OUT-OF-STATE PLAN DISCLOSURE

<u>529 PLAN</u>

Considerations for selecting an in-state vs. out-of-state 529 plan

While there is no requirement that the account owner or designated beneficiary participate in a 529 savings plan sponsored by their state of residence, there may be important advantages, either state tax benefits or other nontax benefits, available for doing so. Because of this, the potential benefits for investing in an in-state plan versus an out-of-state plan is an important consideration depending on the specific facts and circumstances.

In most states, a state tax deduction is offered to residents for investing in the in-state 529 savings plan, though there are a few states that offer a deduction for contributing to an out-of-state 529 savings plan as well. The value of this state tax deduction can vary considerably from state to state. In some states, the value of this deduction may be significant, whereas in other states the value may be rather small compared to other factors such as fees, expenses and performance. Also, some states do not have state income tax, which will impact the value of any potential state tax deductions

In addition, while all states offer state tax-free withdrawals for qualified education expenses to residents for participating in the in-state 529 savings plan, there are a few states that offer state tax-free withdrawals made from an out-of-state plan. You should consider whether you will be materially affected by such tax treatment, particularly if a primary investment objective is related to the state tax consequences of the investments.

In addition to state tax benefits, some states/plans offer other nontax benefits such as matching grants, endowment money, lower fees, scholarships and/or increase eligibility for state financial aid. While many nontax benefits are reserved for residents only, some are not. Nontax benefits may also be a relevant consideration depending on the specific facts and circumstances.

Visit the College Savings Plans Network, https://www.collegesavings.org/, for information regarding state plans.

- Depending on the laws of your home state or the designated beneficiary's home state, you may need to invest in your home state's plan in order to receive favorable state tax treatment or other benefits offered by that state.

- Any state-based benefit offered with respect to a particular plan should be one of many appropriately weighted factors considered in making an investment decision.

Please discuss these considerations with your financial professional, tax or other adviser to learn more about how state-based benefits (including any limitations) apply to your specific circumstances. You may also want to contact your home state or any other plan to learn more about the features, benefits and limitations of that state's plan.

ABLE PLAN

Considerations for selecting an in-state vs. out-of-state ABLE Plan

Like 529 savings plans, there is no requirement that an eligible individual participate in the ABLE program sponsored by your state of residence. However, there may be important benefits available for doing so. Because of this, the potential benefits for investing in the in-state program versus an out-of-state program can be an important consideration when making a decision, depending on the specific facts and circumstances.

Visit the ABLE National Resource Center, https://www.ablenrc.org, for more information regarding state programs.

Please discuss these considerations with your financial professional, tax or other adviser to learn more about how state-based benefits (including any limitations) apply to your specific circumstances. You may also want to contact your home state or any other plan to learn more about the features, benefits and limitations of that state's plan.