student loan repayments can be withdrawn free from federal taxes, see the Plan Description for limitations. State tax treatment of withdrawals for these expenses is determined by the state where you file state income tax. For Colorado taxpayers, withdrawals for K-12 tuition expenses and student loan repayments will be treated as non-qualified withdrawals subject to Colorado state income tax and Colorado's deduction recapture provisions.

4 The earnings portion of any nonqualified withdrawal is subject to federal income taxes, applicable state income tax and an additional 10% federal tax penalty.

5 Source: IRS Form 709.

6 TIAA-CREF Tuition Financing, Inc. (TFI) is the education savings division of TIAA.

7 Nuveen traces its history back to 1898 and TIAA was founded in 1918.

The Scholars Choice Education Savings Plan is offered by the State of Colorado. TIAA-CREF Tuition Financing, Inc. is the Plan Manager and Nuveen Securities, LLC is the Distributor.

There are various risks associated with an investment in the Scholars Choice Education Savings Plan; principal loss is possible. The Scholars Choice Education Savings Plan's Investment Portfolios are subject to the risks of the underlying fund(s) in which they invest and other risks, as described in the Plan Description.

Before investing, carefully consider the investment objectives, risks, charges and expenses of the Scholars Choice Education Savings Plan, including whether the investor's or Designated Beneficiary's home state offers any state tax or other benefits that are only available for investment in such state's qualified tuition program. Other state benefits may include financial aid, scholarship funds, and protection from creditors. For this and other information that should be read carefully, please request a Plan Description at 888-5-SCHOLAR (888-572-4652) or visit scholars-choice.com.

Participation in the Scholars Choice Education Savings Plan does not guarantee that the account's assets will be adequate to cover future tuition or other higher education expenses, or that contributions and the investment return on contributions, if any, will be adequate to cover future tuition and other eligible education expenses or that a Designated Beneficiary will be admitted to or permitted to continue to attend any eligible educational institution. Contributions to an Account and the investment earnings, if any, are not guaranteed or insured.

Securities offered through Nuveen Securities, LLC, Member FINRA and SIPC

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