



BELL INVESTMENT ADVISORS

MAKING A GOOD LIFE HAPPEN[®]



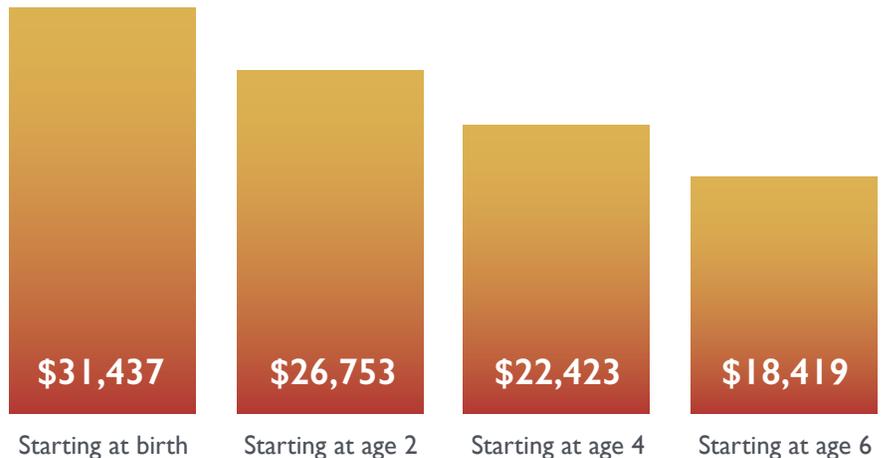
WHAT IS IT?

- An investment account designated for education.
- Growth in the account is not taxed if used for qualified education expenses.
- No income limits; contributions can be made irrespective of your income.
- The parent or other owner retains control of the account; the student is not granted control at the age of majority.

STARTING TO SAVE EARLY HELPS

Hypothetical balance when child is 18 years old, assuming contributions of \$100/month and 4% annual returns:

**The performance data illustrated is hypothetical and not a guaranteed rate of return. Investor returns will differ from the results shown.*



GETTING STARTED

- Open a 529 through California's plan and self-manage the account. Friends or family of the student may open the account.

OR

- Work with your Financial Planner to open and manage the account. Bell manages 529s on a complimentary basis for clients.

DO IT YOURSELF IN 15 MIN!

- Visit www.ScholarShare529.com
- Enter the student's name, date of birth, Social Security Number, and street address.
- Set up a link to your checking account to make one-time or recurring contributions.
- Choose the investments based on your student's age.

WHAT'S NEXT?

- Fund your account with automatic contributions, or with one-off deposits.
- Ask friends and family for contributions to the account in lieu of gifts.
- Encourage your child to contribute to their 529 plan from their allowance or earnings.

529 PLAN FREQUENTLY ASKED QUESTIONS

Who can open an account?

Parents, grandparents, friends, or other relatives of the student can open the account: the account owner must simply have a valid Social Security number or federal taxpayer identification number.

Can more than one person contribute to the account?

Anyone can contribute to a student's 529 as long as the total balance of all accounts for that beneficiary does not exceed \$529,000. Accounts may continue to accrue earnings even after reaching that balance limit, however.

Are there restrictions on how much can be contributed per person or per year?

It is recommended not to make contributions greater than the IRS's annual per-person gift exclusion limit of \$15,000 gifted per beneficiary. For a two-parent household, this means up to \$30,000 per year can be contributed to one child's 529. But other family or friends could also gift up to \$15,000 in the same year.

What can the funds be used for?

Qualified expenses include costs such as tuition, room & board, books, internet access, computers and software, printers and other electronics, and special needs equipment.

What happens if my student doesn't use the whole balance?

The remaining balance can be assigned to another relative for their use — the list of eligible beneficiaries is generous. The account owner can also withdraw the money themselves for non-educational use, though there will be a 10% penalty and income tax on the earnings portion of their withdrawal if not used for qualified education expenses.

If I have more than one child I want to support in college, should I have more than one account?

Yes, it usually makes sense to have a 529 plan for each child. Having an account for each child will allow for larger annual education savings. Also, it is customary to select the amount of risk in the portfolio according to the age of your child. Typically, risk in the portfolio is reduced as your child gets closer to college. If you are saving for two children in one account, the portfolio may struggle to suit both time horizons.

ABOUT US: BELL INVESTMENT ADVISORS

- Seeks to help our clients find financial peace of mind and improve their financial futures.
 - Offers Investment Management, Financial Planning, and Career/Life Coaching.
 - Helps clients navigate college planning, retirement planning, employee equity programs, real estate decisions, 401(k) rollovers, and other pressing financial topics.
 - Serves as a fee-only advisor since our inception in 1991, receiving no commissions on any investments or products offered.
 - We hold ourselves — and are legally held — to the fiduciary standard. This means that we have a legal duty to act in our client's best interest.
 - To learn more or to schedule a complimentary consultation, contact us at info@bellinvest.com or 510-433-1066.

To download a digital copy of this document, visit www.bellinvest.com/529

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