

**BlackRock**

# Helping you invest for education

CollegeAdvantage<sup>®</sup> 529 plan



# Tax-advantaged, flexible, convenient

**BlackRock  
CollegeAdvantage is 1  
out of 4 plans awarded  
a medal rating by  
Morningstar, out of 30  
advisor-sold 529 plans\***

College? Grad school? Private school? Not sure yet? No problem! The assets in your 529 plan can be used in a variety of ways. Education can deliver a number of long-term benefits, both personally and professionally. Use the BlackRock CollegeAdvantage 529 Plan to help you reach education goals for yourself and those you care about.

The BlackRock CollegeAdvantage 529 Plan is an investment program designed to help you save for college expenses without the burden of taxes.

## What is it for?

- Saving for a child, grandchild or other student's education
- Paying for graduate school studies
- Pursuing an interest through continuing-education courses
- Student loan repayments<sup>‡</sup>
- Apprenticeship programs<sup>§</sup>

## What expenses does it cover?'

- Tuition
- Room and board
- Fees
- Books, supplies and required equipment
- Computer equipment and technology
- Up to \$10,000 in tuition expenses at elementary or secondary public, private or parochial schools<sup>¶</sup>

## What are the key benefits?

- Grow and withdraw assets free from federal taxes
- Additional state tax benefits, where applicable
- Flexibility to transfer to another eligible family member of any age
- No income limitations for making contributions

\*BlackRock CollegeAdvantage has been awarded the Bronze medal rating as of October 27, 2020. The Morningstar Analyst Rating™ for 529 plans is expressed on a five-tier scale running from Gold to Negative. The top three ratings of Gold, Silver, and Bronze all indicate that Morningstar analysts think highly of a 529 plan. The difference between them corresponds to differences in the level of analyst conviction in a plan's ability to continue following best practices and offer investments that will collectively outperform peers on a risk-adjusted basis over a holding period of at least five years. Morningstar analysts look for plans that follow several best practices across key pillars of evaluation, including but not limited to: ensuring the age-based or target-enrollment options utilize a well-researched asset-allocation approach and a robust process for selecting underlying investments; offering an appropriate set of options to meet investor needs; hiring a skilled investment management team to oversee the lineup; utilizing talented investment managers that underpin the investment options; tapping investment managers with exemplary stewardship practices; strong oversight from the state; keeping fees low relative to peers. For more detailed information about Morningstar's Analyst Rating for 529 Plans please go to [https://www.morningstar.com/content/dam/marketing/shared/pdfs/Research/Morningstar\\_Analyst\\_Rating\\_Methodology\\_071020.pdf](https://www.morningstar.com/content/dam/marketing/shared/pdfs/Research/Morningstar_Analyst_Rating_Methodology_071020.pdf). The Morningstar Analyst Rating for 529 Plans should not be used as the sole basis for evaluating a 529 plan. <sup>‡</sup>Expenses for room and board and computer equipment and technology are subject to certain eligibility requirements. <sup>‡</sup> Amounts paid as principal or interest on a qualified education loan. Amount that may be treated as qualified expense shall not exceed \$10,000 as a lifetime cap per beneficiary. <sup>§</sup> Expenses for books, supplies, and equipment required for a program registered with the U.S. Department of Labor. <sup>¶</sup> Considered a qualified expense for U.S. tax purposes. For state tax treatment, check your individual state guidelines. Not all states consider this a qualified expense.

# Grow and withdraw assets free from federal taxes\*

**\$25**

Minimum investment

**\$15k**

Maximum per beneficiary, you can contribute each year free from gift tax (\$30K for married couples). Along with the ability to do accelerated gifting of five years (\$75K/\$150K)†

**\$482K**

Maximum contribution amount per beneficiary‡

## 529 plans: The #1 misconception

**Myth:** Investing in a 529 plan inhibits financial aid eligibility.

**Reality:** 529 plan assets have a relatively small effect on federal financial aid eligibility because they are considered assets of the 529 plan account owner. Assuming the owner is the parent, the 529 assets are factored into the expected family contribution at a rate of 5.64%, just like any other parental asset. In comparison, any investment assets in the student's name (e.g., UTMA/UGMA accounts) are assessed at 20%.

