Tomorrow’s Scholar® 529 Plan
Investor Guide

- Investment options customizable to your needs
- A flexible and tax-advantaged way to save for college
- Potential advantages over other college investing vehicles
Start with a Dream, End with a Plan

Saving for college can seem like an impossible dream. But with a little planning and discipline, it can be possible no matter what your budget. You’ve taken the first step by consulting with a Financial Advisor. The next step is to look into college savings programs like Tomorrow’s Scholar. A Section 529 college savings plan sponsored by the State of Wisconsin and sold nationwide, Tomorrow’s Scholar provides families with flexible means to save for a child’s college education while taking advantage of multiple tax and estate benefits.
Tomorrow’s Scholar 529 Plan

Flexible Contribution Limits

- Anyone can contribute to Tomorrow’s Scholar, with high maximums of up to $425,000 per beneficiary. Or one can contribute as little as $25 a month per investment option through an automatic investment program.

A Little Saving Now Can Make a Big Difference Later

- Per month contributions at 6% annual return over 18 years

Tax Advantages

- 529 Plans like Tomorrow’s Scholar offer federally tax-exempt growth and earnings. This feature has the potential to accumulate much more money than if the investment was taxed.

The Power of Tax-Exempt Growth

- Tax-deferred and taxable growth of $10,000 over 18 years (assuming 28% tax bracket and 6% annual return)

These hypothetical examples are for illustrative purposes only. Assumes no withdrawals were taken.

Other Benefits of Tomorrow’s Scholar:

- No time, age or income limits for contributions
- Covers most expenses at most schools
- Three ways to invest using world-class managers
- Protected from claims from creditors
- Account structure allows for joint ownership
- Owner retains access and control
- Removes assets from taxable estates
- Special gifting rules allows higher funding opportunities

1 Contributions to a 529 plan account made more than one year before the filing of a bankruptcy petition are generally not considered part of a debtor’s bankruptcy estate, provided certain conditions are met. State laws will vary; consult a legal advisor to determine whether state or federal credit protection may apply to your situation.
Investment Options
Customizable to Your Needs

Tomorrow’s Scholar offers three distinct ways to invest: by age, by risk level, and by building your own portfolio. Working with your Financial Advisor, you can tailor your portfolio to your particular situation with investments that feature some of the largest and most respected asset management firms.

1 Age-Based
Simply choose a portfolio based on the age of the child, and the portfolio will automatically adjust as the child gets closer to college. The mix of equity and fixed income starts focused on growth and slowly becomes more conservative over time.

2 Risk-Based
Select a static asset allocation option based on your overall risk profile from nine distinct risk-based portfolios.

3 Build Your Own Portfolio
Tomorrow’s Scholar individual fund options let you and your Financial Advisor create your own portfolio from a broad mix of asset classes, investment styles and world-class managers. Use these individual options, or match them with the age- or risk-based portfolio options.

Large Cap
Columbia Dividend Opportunity
Voya Corporate Leaders 100
Voya Large Cap Growth
Voya Large Cap Value

Mid Cap
Voya Mid Cap Opportunities

Small Cap
Voya Small Cap Opportunities
Northern Small Cap Value

Global/International
Voya Multi-Manager International Equity
VY® Templeton Foreign Equity

Fixed Income
Columbia Limited Duration
Voya GNMA Income
Voya High Yield Bond
Voya Intermediate Bond

Asset Allocation/Balanced
BlackRock Global Allocation
Voya Global Perspectives

Real Estate
VY® Clarion Global Real Estate

Principal Protection
TIAA-CREF Principal Protection

There are certain risks associated with each investment option. Please see the Program Description for additional information. Holdings are subject to change.
A Diverse Selection of World Class Managers

Tomorrow’s Scholar is built on the strength of a multi-manager investment platform of world-class managers across a range of traditional and alternative asset classes.
A Flexible and Tax-Advantaged Way to Save for College

If you were to design the ideal college savings plan for your children, it would probably have some combination of flexible contribution rules, tax advantages for you, gift benefits for grandparents and other donors, the ability to control the assets and even transfer them to another child, and the right to use it for any kind of education expenses at any type of school. All of these benefits exist in 529 Plans like Tomorrow’s Scholar.

