DC COLLEGE SAVINGS PLAN

COLLEGE MAY NOT BE EASY, BUT SAVING FOR IT CAN BE.

Open a DC College Savings Plan today.

Finding the right portfolio is easy.

We do not have one portfolio that fits every investor's needs. We have many.

Year of College Enrollment Portfolios.
As their children approach college age, many investors opt for savings preservation over growth. This option automatically rebalances your asset mix to a more conservative portfolio as your child ages.

Individual Portfolios.
Take on a more active role by choosing from eight investment options to create your own personalized investment mix. Each Individual Portfolio is invested in a single underlying fund.

Principal Protected Portfolio.
This portfolio focuses on protecting the principal you invest by allocating your contributions and earnings to a Funding Agreement issued by Ameritas Life Insurance Corp. to the District of Columbia Section 529 Plan Trust. The current Funding Agreement provides interest credited daily at a minimum annual effective rate of interest of 1%, and provides the opportunity for additional interest. The principal and the stated interest rate are insured by the contract provided by Ameritas Life Insurance Corp.[1]

[1]Accumulations (including contributions and earnings) under the Funding Agreement for the Principal Protected Portfolio credited to the Plan are subject to the claims-paying ability of Ameritas Life Insurance Corp.

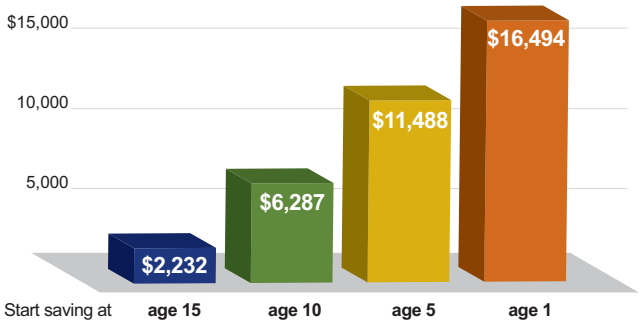
Saving is smart.

Considering a DC College Savings Plan account for your child, your grandchild, or another future scholar? Very smart decision! After all, the cost of a college education has never been higher – and its value has never been greater. According to studies by Georgetown University:

- College graduates earn, on average, $1 million more over their lifetimes than those with only a high school degree.[2]
- Two-thirds of jobs now require workers with at least some college.[3]

The best strategy for college saving: **Start now!**

The Importance of Saving for College Early



As you can see in this hypothetical chart, if an account owner began to save $50 a month when a child was 1 year old (with an initial contribution of $250), a 529 college savings plan could potentially have an account worth $16,494 by the time the child was college age.[4]

[2] *The Economic Value of College Majors*, Georgetown University Center on Education and the Workforce, 2015.
[3] *Five Rules of the College and Career Game*, Georgetown University Center on Education and the Workforce, 2018.
[4] The hypothetical example assumes college begins at age 18 and is based on a 5 percent rate of return compounded annually, and is for illustrative purposes only. It does not reflect an actual investment in any particular 529 plan or taxes, if any, payable upon distribution.

Use your savings at most two- and four-year colleges, graduate and vocational schools nationwide.[5]

Savings can also be used for K-12 tuition, eligible apprenticeships, even to repay student loans.

[5] An eligible institution is one that can participate in federal financial aid programs.

A simpler way to save for college, and to save on taxes.

The DC College Savings Plan is the District's own 529 plan, with special tax advantages just for DC families like yours. After all, the more you can save on taxes, the more you can potentially have for tuition and other college costs. Benefits include:

- **A special DC tax deduction.** DC taxpayers who contribute to a DC College Savings Plan can get a District income tax deduction of up to $8,000 for married couples or domestic partners filing jointly, and have separate accounts ($4,000 for individuals).[6]
- **Tax-deferred growth.** Earnings grow tax deferred – free of the impact of federal and District taxes.
- **Tax-free withdrawals.** Withdrawals for qualified expenses like tuition, room and board, books, computers and more are exempt from federal and District tax, too.[7] Qualified expenses also include K-12 tuition;[8] apprenticeship program fees;[9] and student loan repayment, up to $10,000.[10]
- **Gift-tax benefits.** Contributions qualify for the federal $18,000 annual gift exclusion.
- **Estate planning benefits.** Reduce your personal taxable estate by making five years' worth of gifts (up to $90,000; $180,000 for married couples filing jointly) in one lump sum.[11]

[6] Contributions by DC taxpayers in excess of the annual limit can be carried forward and deducted in future years on their DC tax return. If a participant makes a non-qualified withdrawal or a transfer/rollover to another state's program within two (2) years of opening the account, the amount of the deduction is "recaptured" and must be included in the participant's District of Columbia income.

[7] Earnings on non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes and recapture of DC tax deductions. Tax and other benefits are contingent on meeting other requirements and certain withdrawals are subject to federal, state, and local taxes.

[8] Funds for K-12 tuition expenses at a private, public, or parochial school are limited to tuition only up to $10,000 per student annually.

[9] The apprenticeship program must be registered and certified with the Secretary of Labor under the National Apprenticeship Act.

[10] The loan repayment amount for an individual is subject to a lifetime limit of $10,000.

[11] In the event you do not survive the five-year period, a pro-rated amount will revert back to your taxable estate.

Celebrate, shop and save with:

Ugift® - Give College Savings

Invite family and friends to contribute to your account in place of the usual birthday and holiday gifts.[12]

Upromise®

Earn money toward college savings by shopping and dining out the way you do now.[13]

Start saving today.

Open a DC College Savings Plan account. Then make contributions when you can, or put college saving on auto pilot with recurring contributions.[14] To get started, or get more info, visit **dccollegesavings.com**.

[12] Ugift is a registered service mark.

[13] Upromise is an optional program offered by Upromise, LLC, is separate from the DC College Savings Plan, and is not affiliated with the District of Columbia. Terms and conditions apply to the Upromise program. Participating companies, contribution levels, and terms and conditions are subject to change at any time without notice. Transfers from Upromise to a DC College Savings Plan account are subject to a $50 minimum. Upromise and the Upromise logo are registered service marks of Upromise, LLC.

[14] A plan of regular investment cannot ensure a profit or protect against a loss in a declining market.

A child is 7X more likely to attend college if he or she has some form of college savings.[15]

[15] Center for Social Development, Washington University, 2010.

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INVESTMENTS ARE NOT FDIC INSURED, MAY LOSE VALUE AND ARE NOT BANK GUARANTEED.

Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.

For more information about The DC College Savings Plan ("The Plan"), call 800.987.4859, or visit dccollegesavings.com to obtain a Program Disclosure Booklet, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing.

The Plan is administered by the District of Columbia Office of the Chief Financial Officer, Office of Finance and Treasury. Ascensus College Savings Recordkeeping Services, LLC, the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including recordkeeping and administrative services. Ascensus Investment Advisors, LLC serves as the Investment Manager.

The Plan's Portfolios invest in: (i) exchange-traded funds, (ii) mutual funds and (iii) a funding agreement. Investments in The Plan are municipal securities that will vary with market conditions. Investments are not guaranteed or insured by the Government of the District of Columbia, the District of Columbia College Savings Program Trust, the District of Columbia Chief Financial Officer, the District of Columbia Treasurer, the Trustee for the District of Columbia College Savings Program Trust or any co-fiduciary or instrumentality thereof, the Federal Deposit Insurance Corporation or any instrumentality thereof.

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