\* Withdrawals from a 529 plan are tax-free when used for qualified higher education expenses, which include tuition, mandatory fees, books, supplies, and for certain computer technology and equipment, room, board and off-campus housing expenses (as long as the cost does not exceed the cost of on-campus housing). Beginning in 2018, 529 plans can potentially be used to pay up to \$10,000 in tuition expenses at elementary or secondary public, private or parochial schools. Non-qualified withdrawals are subject to a 10% federal penalty as well as federal, state and local income tax. † Inclusive of all gifts to the beneficiary, not just contributions to a 529 plan. An accelerated gifting tax provision, unique to 529 plan contributions, allows you to apply up to 5 years of gifts in a single year (\$75k/\$150k maximum limits). Considered a completed gift, assets are thereby removed from your taxable estate. Consult your tax advisor for any limitations. ‡ Contributions can be made until the account value of all CollegeAdvantage accounts for the beneficiary reaches \$482,000. However the assets in the account are free to grow without limit.

# Find a solution that works for you

Your investment strategy should match your college savings goals. BlackRock CollegeAdvantage offers three distinct investment approaches, allowing you and your financial advisor to choose the option that best fits your needs.

	<b>How it works</b>	<b>May be a good option if...</b>
<b>Target date</b> investment options	Choose a portfolio based on intended enrollment date and the target date in the portfolio name is the approximate date when an investor plans to start withdrawing money.	You want an approach that will go to work for you, since it automatically adjusts to a more conservative allocation over time.
<b>Target risk</b> investment options	Based on your preferred risk exposure, select a portfolio that aims to deliver this consistent risk level over time.	You want a certain level of risk and the flexibility to adjust in the future.
<b>Single strategy</b> investment options*	Pick from our menu of 17 investments to build a customized portfolio.	You want complete control over your investment selections.

The Target Date and Target Risk investment options invest in underlying funds that are managed by BlackRock, including BlackRock mutual funds and iShares funds.

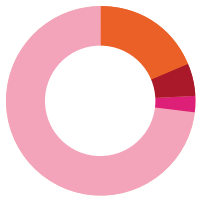
The principal value of the funds is not guaranteed at any time including at the target date.

\* Not all investment options are available at all firms. Investment options are subject to change.

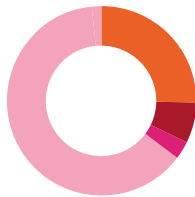
## Target date investment options

Let BlackRock do the work for you. BlackRock CollegeAdvantage target date options automatically reallocate to become more conservative as the anticipated college enrollment date grows closer.

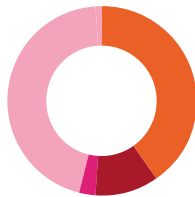
**College Enrollment**



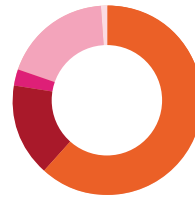
**College 2024**



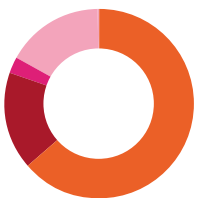
**College 2027**



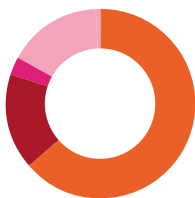
**College 2032**



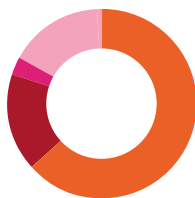
**College 2035**



**College 2038**



**College 2041**



**Did you know:**

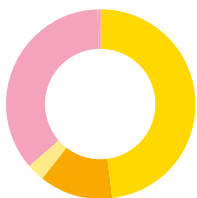
BlackRock's CollegeAdvantage 529 target date & target risk investment options feature exposure to underlying BlackRock mutual funds and iShares ETFs.

● Domestic Equity ● International Equity ● Alternatives ● Fixed Income

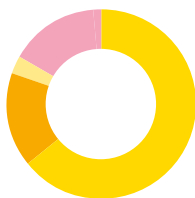
## Target risk investment options

Choose the portfolio that matches your current risk tolerance. Your assets remain focused on that risk level unless you wish to move them into another portfolio.

