



## 529 EDUCATION SAVINGS PLAN SHARE CLASS DISCLOSURE

### Private Client Services Guidelines:

Private Client Services has developed guidelines to assist customers with their decision regarding which share class to purchase within a 529 Education Savings Plan account. These guidelines are directly related to the age of the beneficiary of the account and take into account the following:

- The time the beneficiary will utilize the assets.
- The beneficiary will not change on the account.
- The account will remain with the current custodian (State plan) for the life of the account.

### **These guidelines should be taken into account by the owner of a 529 plan when the assets are being used for higher education:**

- **A-shares should generally be purchased in a 529 plan account any time the beneficiary age is less than 11. Class A Shares:** Upon purchase, a front-end sales charge is deducted from the amount invested. Large purchases may be eligible for breakpoints (a volume discount), which reduce the initial sales charge. An investor may be eligible for a breakpoint based on one of the following: a large single purchase; aggregate amounts invested in the same family of funds (Rights of Accumulation); or a promise to purchase additional shares within the next 13 months (Letter of Intent). Class A shares typically have lower ongoing asset-based expenses than other share classes.
- **C-shares should generally be purchased in a 529 plan account any time the beneficiary age is 11 or older. Class C Shares:** This share class usually does not assess a front-end sales charge. Class C shares impose a small charge if you sell your shares within a short period of time after purchase, usually one year. Class C shares typically impose asset-based internal expenses, including 12b-1 fees that are typically higher than Class A shares. Class C shares may convert to a different share class after a period of time, generally between 8 and 10 years. The new share class will have different expenses and fees, and should be reviewed with your financial advisor prior to purchasing a Class C mutual fund. Class C shares are generally appropriate for investors who have smaller amounts to invest, or who have a short time horizon. Class C shares are the most expensive class of shares to own for long- term investors.

Each customer situation is unique and it is recommended that a full discussion of the circumstances related to the account be conducted with your Financial Advisor in order to determine the best course of action, and which share class is in the beneficiary's best interest. Some additional considerations may include:

- Will there be a delay in the beneficiary starting higher education?
- Are there guaranteed additional resources available for higher education expenses?
- Will the account be used to fund graduate level education?
- Will the account have a change in beneficiary in the future?
- Rights of accumulation are available for the account based on family assets held in the same fund family.
- Will the account be used to fund Elementary education / Home Schooling, or other educational use for younger beneficiaries? (Subject to State approval of tax benefits)

\* College scholarship/grant money is not guaranteed and should not be used as a justification for extending the life of an account.

**Customer Attestation:**

- I understand that purchasing Class C share class mutual funds may forfeit opportunities to purchase Class A shares of the same mutual fund at a lower cost, by utilizing breakpoints (i.e., volume discounts), Rights of Accumulation, or a Letter of Intent and may have higher annual expenses than comparable A-share funds. Lower annual cost shares generally provide better performance over time, even with a front-end sales charge. My decision was based on my desire to not pay an up-front sales charge - even where it may ultimately prove more expensive, my own anticipated investment time horizon, or other factors that I believe outweigh the benefits available from Class A shares.
  
- I have decided to purchase A-shares, even though the time horizon of the account I am investing in is less than 6 years. I understand that the purchase of C-shares may be less expensive and more suitable according to industry standards.

Owner Name	Owner Signature:	Date:
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Advisor Name:	Advisor Signature:	Date:
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