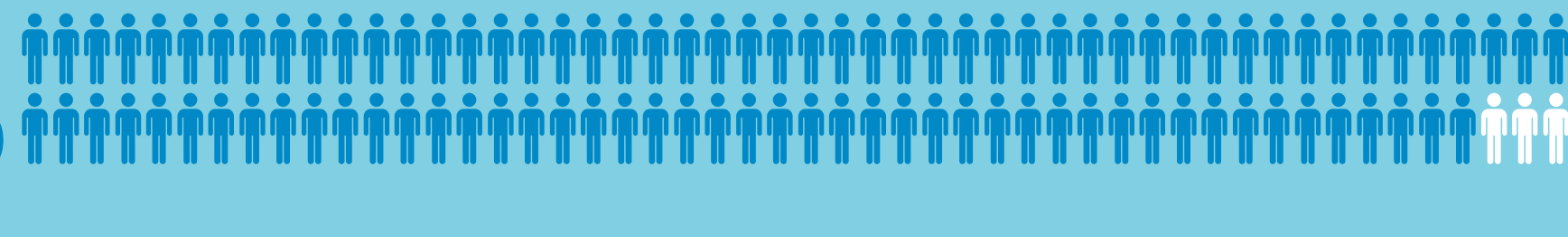


YOUR GRANDCHILDREN HAVE QUESTIONS ABOUT MONEY AND SAVINGS. YOU HAVE THE ANSWERS.

97%  OF YOUNG PEOPLE SURVEYED BY TIAA-CREF WORRY ABOUT SAVING FOR THEIR FUTURE, INCLUDING COLLEGE.¹

THEY'RE EAGER FOR MONEY LESSONS

85% Number of grandchildren who want to have conversations with their grandparents about money and savings.¹



73% Number of grandchildren who say that their grandparents influence their savings habits.¹

GRANDPARENTS UNDERESTIMATE THEIR INFLUENCE

30% OF GRANDPARENTS SURVEYED THINK THEY INFLUENCE THEIR GRANDCHILDREN'S MONEY HABITS¹

"MONEY AND SAVINGS" IS THE NO. 1 TOPIC GRANDCHILDREN SAY THEY'D LIKE TO DISCUSS WITH YOU.

Having the conversation can help grandchildren of all ages learn smart lessons such as:



Not Spending Every Penny They Get

Planning for a Big Purchase



How Investing Works

COLLEGE IS EXPENSIVE — YOUR GRANDCHILDREN NEED HELP.



46% OF GRANDPARENTS SURVEYED THINK COLLEGE COSTS \$30,000–\$75,000¹

IN REALITY

Public Colleges can cost about

\$100,000

Private Colleges can cost about

\$164,000²

BETWEEN 2001–2012, TUITION AND ROOM AND BOARD ROSE

20% AT PRIVATE COLLEGES

AND

40% AT PUBLIC COLLEGES³

START WITH A CONVERSATION. END WITH A PLAN.

You can impact your grandchildren's future financial success by simply talking to them about your own experiences with money.

Some grandparents are willing to help with college expenses if their grandchildren help pay for part of it.



But **more than 2/3** of grandparents surveyed don't know much about 529 college savings plans.¹

COMMON QUESTIONS FROM GRANDPARENTS ABOUT 529 COLLEGE SAVINGS PLANS

How are 529 plans used?

Savings from 529 plans can be used to cover qualified college expenses like tuition, books and housing.



How are 529 plans taxed?

Any account earnings can grow tax free.



What happens to 529 plan's money if my grandchild doesn't go to college?

Money in 529 plans can be used for almost any post-high school education. You can transfer the assets to an eligible sibling or, under certain circumstances, cash it out. Non-qualified withdrawals may be subject to federal and state taxes and the additional 10% federal tax.

Can my grandchild only go to college in the state a 529 plan is set up?

Funds can be used at most accredited colleges and universities in the United States and at certain colleges abroad.



Is my income too high to use a 529 plan?



You can contribute to your grandchild's 529 plan regardless of your income.

Does the government manage 529 plans?

While individual states sponsor 529 college savings plans, the funds in the plan are managed by private financial institutions like TIAA-CREF. TIAA-CREF Tuition Financing, Inc. is the plan manager for 11 state plans.

How can I help?

Start with as little as a \$25 contribution (in most cases) in a 529 plan to help your grandchildren achieve their dreams.

Go to AARPCollegeSavings.com/grandtalk for more information and helpful tools to jump-start money conversations with your grandchildren.

- Helpful tools to get the conversation started with your grandchildren about money and saving for college.
- More information about 529 college savings plans.



¹Survey of grandchildren and their grandparents performed by KRC Research on behalf of TIAA-CREF, April 2014.

²CollegeBoard *Trends in College Pricing 2013* <http://trends.collegeboard.org>

³U.S. Department of Education, National Center for Education Statistics (2013). *Digest of Education Statistics*, 2012 <http://nces.ed.gov/fastfacts/display.asp?id=76>

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Most states offer a 529 college savings plan. Before investing, check your state's website for information about any favorable state tax benefits that are only available if you invest in that state's plan. Consider the investment objectives, risks, charges and expenses before investing in a state 529 college savings plan. Read the Disclosure Booklet containing this and other information carefully.

Investments in a state 529 college savings plan are neither insured nor guaranteed and there is risk of investment loss.

The tax information contained herein is not intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. Taxpayers should seek advice from an independent tax advisor based on their own particular circumstances. Non-qualified withdrawals may be subject to federal and state taxes and the additional federal 10% tax.