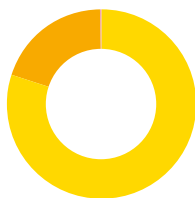
**Moderate**



**Growth**



**Aggressive growth**



● Domestic Equity ● International Equity ● Alternatives ● Fixed Income

Current portfolio allocations are as of 12/31/20 and are subject to change. Current allocations can be found at [www.BlackRock.com/529](http://www.BlackRock.com/529). Cash is included in the fixed income allocation.

## Single strategy investment options

You decide how to allocate your portfolio, selecting from 17 investments. Choose one or many to tailor the mix as you see fit, knowing you can make adjustments over time.

### Equity options

- BlackRock Capital Appreciation
- BlackRock Equity Dividend
- BlackRock Advantage International
- BlackRock Advantage Large Cap Core
- iShares Core S&P 500 ETF
- iShares Core MSCI EAFE ETF
- iShares Russell 2000 ETF
- iShares Core S&P Mid-Cap ETF
- Voya Small Company

### Balanced option

- BlackRock Global Allocation
- BlackRock Multi-Asset Income

### Fixed income/ Money market options

- BlackRock GNMA
- BlackRock High Yield Bond
- BlackRock Inflation Protected Bond
- BlackRock Money Market
- BlackRock Strategic Income Opportunities
- Wells Fargo Core Bond

You may be limited in the number of times you can change your investment allocation per year. Please speak with your financial professional or refer to the program description for details.

\* Not all investment options are available at all firms. Investment options are subject to change.

# It's never too early – or too late – to start investing for education. Experience the benefits of the BlackRock CollegeAdvantage 529 Plan.

## Are you an Ohio resident?

If you are, you could take advantage of a \$4,000 state tax deduction per beneficiary, each year, by investing in BlackRock's Plan.\*

### 529 plans:

**Myth:** It is difficult and expensive to move from another states 529 plan into Ohio's.

**Reality:** You also have the option to move from other states plans into Ohio's both easily and effectively.\*

\*Existing 529 accounts from all of the following state can be rolled into our 529 plan without forfeiting the tax deduction already taken. CT, DC, LA, MD, MI, MS, OK, OR, RI, SC, VT, WV.

## Start saving today

Let the BlackRock CollegeAdvantage 529 Plan help you reach your goals.

\* Ohio taxpayers may deduct the amount of contributions to an account from their Ohio taxable income. Up to \$4,000 per contributor (or married couple) can be deducted per beneficiary, per year, with unlimited carry forward in future years until the full amount of the contribution has been deducted. If you are not an Ohio taxpayer, consider before investing whether your home state offers any state tax or other benefits that are only available for investments in such state's qualified tuition program.

## Why BlackRock

BlackRock helps people around the world, as well as the world's largest institutions and governments, pursue their investing goals. We offer:

- **A comprehensive set of innovative solutions, including mutual funds, separately managed accounts, alternatives and iShares® ETFs**
- **Global market and investment insights**
- **Sophisticated risk and portfolio analytics**

## Want to know more?

BlackRock.com | 866-529-8582

The target allocation of each target date and target risk investment option shown will be evaluated at least annually and may be adjusted. More detailed allocation information can be found on the most recent quarterly fact sheets.

For a complete listing of the underlying investments for each portfolio, please refer to the plan's Program Description.

The S&P 500 Index is an equity index composed of 500 large capitalization U.S. companies, mostly NYSE issues. The MSCI EAFE Index is an unmanaged index representing performance of large and mid-cap equity securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. The Russell 2000 Index measures the performance of approximately 2,000 small-cap companies in the Russell 3000 Index, which is composed of 3,000 of the largest U.S. equities. The S&P Mid Cap 400 Index tracks the performance of mid-capitalization U.S. equities. It is not possible to invest directly in an index.

***An investor should consider the investment objectives, risks, charges and expenses associated with municipal fund securities before investing. More information about municipal fund securities is available in the issuer's Program Description. You may obtain a Program Description by visiting [blackrock.com/529](https://blackrock.com/529) or calling 866-529-8582. The Program Description should be read carefully before investing.***

*Any investment in a BlackRock CollegeAdvantage mutual fund-based investment option is not insured or guaranteed by the FDIC or any other governmental agency or other party, including the custodian/state of Ohio, the Tuition Trust, BlackRock or any of the mutual fund firms under contract with the Ohio Tuition Trust Authority.*

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