



# Workplace 529 Program – Employer overview

## Franklin Templeton 529 College Savings Plan

According to our 2023 Voice of the American Worker research study, 70% of respondents would like more holistic benefit options.<sup>1</sup>

Employees are focused on total benefits to improve aspects of their wellbeing: mental, physical, and financial. One way to address that need? Providing access to a Workplace 529 Program.

### Simple, easy, and appreciated

While employees may be pleased with the additional benefit, Franklin Templeton Workplace 529 Program can also make employers happy. Unlike other benefits, adding the Franklin Templeton 529 College Savings Plan to your existing benefit package does not result in additional costs or oversight requirements.

- No setup or record-keeping fees<sup>2</sup>
- No administrative burden (employees can manage their own accounts online)
- No initial employee investment\*
- No minimum employee participation

\*Initial investment minimum waived if 529 Plan has an Automatic Investment Plan requested at time of account opening.

### Not just for tuition

- Savings can be used for any qualified tuition expense.<sup>3</sup> For accredited higher education schools additional qualified expenses include mandatory fees, supplies, books or other required equipment, and room and board, if the beneficiary is enrolled at least half-time.
- Up to \$10,000 may be paid toward principal or interest of a student loan for the beneficiary or a sibling.<sup>3</sup>
- Effective January 2024, unused 529 funds can be transferred into a beneficiary's Roth IRA.<sup>4</sup>

### Getting Started... Simple as 1, 2, 3

Setting up a Franklin Templeton Workplace 529 Program is easy.

#### Customize



There are options. Create a plan that best matches both the employer and employee needs.

#### Engage



Together with your financial professional, build a strategy to make employees aware of their new education savings option.

#### Sign up



Encourage employees to work with the financial professional to review the 529 program benefits, options and *Program Description*.

*Tax benefits are conditioned on meeting certain requirements. Federal income tax, a 10% federal tax penalty and state income tax and penalties apply to non-qualified withdrawals of earnings. Generation-skipping tax may apply to substantial transfers to a beneficiary at least two generations below the contributor. See the Program Description for more complete information.*

1. Source: Voice of the American Worker Survey by The Harris Poll and Franklin Templeton, 2023.

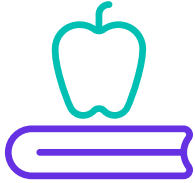
2. Each plan account is subject to an annual program management fee of 0.25% of assets and underlying fund expenses, currently up to 0.75% of assets, which may vary, and sales charges, which vary by class of share. See the *Program Description* for more complete information.

3. The Federal Tax Cuts and Jobs Act (TCJA), which was signed into law in December 2017 and became effective January 1, 2018, expanded the definition of a qualified higher education expense to include up to \$10,000 (federal tax-free withdrawals) per year in tuition expenses at private, public and religious elementary and secondary schools (K-12). The state tax consequences of using 529 plans for elementary or secondary education tuition expenses will vary depending on state law and may include recapture of tax deductions received from the original state and may also include taxes and penalties. Some states do not offer state tax deductions or tax credits for K-12 tuition, and other restrictions may apply.

4. SECURE Act 2.0. Transfers are subject to Roth IRA contribution limits, and the account must have been open for more than 15 years. This provision is effective for distributions after December 31, 2023. Other conditions apply. For more information please visit: [www.finance.senate.gov](http://www.finance.senate.gov).

## Franklin Templeton 529 College Savings Plan

With Franklin Templeton, employees will have access to a 529 plan with features that are designed to meet their college savings needs.



### Investment management

A wide range of investment strategies to match your employee's preferences including three age-based portfolios, five objective-based portfolios, and nine individual portfolios.



### Control

Your employees will always have control of their plan, regardless if they stay with you long-term. They can manage their own accounts online and decide the best way to fund their 529 plan.



### Spryng

Franklin Templeton offers an exclusive online crowdfunding tool to help accelerate education savings with the help of family and friends.



### Broad appeal

529s aren't just for kids. Many employees open their own 529 plan to obtain additional degrees that support their careers.



### Value

The plan has no annual maintenance fees and just a 25 bps program management fee.<sup>2</sup>



### Tax free

Earnings grow federal income tax-free and are free from federal income tax when used to pay for qualified education expenses at most accredited colleges, universities, and vocational-technical schools.\*

\*Employees should check with their tax professional on whether their state allows for contribution deductibility.

**Investors should carefully consider the 529 plan's investment goals, risks, charges and expenses before investing. To obtain the *Program Description*, which contains this and other information, talk to your financial professional or call Franklin Distributors, LLC, the manager and underwriter for the 529 plan at (800) DIAL BEN / 342-5236 or visit [franklintempleton.com](http://franklintempleton.com). You should read the *Program Description* carefully before investing and 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 its qualified tuition program.**

*Franklin Templeton's 529 College Savings Plan is offered and administered by the New Jersey Higher Education Student Assistance Authority (HESAA); managed and distributed by Franklin Distributors, LLC, an affiliate of Franklin Resources, Inc., which operates as Franklin Templeton.*

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