FRANKLIN TEMPLETON INVESTMENTS

HESAA
HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

A Smarter Way to Invest for College®

FRANKLIN TEMPLETON 529 COLLEGE SAVINGS PLAN
Offered Nationwide by the New Jersey Higher Education Student Assistance Authority[1]

A college education is an investment in your child's future that can pay handsomely over time—**college graduates earn an average of 76% more** per year than high school graduates, and over a lifetime, that difference amounts to more than over $1.2 million in earnings.[2]

Franklin Templeton 529 College Savings Plan can be a **smarter way to invest for college.** Here are just a few features you can enjoy as a Franklin Templeton 529 College Savings Plan account owner:

Smart Benefits

- **Control over Plan Assets**
  As account owner, you maintain control over how and when plan assets will be spent for qualified college expenses.
- **Low Contribution Requirement**
  You can open a plan with just $250.
- **High Contribution Limit**
  Contributions can be made until the plan value for a beneficiary is $305,000.
- **No Income Restrictions**
  You can open a plan regardless of how much you earn.

Smart Investment Options

- **Professional Investment Management**
  As account owner, you get experienced and knowledgeable management of your assets from Franklin Templeton Investments. Our distinct multi-manager approach combines the specialized expertise of three world-class investment management groups—Franklin, Templeton and Mutual Series.[3]
- **Distinct Investment Strategies**
  The plan offers three investment strategies designed to meet your individual investment needs:[3]

  Age-Based Asset Allocations. Portfolios based upon the beneficiary's age, which are periodically reallocated.

  Objective-Based Asset Allocations. Portfolios designed to reflect the amount of risk you are comfortable taking, and the potential return characteristics you prefer.

  Customized Strategy. Choose from one or a combination of individual portfolios that range from growth allocations to more conservative income portfolios.

Smart Tax Advantages

- **Federal Income Tax Benefits**
  Investments grow federal income tax-free, and earnings are free from federal income tax when withdrawn for qualified higher education expenses.
- **Special Gift and Estate Tax Treatment**
  A contribution in one year of up to $70,000 (or $140,000 if a married couple) to a single beneficiary is generally exempt from federal gift and estate taxes if you make no further gifts to the beneficiary for five years.

Tax benefits are conditioned on meeting certain requirements. Federal income tax, a 10% federal tax penalty, and state income tax and penalties may apply to nonqualified withdrawals of earnings. Generation-skipping tax may apply to substantial transfers to a beneficiary at least two generations below the contributor. Gift examples are general; individual financial circumstances and state laws vary—consult a tax advisor before investing. If the contributor dies within the five-year period, a prorated portion of contributions may be included in their taxable estate. See the Investor Handbook *for more complete information.*

529 plans have risks which cause investment return and principal value to fluctuate. These can include risks of stocks; bonds, including lower-rated; and foreign investing, especially in developing markets. These and other risks are discussed in the Investor Handbook.

1. Offered and administered by the New Jersey Higher Education Student Assistance Authority (HESAA); managed and distributed by Franklin Templeton Distributors, Inc., an affiliate of Franklin Resources, Inc., which operates as Franklin Templeton Investments. No federal or state guarantee. Principal value may be lost, and investing in the plan does not guarantee admission to college or sufficient funds for college. Please refer to the *Investor Handbook* for more complete information.
2. U.S. Census Bureau, Current Population Survey, 2014 Annual Social and Economic Supplement.
3. The plan is managed by Franklin Mutual Advisers, LLC, an affiliate of Franklin Templeton Distributors, Inc. Plan portfolios generally invest in mutual funds managed by affiliates of Franklin Mutual Advisers, LLC. An investment in Franklin Templeton 529 College Savings Plan is an investment in a municipal security that may invest in one or more underlying mutual funds. It is not an investment in shares of the underlying mutual fund(s).

Start Planning for Tomorrow's Commencement *Today*.

It can be as easy as 1-2-3.

1 | EDUCATE YOURSELF

Order an Investor Kit, which includes the *Investor Handbook*, by visiting **franklintempleton.com** or by calling **(866) 362-1597.** Our dedicated service representatives are available to answer any questions you may have about the plan.

2 | SELECT AN INVESTMENT PORTFOLIO

Work with your financial advisor to select the portfolio that best suits your college savings needs.

3 | RETURN YOUR APPLICATION

Complete the Franklin Templeton 529 College Savings Plan application and return it to your financial advisor.

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

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Investors should carefully consider plan investment goals, risks, charges and expenses before investing. To obtain an Investor Handbook*, which contains this and other information, talk to your financial advisor or call Franklin Templeton Distributors, Inc., the manager and underwriter for the plan, at (866) 362-1597. You should read the* Investor Handbook *carefully before investing and consider whether your or the account beneficiary's home state offers any state tax or other benefits that are only available for investments in its qualified tuition program.*

Each plan account is subject to an annual program management fee of 0.25% of assets and underlying fund expenses, currently up to 0.98% of assets, which may vary, and sales charges, which vary by class of share. See the Investor Handbook *for more complete information.*

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