

Inform

CollegeCounts™
Alabama's 529 Fund

ADVISOR PLAN

2nd Quarter 2013

Fall Semester Withdrawal Reminders

The first semester of the 2013–2014 school year is quickly approaching. If your student will be taking classes in the fall, there are several ways for you to withdraw from your CollegeCounts account.

1. Log into your account at CollegeCounts529advisor.com and select "Withdraw" to walk through the easy steps
2. Complete the Withdrawal Request Form and submit it to us via mail or fax
3. Contact us at (866) 529-2228 for assistance

Withdrawals from CollegeCounts can be used to pay for qualified higher education expenses, such as tuition, books, fees, supplies, and equipment required for enrollment. Room & Board expenses are also qualified as long as the student is enrolled on at least a half-time basis.

Remember to keep all receipts, invoices or other documentation of your qualified expenses. You will need these if the IRS ever has questions regarding the use of your withdrawn funds.

For tax purposes, we recommend you match your account withdrawals and expenses within the same calendar year.

CollegeCounts can issue a withdrawal payable to:

1. The account owner
2. The beneficiary
3. The educational institution
4. The account owner's bank account (if the bank account is already on file with us)

From a tax reporting standpoint, if the payment is made to the account owner, the IRS Form 1099-Q is sent to the account owner. If the payment is made to the beneficiary or the educational institution the IRS Form 1099-Q is sent to the beneficiary.

Please keep in mind that the withdrawal process typically takes 5–7 business days (including mail time) from the time a withdrawal is requested until a check is received by the payee. We will do our best to process withdrawal requests received prior to 3 PM Central Time (the close of the markets), on the same business day. Checks are typically issued and mailed the following business day. At the beginning of each semester, we find that some schools get back-logged in processing payments due to their heavy volume. Please be sure to allow sufficient time for your payment to reach the school prior to the deadline.

529 Day Giveaway Winners!

Congratulations to the winners of the CollegeCounts 529 Day Giveaway! Throughout the month of May, four individuals won a \$529 contribution to a new or existing CollegeCounts account. One lucky winner won the grand prize—a \$2,529 contribution to CollegeCounts!

Those winners were:

Kaye from Phil Campbell, AL
Jason from Athens, AL
Jeffrey from Alabaster, AL
Iris from Bud, WV
Sainath from Monmouth JCT, NJ

Congratulations to all of the winners! Find us on facebook at facebook.com/CollegeCounts and visit our website to stay updated on plan information and possible future promotions and events!

Focus Long-Term

The markets have been volatile with some big swings up and down over the last several months. We encourage investors to always focus on the long term whether it is with their college savings, retirement or 401(k) assets, or other investments. Studies show that timing the market is difficult to do. That is why it is suggested that "time" in the market versus "timing" the market is what is important. Make sure you periodically review your investments and financial plan with your financial advisor to make sure you are on target with your goals and risk tolerance.



Offered by the
State of Alabama

Northern Trust
Securities, Inc.
Distributor

UBT 529 Services a Division of
UB UNION BANK
& TRUST COMPANY,
Program Manager

866.529.2228 // PO Box 85290 // Lincoln, NE 68501–5290

Importance of Naming a Successor Account Owner

Summer is an excellent time for a financial checkup. As part of that check-up we suggest that you review the "Successor Account Owner" on your CollegeCounts 529 Fund account. If you are uncertain whether you have named a successor or you want to update your designation—it's easy to do. Visit the Forms section of our website and complete the "Change or Add a Successor Account Owner Form." The Successor Account Owner becomes the Account Owner of the Account in the event the Account Owner dies. It's important that your Successor be someone you trust to handle the CollegeCounts account for your Beneficiary after you pass away. If you have any questions, feel free to contact one of our customer care representatives for assistance.

Beware of Phishing

Phishing is a form of fraud designed specifically to steal your identity. Email is a common way to commit this particular type of fraud. A phishing email will typically contain a phony story that attempts to get the recipient to click on a link or contact a phone number. The goal of the sender is to get the recipient to reveal login information or other personal information that can be used to defraud the recipient.

CollegeCounts may contact you via email, but will never ask you to update or change your login information or other personal or account information via email. If you receive an email from us and would like to confirm that it is legitimate, you can contact us at our toll free phone number—(866) 529-2228. Customer Care Representatives are available to assist from 7:30 AM to 6:00 PM, Central Time, Monday through Friday.

Add Bank Information to your Account

In order to expedite making contributions or requesting withdrawals, it is easy to add your bank account information to your CollegeCounts account. To add or change a bank account, simply complete the Update Form which can be downloaded from the "Forms" link on our website.

Once established you can log in online to make contributions. You can also request that withdrawals from your CollegeCounts account be electronically deposited to your bank account. Having your bank information on file with us will streamline the contribution and withdrawal process going forward.



Thank you for investing with CollegeCounts!

The CollegeCounts 529 Fund is a qualified tuition program under Section 529 of the Internal Revenue Code that is sponsored by the state of Alabama and administered by the Board of Trustees of the ACES Trust Fund (the "Trust" and plan issuer). Union Bank & Trust Company serves as Program Manager, and Northern Trust Securities, Inc., acts as Distributor of the Advisor Plan. Accounts and investments under the CollegeCounts 529 Fund are not insured or guaranteed by the FDIC, the State of Alabama, the State Treasurer of Alabama, the Board, the Trust, the Program, Union Bank & Trust Company, Northern Trust Securities, Inc., or any other entity.

Before investing, you should consider the investment objectives, risks, fees, expenses, and tax consequences associated with the Program. All of this information is contained in the Program Disclosure Statement. Please read it carefully before investing. For a copy, call 866.529.2228, visit the plan website, or contact your investment professional.

If you or your beneficiary is not an Alabama resident, consider whether your home state or the home state of your designated beneficiary offers a qualified tuition program that provides a state tax deduction or other benefits to residents who invest in that program.

Not FDIC Insured // May Lose Value // No Bank Guarantee

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