



It's more than a job.
For your employees,
it's their kids' education.



HI 529 
Hawaii's College Savings Program

Payroll Direct Deposit Benefit



Make saving for college automatic for your employees, and for you.

When it comes to saving for the high cost of higher education, where do you start? The answer for many lucky Hawaii residents is: at work.

Statewide, employers are choosing to help employees save for college through after-tax direct deposit into Hawaii's own 529 college savings plan, HI529. So little by little, with each paycheck, employees can add to and potentially build their college fund.

Best of all, offering this innovative benefit requires no added costs, systems or contracts. Just agree to allow your employees to save for college via payroll direct deposit and we'll help with the rest.

A competitive advantage for employers.

- Differentiates your benefits package from your competitors.
- Complements your 401(k) and other savings plans.
- No ERISA or Form 5500 requirements.
- Enhances tuition reimbursement and other education efforts.

A competitive advantage for employees.

- Makes saving for higher education "automatic."
- Offers tax-deferred growth and tax-free distributions.¹
- Lets them choose from a range of professionally managed investments.
- Only takes a minimum deposit of \$15 per paycheck.

#1 financial concern among parents is saving for education²

75% of former employees say better benefits would have kept them from leaving³

²2020 College Hopes and Worries Survey, Princeton Review.

³Work Institute 2019 Retention Report.

¹Earnings on non-qualified distributions may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes. Tax and their benefits are contingent on meeting other requirements and certain distributions are subject to federal, state, and local taxes.

Here's all you do.

1. Establish HI529 as a benefit.

2. Educate and encourage your employees to enroll.

- Post a link to hi529.com on your company intranet.
- Add information to employee payroll envelopes and new hire packages.
- Email employees announcing this new benefit.

3. Execute the payroll direct deposit process.

- Check that each Payroll Form (below) has the employee's Social Security number, signature, and his or her HI529 account number.
- Follow your existing procedures for payroll direct deposit by entering the:
 - total dollar amount being contributed by the employee per pay period
 - ABA routing number for Mellon Bank (HI529's bank): 011001234
 - three-digit prefix, 542, followed by the first nine digits of the employee's HI529 account number
 - ACH transmittal code: "checking" account.

Step 1. (FOR EMPLOYEES): Complete this form and return to your employer
Please print this page, sign it, include your Social Security number and the date, and submit it to the HR, benefits, or payroll representative responsible for administering payroll direct deposit contributions to the Plan. Your employer will initiate or change your payroll direct deposit after they receive this form.

Employee Name: Sample Employee
Total amount to be deducted per pay period: \$0.00

Employee Signature Employee SSN Date

Step 2. (FOR EMPLOYERS): Establish Payroll Direct Deposit Instructions on Your Payroll System
When updating ACH direct deposit instructions for this employee, please make sure that you provide the following information with your transmittal:

1. ABA Number 011001234 (Mellon Bank)
2. Account Number 542 + [9- digit account #]
3. Code Transmittal for Checking

Note: The account number is a 12-digit field. The first 3 digits identify the bank account of the HI529 Plan. The last 9 digits are the first nine digits of the employee's HI529 Plan account number.

For Employers Transmitting Funds by Check
If you are submitting payroll deduction contributions by check, please mail the check to the appropriate address below, along with a corresponding list containing the name, account number, and contribution amount for each participating employee:

By U.S. mail: HI529 P.O. Box 219779 Kansas City, MO 64121-9779	By registered, certified or overnight mail: HI529 1001 E 101st Terrace, Suite 200 Kansas City, MO 64131
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If you have any questions, please call Client Service at 1.866.529.3343 on business days, between 8 a.m. and 5 p.m., Hawaii Standard Time (HST).



It's worth remembering:

- HI529 processes payroll direct deposit instructions received by the close of regular trading on the New York Stock Exchange, normally 4 p.m. ET. Contributions received after the close of regular trading will be invested at the closing unit value(s) of the next business day.
- The closing unit value(s) will be used, as long as we receive instructions and account information "in good order" (see Step 3 on previous page).

Please note: Should an error occur in your ACH instructions, any resulting loss will be your responsibility. Ascensus will not process future contributions until the instructions are corrected. If you have additional questions, please call us at **1.866.529.3343**.



Why HI529?

- Savings can grow tax-deferred.
- Qualified distributions are tax-free.⁴
- Money can be used at eligible colleges, universities and vocational schools nationwide, not just in HI.⁵



Does your organization support ACH Direct Deposit?

If not, contact us to discuss alternate processing methods at **1.866.529.3343** or **clientservice@hi529.com**.

⁴Earnings on non-qualified distributions may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes. Tax and other benefits are contingent on meeting other requirements and certain distributions are subject to federal, state, and local taxes.

⁵An eligible institution includes those that can participate in federal financial aid programs

For employees, getting started is even easier.

Step 1: Open a HI529 account.

- Visit hi529.com to enroll online, or to print out, complete and submit a paper enrollment.

Step 2: Log on to your account.

- Click on PROFILE & DOCUMENTS on the home page
- Next, select PAYROLL DEDUCTION, then click on CHANGE PAYROLL INSTRUCTIONS.

Step 3: Select how much to contribute from each paycheck.

- Also include how much to deposit for each beneficiary (if applicable).
- Print out this form (it will be pre-filled with your information) and submit to your HR, Benefits or Payroll department or if your employer allows, simply update your direct deposit information.
- Changes to 529 contributions can be made at any time by notifying your employer

Now, your employee is enrolled in payroll direct deposit and saving for college!



For more information about HI529—Hawaii’s College Savings Program (“HI529”), call 1-866-529-3343 or visit www.hi529.com to obtain a Plan Disclosure Statement. Investment objectives, risks, charges, expenses, and other important information are included in the Plan Disclosure Statement; read and consider it carefully before investing.

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.

The State of Hawaii’s College Savings Program Trust Fund (the “Trust”) is a trust created by the State of Hawai‘i. HI529 is administered by the Director of Finance of the Department of Budget and Finance on behalf of the State of Hawai‘i. 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 servicing agent. The Vanguard Group, Inc. serves as Investment Manager for the Plan. When you invest in HI529, you are purchasing Portfolio units issued by the Trust. Portfolio units are municipal securities and the value of the units will vary with market conditions. HI529’s portfolios are municipal securities that will vary with market conditions.

Investment returns are not guaranteed, and you could lose money by investing in HI529. Account owners assume all investment risks as well as responsibility for any federal and state tax consequences.

NOT FDIC-INSURED. NO BANK, STATE OR FEDERAL GUARANTEE. MAY LOSE VALUE.