

## Withdrawal Reminders

Summer is in full swing and we hope you are enjoying all the fun and sun that this time of year brings! It's hard to believe school will begin in just a few short weeks. If your beneficiary will be a college freshman or a returning college student, here is important information to remember as you prepare to utilize your CollegeCounts account to pay for first semester expenses:

- ▶ Eligible Institutions are postsecondary institutions that are accredited by the U.S. Department of Education and are eligible to participate in Federal Financial Aid Programs. The list includes public and private colleges and universities; vocational, trade, technical, and professional institutions; and even some foreign schools. You can search for eligible schools at **CollegeCounts529advisor.com** by selecting "Which schools are eligible institutions?" under our FAQ tab.
- ▶ Qualified Expenses include: tuition, fees, books, supplies, and equipment required for enrollment; certain room and board expenses incurred by students who are enrolled at least half-time; the purchase of computer or peripheral equipment, computer software, or internet access and related services; and certain expenses for special needs services needed by a special needs Beneficiary.
- ▶ It's easy to request a withdrawal through our secure website, **CollegeCounts529advisor.com**. Log in and complete the simple steps in a matter of minutes.
- ▶ Payments can be issued to the Account Owner, Account Owner's bank account, Beneficiary, or directly to the school.
- ▶ Please allow sufficient time for the withdrawal to be completed and to receive funds. We process distribution requests quickly—typically the same business day if the request is received prior to 3 p.m. CST. Please allow additional time for checks to arrive by mail and for the school to process the payment.
- ▶ Keep all receipts, invoices, or other expense documentation in the event you need proof of your expenses in the future.

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## CollegeCounts Feedback

CollegeCounts is dedicated to providing outstanding customer service to all of our investors. We want to ensure you receive prompt, knowledgeable, and friendly service from our 529 Customer Care Specialists each time you contact us. To ensure a continuous high level of service, we ask current CollegeCounts Account Owners to offer feedback on the level of our customer service, commonly known as mystery shops.

Mystery shoppers are asked to complete a brief survey each quarter regarding the service they receive when contacting us by phone and are paid for each shop they complete.

If you are interested in participating as a shopper or if you have any questions about the program or its benefits, contact Cross Financial Group at **shopping@crossfinancial.com** to request an information package, and please reference CollegeCounts in your email.



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- ▶ We recommend you match all account expenses and withdrawals in the same calendar year for tax reporting purposes.
- ▶ A college refund can be redeposited into a 529 account for the same Beneficiary within 60 days of the date of refund.

More detailed information about withdrawals can be found in our Program Disclosure Statement. If you have questions about your account or the withdrawal process, please don't hesitate to reach out to the **CollegeCounts Customer Care Center** at **866.529.2228** from 7:30 a.m. to 6:00 p.m. CST Monday through Friday.

## CollegeCounts Financials

Each year, an independent accounting firm performs an audit of the CollegeCounts 529 Fund financial statements. You can view the latest financial statement audits at **CollegeCounts529advisor.com** under "Where can I obtain a copy of the audited financial statements?" under our FAQ tab.

## Benefits of an Automatic Investment Plan

CollegeCounts offers investors an easy way to save for future college expenses with an automatic investment plan. You can set up recurring automatic contributions from your bank account to your CollegeCounts account for any amount that fits into your budget and savings goals. While monthly contributions are the most popular option, you can also automatically contribute weekly, twice a month, quarterly, semi-annually, or annually.

A benefit of a recurring contribution is dollar-cost averaging. Rather than trying to time your investments to beat the market—which is difficult to do—an automatic investment plan ensures you are making regular purchases during all market cycles. This method of contributing typically results in purchasing an average of more shares at a lower cost

than making one lump sum contribution. Another benefit of an automatic investment plan is that it ensures dollars will be invested for your beneficiary's future college expenses without extra effort or reminders.

It's easy to set up an automatic investment plan after logging into your account online at **CollegeCounts529advisor.com** or by completing the appropriate form. If you are already contributing automatically, you can easily manage your contribution amount, date, and bank information online as well. Don't hesitate to reach out to us at 866.529.2228 with any questions. You can also contact your financial professional for assistance or advice regarding the benefits of an automatic investment plan.



**An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This, and other important information, is contained in the fund prospectuses and the CollegeCounts 529 Fund Program Disclosure Statement (issuer's official statement), which can be obtained by calling 866.529.2228 or on the plan's website and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement. An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.**

The CollegeCounts 529 Fund is a qualified tuition program under Section 529 of the Internal Revenue Code that is offered by the State of Alabama and administered by the Board of Trustees of the ACES Trust Fund (the "Trust" and plan issuer).

<sup>1</sup>Individuals who file an Alabama state income tax return are eligible to deduct for Alabama state income tax purposes up to \$5,000 per tax year (\$10,000 for married taxpayers filing jointly if both actually contribute) for total combined contributions to the Plan and other State of Alabama 529 programs. The contributions made to such qualifying plans are deductible on the tax return of the contributing taxpayer for the tax year in which the contributions are made. In the event of a Nonqualified Withdrawal from the Plan, for Alabama state income tax purposes, an amount must be added back to the income of the contributing taxpayer in an amount of the Nonqualified Withdrawal plus ten (10%) percent of such amount withdrawn. Such amount will be added back to the income of the contributing taxpayer in the tax year that the Nonqualified Withdrawal was distributed. Please consult with your tax professional.

NOT FDIC INSURED / NO BANK GUARANTEE / MAY LOSE VALUE

