

Fast Facts with ScholarShare 529

HELPING CALIFORNIANS SAVE FOR HIGHER EDUCATION

- ScholarShare Investment Board was established as part of the California State Treasurer's Office in 1999
- The plan has over \$8.9 billion in plan assets across more than 336,000 accounts as of 3/31/20
- Anyone with a Social Security or federal taxpayer identification number can open a ScholarShare 529 account with as little as \$1 or as much as \$529,000

LEVERAGING POWERFUL PROGRAM FEATURES

- Tax-free growth and low expenses drive bigger account balances—\$1 invested in ScholarShare 529 for 18 years may be worth as much as \$3.38, versus just \$1.01 in a bank account¹
- The plan offers Enrollment Year Investment Portfolios, a set of portfolios in which asset allocation adjusts automatically as your student's enrollment year approaches

STANDING OUT IN THE 529 INDUSTRY

- In 2019, Morningstar named ScholarShare 529 one of only four gold-rated plans nationally, in an annual review of the largest 529 college savings plans²
- ScholarShare 529 is proud of its perfect fee score from SavingforCollege.com for low investment fees as of 12/31/19. Our total average asset-based fees of 0.28% are less than half the national average as of 3/31/20³

PARTNERING WITH CALIFORNIA EMPLOYERS

- Over 1,000 companies offer the ScholarShare529 Workplace Savings Program
- Employers include high-tech giants, global media companies, and leading-edge hospitals to small businesses, state agencies, counties, cities, and special districts

ACCOUNT OWNERS

The ScholarShare 529 account owner base is as varied as the California population

	CA POPULATION	ACCOUNT OWNERS
Household Size		
1	48.9%	26.6%
2	31.8%	22.5%
3	16.7%	29.7%
4+	13.1%	21.2%
Race and Ethnicity		
African American	2.4%	1.2%
Hispanic	26.6%	8.8%
East Asian	8.8%	11.6%
Eastern European	2.3%	2.2%
Western European	46.5%	39%
Other	13.4%	37.2%
Household Income		
\$1-\$50K	38.4%	8.6%
\$50K-\$100	31.8%	22.1%
\$100K-\$150K	16.7%	25.8%
\$150K+	13.1%	43.6%

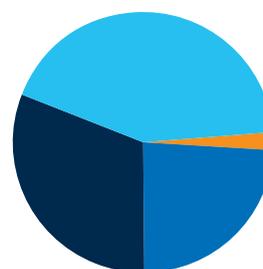


FUNDING CALIFORNIA HIGHER EDUCATION

- ScholarShare 529 disbursed nearly \$600 million in distributions covering qualified educational expenses in 2019, compared to \$513 million in 2018
- The top five schools receiving qualified redemptions from ScholarShare 529 for the quarter ending December 2019: 1) UC Berkeley, 2) California Polytechnic State University, 3) UC Los Angeles, 4) UC Santa Barbara, and 5) UC Davis

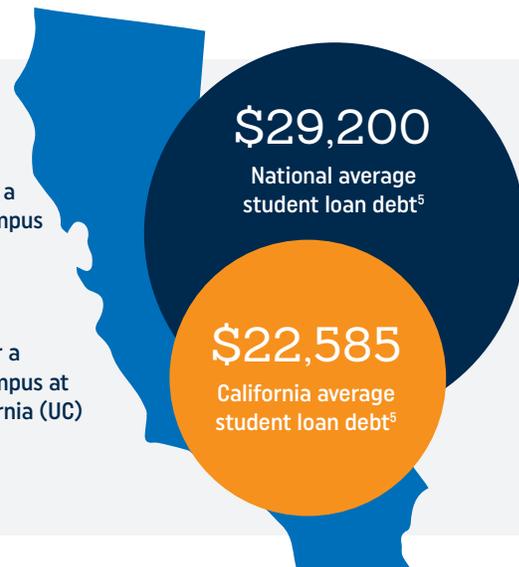
PAYING FOR COLLEGE IN CALIFORNIA

- \$31,116 = total average cost for a first-year student living on-campus at a four-year California State University (CSU) for 2019-20 (23 campuses)⁶
- \$36,100 = total average cost for a first-year student living on-campus at a four-year University of California (UC) for 2019-20 (nine campuses)⁷



HOW FAMILIES PAY FOR COLLEGE⁴

- 43% savings and income
- 31% scholarships and grants
- 24% borrowing
- 2% friends and family



¹This hypothetical example is for planning purposes only. ScholarShare 529 investments are not FDIC insured, and may gain or lose value. Past performance does not guarantee future results. Your returns will differ. Consult with an investment professional to determine the right balance of risk profile for your investments. Returns are compounded continuously. Tax calculations assume that the maximum federal capital gains tax rate of 20% and the maximum CA marginal tax rate of 13%, that all taxes are paid in the 18th year, and that local taxes are in excess of federal deductible amounts. ScholarShare 529 tax status assumes use for approved higher education expenses. FDIC Average National Rates for week of May 4, 2020 (<https://www.fdic.gov/regulations/resources/rates/>).

²In an annual review (10/22/2019) of the largest 529 college savings plans (62 total), Morningstar identified 30 plans that rose above their typical peers, awarding those plans Gold, Silver and Bronze Morningstar Analyst Ratings for 2019. These forward-looking, qualitative ratings signal Morningstar's conviction in the plans' abilities to outperform their relevant benchmark and peer groups on a risk-adjusted basis over the long term. Morningstar evaluates college savings plans based on five key pillars – Process, Performance, People, Parent and Price. For more information about Morningstar's overview of ScholarShare 529, go to Morningstar.com. Past performance does not predict future results. Source: Morningstar.com. A Morningstar Analyst Rating for a 529 college savings plan is not a credit or risk rating. Analyst ratings are subjective in nature and should not be used as the sole basis for investment decisions.

³ISS Market Intelligence 529 College Savings Quarterly Fee Analysis First Quarter 2020. ScholarShare 529's average annual asset-based fees are 0.28% for all portfolios compared to 0.59% for all 529 plans.

⁴<https://www.salliemae.com/about/leading-research/how-america-pays-for-college>

⁵[ticas.org/wp-content/uploads/2019/14th Annual Report on Student Debt.pdf](https://ticas.org/wp-content/uploads/2019/14th%20Annual%20Report%20on%20Student%20Debt.pdf)

⁶www2.calstate.edu/attend/paying-for-college/Documents/19-20-coa.pdf

⁷admission.universityofcalifornia.edu/tuition-financial-aid/tuition-cost-of-attendance

To learn more about the California 529 College Savings Plan, its investment objectives, tax benefits, risks, and costs, please see the Plan Description at ScholarShare529.com. Read it carefully. Check with your home state to learn if it offers tax or other benefits such as financial aid, scholarship funds or protection from creditors for investing in its own 529 plan. Consult your legal or tax professional for tax advice. Investments in the Plan are neither insured nor guaranteed and there is the risk of investment loss. If the funds aren't used for qualified higher education expenses, a 10% penalty tax on earnings (as well as federal and state income taxes) may apply. Non-qualified withdrawals may also be subject to an additional 2.5% California tax on earnings. TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributor and underwriter for the California 529 College Savings Plan.

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