

It's Always a Good Time to Start Investing for College

Understand the benefits of higher education, your investment options and how to get started with American Century Investments.®





Relying Solely on Loans May Hinder Future Goals

Considering funding college with a loan? As tuition rises, student loan balances are increasing too.

By saving early, students may be able to borrow less for their degrees. After graduation, this can help free up income for life goals, such as buying a new home, starting a family or saving for retirement.

How much will you need?

Use our calculator to estimate costs and find more to help you plan. Visit americancentury.com/college.

*Source: U.S. Federal Reserve, Q4 2018.

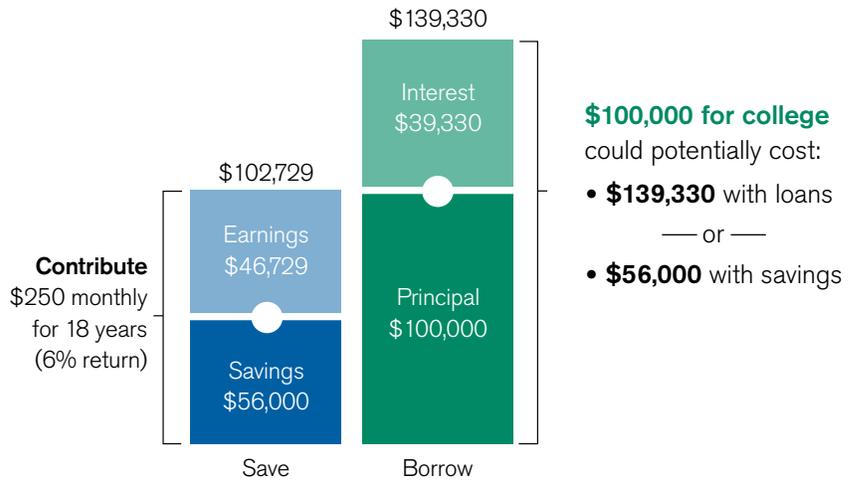
The charts on this page are hypothetical situations containing assumptions that are intended for illustrative purposes only and are not representative of the performance of any security. There is no assurance similar results can be achieved, and this information should not be relied upon as a specific recommendation to buy or sell securities.

Chart sources: American Century Investments, 2019, Future Value Calculator, Loan Calculator, dinkytown.net.

SAVING vs. BORROWING

Paying for College Education

At over \$1.5 trillion, national student debt is at historic highs, exceeding both credit card and auto loan debt levels.* The effects of student debt stays with an individual for a lifetime—and sometimes beyond—and plays a role in how soon college graduates can purchase their first home, or start a family.

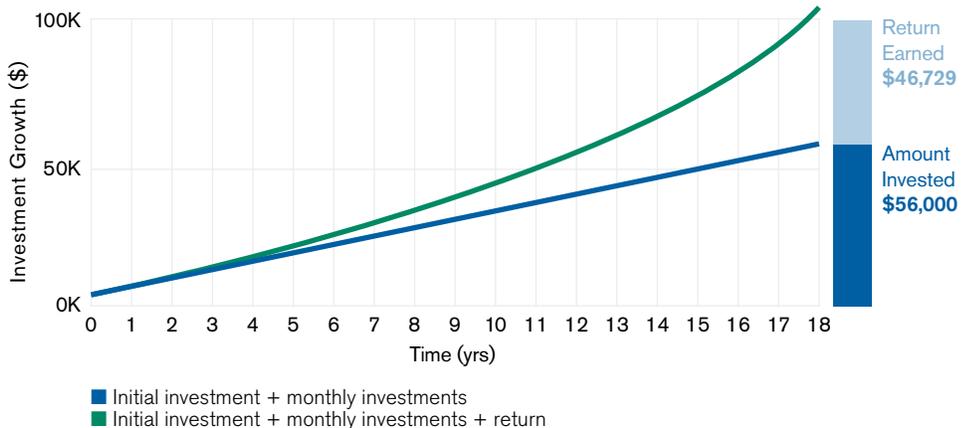


Assumes: Initial investment of \$2,000, monthly investment of \$250, 6% interest rate, and saving for 18 years. The loan is based on an interest rate of 7% and assumes it is paid off in 10 years. The calculations do not include inflation or any fees associated with the loan. Your results could be different and will depend on the type of loan.

START EARLY

Benefits of Planning Now

Saving money vs. taking out loans is quite often the better choice, but it takes time. Starting early and investing regularly allows you to take advantage of the power of compounding and may minimize your reliance on loans.



Assumes: Initial investment of \$2,000, monthly investment of \$250, 6% return rate, and saving for 18 years.

Choose the Plan That's Right for You

You have several options when choosing how to invest for college. Whether you are looking for tax advantages or a flexible way to pass on your investment, we can help.

The table below compares two popular plan types: 529 Education Savings Plans and Uniform Transfers to Minors Act (UTMA) accounts.

