

Saving For College

| | Traditional Savings Account | Coverdell Education Savings Account | 529 Plan | Individual Brokerage Account | Custodial Account | IRA | Roth IRA |
|--|---|---|---|--|-------------------|---|--|
| Owner At Child's Majority Age | Child, Parents, Grandparents, or Other Relative | Parents, Grandparents, or Other Relative | Parents, Grandparents, or Other Relative | Parents, Grandparents, or Other Relative | Child At 18 or 21 | Parents, Grandparents, or Other Relative | Parents, Grandparents, or Other Relative |
| Investment Options | Limited | Many | Limited | Many | Many | Many | Many |
| Qualifying Expenses | Any | <ul style="list-style-type: none"> • Qualified College Expenses* • K-12 Tuition • K-12 Supplies and Tutoring (Private or Public) | <ul style="list-style-type: none"> • Qualified College Expenses* • K-12 Tuition | Any | Any | <ul style="list-style-type: none"> • Retirement • Qualified College Education Expenses* | <ul style="list-style-type: none"> • Retirement • Qualified College Education Expenses* • 5 Year Rule |
| Income Phase-Out | | ✓ | | | | | ✓ |
| Taxes On Qualified Withdraws | | | | Capital Gains Tax | Capital Gains Tax | Marginal Tax Rate | |
| Penalty For Nonqualified Withdraw | | ✓ | ✓ | | | ✓ | ✓ |
| Included In Taxable Estate | ✓ | | | ✓ | ✓ | ✓ | ✓ |

***Qualifying Expenses Include:**

- | | |
|---|--|
| <ul style="list-style-type: none"> • Tuition & Fees (In U.S. & Abroad) <ul style="list-style-type: none"> ○ Four-year colleges and universities ○ Online colleges ○ Graduate programs ○ Two-year associate degree programs and community colleges ○ Trade and vocational schools | <ul style="list-style-type: none"> • Other Non-Tuition Expenses <ul style="list-style-type: none"> ○ Textbooks ○ Supplies and equipment required for enrollment or attendance ○ Tools need at trade school ○ Special needs expenses ○ Computers, internet access and related equipment ○ Room and board expenses, including on- and off-campus |
|---|--|

This material is for informational purposes only. It is not intended to provide investment, legal, tax or other professional advice and should not be considered a solicitation for the purchase or sale of any security. This material is developed from sources believed to be providing accurate and reliable information on the subjects covered, but should not be regarded as a complete analysis of these subjects. Century Management ("CM") is an independently registered investment adviser. Registration does not imply a certain level of skill or training. Century Management is also registered as a Portfolio Manager in the Province of Ontario. A full description of our Firm's business practices, including our Firm's investment management services, wealth plans and advisory fees, are supplied in our Form ADV Part 2A. Information as of November 2020.

Highly Rated 529 Plans

| | my529 | Bright Start Direct-Sold College Savings Program | College Advantage 529 Savings Plan | NY's 529 College Saving Program | Virginia |
|---|----------------|--|---------------------------------------|---------------------------------|---------------------|
| State | Utah | Illinois | Ohio | New York | Virginia |
| Website | www.my529.org | www.brightstart.com | www.collegeadvantage.com | www.nysaves.org | www.virginia529.com |
| Ratings | | | | | |
| Morningstar | Gold | Gold | Silver | Silver | Silver |
| SavingForCollege.com | 4.5/5 | 4.5/5 | 5/5 | 5/5 | 4.5/5 |
| Investopedia | In The Top 5 | In The Top 5 | In The Top 5 | In The Top 5 | In The Top 5 |
| Contributions | | | | | |
| Initial Minimum | \$0 | \$0 | \$25, (\$500 Fifth Third Bank Option) | \$0 | \$25 |
| Maximum Lifetime (Per Beneficiary) | \$500,000 | \$450,000 | \$482,000 | \$520,000 | \$500,000 |
| Investment Types & Fees | | | | | |
| Age + Risk Based Funds* | ✓ | ✓ | ✓ | ✓ | ✓ |
| Expense Ratio | 0.12% - 0.167% | 0.10% - 0.81% | 0.165% - 0.50% | 0.13% | 0.09% - 0.62% |
| Individual Fund Options | ✓ | ✓ | ✓ | ✓ | ✓ |
| Expense Ratio | 0.15% - 0.525% | 0.10% - 0.81% | 0.165% - 0.50% | 0.13% | 0.09% - 0.62% |
| Other Benefits | | | | | |
| FDIC Insured Cash | ✓ | N/A | ✓ | N/A | ✓ |
| In-State Resident Benefits | ✓ | ✓ | ✓ | ✓ | ✓ |

The maximum annual contribution per person is \$15,000 or \$30,000 per couple, which is the amount of the 2020 federal gift tax allowance. You have an option to “frontload” your contributions. This means you can contribute up to 5 years of gifts at one time, not to exceed \$75,000 per person or \$150,000 per couple, as long as you do not make any other gifts to this person during the next 5 years. Importantly, you can repeat this “frontloading” option every 5 years. Generally speaking, “frontloading” has the potential benefit of investing a larger amount for a longer period of time compared to smaller sums invested each year.

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