

# Guide for employers

NEW YORK'S 529 ADVISOR-GUIDED COLLEGE SAVINGS PROGRAM®



## Offer employees a way to save for college without taxes or sales charges

A college degree can mean a lifetime of lower unemployment, higher wages, better benefits and more career advancement. With tuition costs rising rapidly, it's never been more important for your employees to have a smart plan for college investing. Establishing a 529 employer group plan can help.

### 529 GROUP PLAN BENEFITS

#### Employee benefits:

- ✓ Tax-deferred growth of investments
- ✓ Tax-free withdrawals for qualified education expenses<sup>1</sup>
- ✓ Professionally managed investments
- ✓ No sales charges to invest in Class A units
- ✓ Flexible contribution options, including payroll direct deposit

#### Employer benefits:

- ✓ No start-up costs or recordkeeping expenses
- ✓ Easy to set up and administer
- ✓ No restrictions on the number of participating employees
- ✓ Differentiates your benefits program
- ✓ Enhances employee morale and retention

### HOW TO GET STARTED

#### 1 Your financial professional will assist in establishing your Group ID

- Complete the *Employer Group Verification Form* to receive your Group ID, which must be included on all employee Enrollment Applications to ensure they receive the special group benefits.

#### 2 Your financial professional will assist in educating and enrolling employees

- Distribute materials detailing the Plan's features, benefits and investment choices.
- To enroll, employees will need to fill out an *Enrollment Application* and include the Group ID to receive the sales charge waiver.
- Employees may contribute through payroll direct deposit, check, electronic bank transfer, Recurring Contributions and rollovers or transfers from another 529 plan. Direct deposit can be set up on the initial *Enrollment Application*, via the *Payroll Direct Deposit Confirmation Form* or online at [www.ny529advisor.com](http://www.ny529advisor.com).

<sup>1</sup> Earnings on federal non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes. New York State tax deductions may be subject to recapture in certain additional circumstances such as rollovers to another state's 529 plan, or withdrawals used to pay elementary or secondary school tuition ("K-12 Tuition Expenses"), registered apprenticeship program expenses ("Apprenticeship Program Expenses"), or qualified education loan repayments ("Qualified Education Loan Expenses") as described in the Disclosure Booklet and Tuition Savings Agreement. State tax benefits for non-resident New York taxpayers may vary. Tax and other benefits are contingent on meeting other requirements. Please consult your tax professional about your particular situation.

NOT FDIC INSURED | NO BANK, STATE OR FEDERAL GUARANTEE | MAY LOSE VALUE

## THE ADVISOR-GUIDED PLAN AT A GLANCE

### Broad investment choices, experienced management

- J.P. Morgan is the Plan investment manager and distributor
- Underlying funds from J.P. Morgan and ETFs from SSGA
- 1 age-based option (9 portfolios), 6 asset allocation portfolios and 16 individual single-asset portfolios

### New York state tax deduction

- Employees living or working in New York can deduct up to \$5,000 in Plan contributions from state income taxes each year, or \$10,000 if married filing jointly<sup>1</sup>

### Easy, low-cost administration

- One simple form to get started
- No annual tax filings
- No fiduciary responsibilities
- Financial professional assistance throughout

## FOR MORE INFORMATION AND PLAN MATERIALS

- Contact your J.P. Morgan financial professional
- Call the J.P. Morgan Investor Service Center at 1-800-774-2108 (8AM-7PM ET, M-F)
- Visit [www.ny529advisor.com](http://www.ny529advisor.com)

<sup>1</sup> Deductions may be subject to recapture in certain circumstances, such as rollovers to another state's plan or New York non-qualified withdrawals.

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***Before you invest, 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 that state's qualified tuition program.***

The Comptroller of the State of New York and the New York State Higher Education Services Corporation are the Program Administrators and are responsible for implementing and administering New York's 529 Advisor-Guided College Savings Program (the "Advisor-Guided Plan"). Ascensus Broker Dealer Services, LLC serves as Program Manager for the Advisor-Guided Plan. Ascensus Broker Dealer Services, LLC and its affiliates have overall responsibility for the day-to-day operations of the Advisor-Guided Plan, including recordkeeping and administrative services. J.P. Morgan Investment Management Inc. serves as the Investment Manager. J.P. Morgan Asset Management is the marketing name for the asset management business of JPMorgan Chase & Co. JPMorgan Distribution Services, Inc. markets and distributes the Advisor-Guided Plan. JPMorgan Distribution Services, Inc. is a member of FINRA.

**No guarantee: None of the State of New York, its agencies, the Federal Deposit Insurance Corporation, J.P. Morgan Investment Management Inc., Ascensus Broker Dealer Services, LLC, JPMorgan Distribution Services, Inc., nor any of their applicable affiliates insures accounts or guarantees the principal deposited therein or any investment returns on any account or investment portfolio.**

New York's 529 College Savings Program currently includes two separate 529 plans. The Advisor-Guided Plan is sold exclusively through financial advisory firms who have entered into Advisor-Guided Plan selling agreements with JPMorgan Distribution Services, Inc. You may also participate in the *Direct Plan*, which is sold directly by the Program and offers lower fees. However, the investment options available under the Advisor-Guided Plan are not available under the *Direct Plan*. The fees and expenses of the Advisor-Guided Plan include compensation to the financial advisory firm. Be sure to understand the options available before making an investment decision.

***For more information about New York's 529 Advisor-Guided College Savings Program, you may contact your financial advisor or obtain an Advisor-Guided Plan Disclosure Booklet and Tuition Savings Agreement at [www.ny529advisor.com](http://www.ny529advisor.com) or by calling 1-800-774-2108. This document includes investment objectives, risks, charges, expenses, and other information. You should read and consider it carefully before investing.***

The Program Administrators, the Program Manager and JPMorgan Distribution Services, Inc., and their respective affiliates do not provide legal or tax advice. This information is provided for general educational purposes only. This is not to be considered legal or tax advice. Investors should consult with their legal or tax advisors for personalized assistance, including information regarding any specific state law requirements.

If you are a person with a disability and need additional support in viewing the material, please call us at 1-800-774-2108 (8am-6pm ET M-F) for assistance.

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