	529 Plans	UTMAs ¹
How can the plans be used?	Qualified educational expenses at eligible 2- and 4-year colleges; graduate, vocational and technical schools; and tuition for K-12 education.	Any purpose that benefits the child.
What happens if the money isn't used?	The plan can be transferred to a different beneficiary or withdrawn as a non-qualifying expense.	The money is not limited to educational expenses, so there are no restrictions on how the money can be used.
What are the tax benefits?	Contributions may qualify for state tax deduction. Additionally, earnings grow tax deferred at the federal and state levels. <i>The availability of tax or other state benefits (such as financial aid, scholarship funds and protection from creditors) may be conditioned on meeting certain requirements, such as residency, purpose for or timing of distributions, or other factors. The earnings portion of non-qualified withdrawals is subject to federal and state income taxes and a 10% federal penalty.</i>	Earnings, distributions and transactions are reported to the IRS under the minor's Social Security number and are taxed at the minor's tax rate. ²
How will the money be taxed when taken out of the account?	Earnings portion of withdrawals are federal and state tax free (as applicable) for qualified education expenses.	Withdrawals are reported to the IRS under the minor's Social Security number and are taxed at the minor's tax rate. ²
How much is needed to open an account?	Account minimums start as low as \$25.	You must meet the fund minimum, typically \$2,500.
How long can contributions be made to the account?	There are no age restrictions. Contributions may be made at any age of the beneficiary.	Investments can only be made while the beneficiary is a minor (typically age 18).
Are there any income limitations?	There are no income restrictions.	There are no income restrictions.

¹South Carolina uses the Uniform Gifts to Minors Act (UGMA) account type. Since UGMA/UTMA provisions vary by state, the custodian should consult a legal advisor regarding obligations. American Century Investments does not have knowledge of the source of contributions and assumes that the custodian is releasing control of the account in compliance with source guidelines. We strongly recommend consulting your financial planner or tax advisor to determine what would be best for your individual financial situation.

²See IRS Topic 553 at www.irs.gov for information about taxes for a child's investments.

Five Features of the Learning Quest® 529 Plan

- 1 Easy to Start**
It takes just a few minutes to open a college savings account.
- 2 Plan Flexibility**
Use funds at any accredited 2- or 4-year college, vocational or technical school, or graduate school anywhere in the U.S.—not just your state. 529 plans can also be used for K-12 private school tuition.
- 3 Tax Advantages**
Take advantage of several tax benefits at the federal and state level.
- 4 Convenient Contributions**
Set up recurring contributions from your bank account or through payroll deduction, or make a one-time contribution (check with your plan).
- 5 Range of Investment Options**
Select from a variety of options to find what's best for you based on your comfort level and goals.

Find out more at learningquest.com.

Looking for other ways to save?

We also offer Coverdell Education Savings Accounts (CESAs). With a CESA, earnings grow tax deferred at the federal level. Contributions are capped at \$2,000 per year per IRS rules. Learn more at americancentury.com/college.



Managing Money, Making An Impact

American Century Investments® is a leading asset manager focused on delivering investment results and building long-term client relationships while supporting research that can improve human health and save lives. It's how we and our clients together **Prosper With Purpose**®.

Every day people are increasingly focused on investing to make the world a better place for themselves, their families, their organizations and the world at large. It is possible to live a more meaningful and impactful life and give back something that's more valuable than money.

When you invest with us, you can also invest in the future of others and have the potential to impact the lives of millions. That's possible because of the distinct relationship with the Stowers Institute for Medical Research, which owns more than 40% of American Century. Our dividend payments provide ongoing financial support for the Institute's work of uncovering the causes, treatments and prevention of life-threatening diseases, like cancer.

Together we can become a powerful force for good.

Before investing, carefully consider the plan's investment objectives, risks, charges and expenses. This information and more about the plan can be found in the Learning Quest Handbook, available by contacting your financial advisor or American Century Investment Services, Inc., Distributor, at 800-579-2203, and should be read carefully before investing. If you are not a Kansas taxpayer, consider before investing whether your or the beneficiary's home state offers a 529 plan that provides its taxpayers with state tax and other benefits not available through this plan.

As with any investment, it is possible to lose money by investing in this plan. The value of your Learning Quest account may fluctuate, and it is possible for the value of your account to be less than the amount you invested.

Notice: Accounts established under Learning Quest and their earnings are neither insured nor guaranteed by the state of Kansas, the Kansas State Treasurer or American Century Investments.

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The availability of tax or other benefits may be conditioned on meeting certain requirements, such as residency, purpose for or timing of distributions, or other factors.

The earnings portion of non-qualified withdrawals is subject to federal and state income taxes and a 10% federal penalty.

This information is for educational purposes only and is not intended as tax advice.

Administered by Kansas State Treasurer Jake LaTurner
Managed by American Century Investment Management, Inc.
American Century Investment Services, Inc., Distributor

The first step in meeting your college savings goal is to start.

Saving for college can be challenging—but we're here to help. We can assist you in finding the plan that's right for you, whether you're planning to pay all or a portion of the costs. Contact one of our specialists at **800-345-2021** or visit americancentury.com/college.