Flexible Contribution Rules

- Automatic investing or payroll direct deposit begins as low as $25 a month per investment option
- Anyone can contribute (parents, grandparents, family members and friends), with high per donor maximums of $425,000 for each beneficiary
- Accepts tax-free rollovers from other 529 plans, Coverdell Savings Plans (formerly Education IRAs) and qualified U.S. savings bonds (series EE and I)
- Residents are not limited to their own state’s plan or that of the state the student enrolls in
- You can even set up a plan for yourself if you’re thinking of going back to school
- Automated dollar cost averaging program

Tax Advantages

- Any growth or earnings in your account is federally tax-free if used for education
- Withdrawals for qualified educational expenses are also free from federal tax

Control over Assets

- The account owner maintains control of the assets until they are distributed for qualified educational expenses
- If beneficiary does not go to college, or some money remains unused, the account owner can change the beneficiary

Estate and Gift Tax Benefits

- 529s are a great way for grandparents and other family members to create an educational legacy for a child while removing assets from estate tax
- Any donor can remove up to $70,000 ($140,000 for married couples) per beneficiary from their taxable estate
- You can either contribute up to $14,000 per year per beneficiary, or make a lump sum gift of $70,000 ($140,000 for married couples) per beneficiary every five years—all without gift tax consequences

A Wide Range of Covered Educational Expenses

- Eligible expenses include tuition, fees, books, on- and off-campus room and board, equipment and supplies
- Eligible institutions include two- and four-year colleges, technical, vocational and graduate schools in the U.S. (and even some overseas)
Potential Advantages Over Other College Investing Vehicles

There are many options available to help you save for higher education expenses. Your Financial Advisor can help you sort through the choices to come up with the best decision for your needs and budget. Consult your tax professional for tax-related advice.

Compare College Savings Programs

<table>
<thead>
<tr>
<th></th>
<th>Tomorrow’s Scholar 529 Plan</th>
<th>Coverdell ESA</th>
<th>UGMA/UTMA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Control of account</strong></td>
<td>Plan owner (usually parents) has control throughout the life of the account</td>
<td>Trustee or custodian has control until age of majority, then assets belong to child</td>
<td>Custodian has control until age of majority, then assets belong to child</td>
</tr>
<tr>
<td><strong>Uses and restrictions</strong></td>
<td>Qualified expenses at almost any post-secondary school</td>
<td>Qualified expenses at public or private primary, secondary, or post-secondary schools</td>
<td>No restrictions</td>
</tr>
<tr>
<td><strong>Contribution limit</strong></td>
<td>Tomorrow’s Scholar allows $425,000 per beneficiary</td>
<td>$2,000 per minor child per year (2015)</td>
<td>Unlimited</td>
</tr>
<tr>
<td><strong>Income eligibility</strong></td>
<td>No limits</td>
<td>Phases out for single filers at $95,000 to $110,000; for joint filers $190,000 to $220,000</td>
<td>No limits</td>
</tr>
<tr>
<td><strong>Change in beneficiary</strong></td>
<td>Can be transferred to another eligible member of the family at any time</td>
<td>Can be transferred to another eligible member of the family (&lt; 30 yrs. old)</td>
<td>Not permitted</td>
</tr>
<tr>
<td><strong>Federal income tax treatment</strong></td>
<td>Federal income tax-free if used for qualified higher education expenses</td>
<td>Federal income tax-free if used for K–12 and qualified higher education expenses AND fully withdrawn by the time beneficiary reaches age 30</td>
<td>Earnings and gains taxed to minor; first $950 of unearned income is tax exempt; unearned income over $1,900 for certain children through age 23 is taxed at parents’ rate</td>
</tr>
<tr>
<td><strong>Federal estate tax treatment</strong></td>
<td>Value removed from donor’s gross estate</td>
<td>Value removed from donor’s gross estate</td>
<td>Value removed from donor’s gross estate unless donor remains as custodian</td>
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<td><strong>Federal gift tax treatment</strong></td>
<td>Contributions treated as completed gifts, subject to $14,000 annual exclusion, or up to $70,000 with 5-year accelerated election ($28,000/$140,000 respectively for spouses who gift split)</td>
<td>Contributions treated as completed gifts; 2015 annual contribution limit is $2,000</td>
<td>Transfers treated as completed gifts, subject to $14,000 annual gift exclusion</td>
</tr>
<tr>
<td><strong>Federal financial aid</strong></td>
<td>Counted as parental asset if parent is account owner (not currently reported if dependent student is account owner)</td>
<td>Counted as asset of trustee or custodian, typically the parent</td>
<td>Counted as student’s asset</td>
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<td><strong>State tax benefit</strong></td>
<td>For new contributions up to a $3,100 reduction from taxable income per eligible family member per year (if Wisconsin resident)¹</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

**Penalties on non-qualified withdrawals**

- Ordinary income taxes plus a 10% IRS penalty on earnings
- Ordinary income taxes plus a 10% IRS penalty on earnings
- None

**Advantages**

- Federal (and in many cases state) tax advantages
- Account can be transferred to another family member
- Account owner retains control of how the money is used
- Contributions may be made by anyone
- No age restrictions on beneficiary
- Allows the highest amount that can be contributed for estate or gift tax purposes

**Disadvantages**

- No contribution restrictions
- No family income restrictions
- Contributions may be made by anyone

¹ Please note that the principal portion of any rollover contributions may qualify for reducing WI taxable income; the portion attributed to growth is not eligible.

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**Disadvantages**

- 10% tax on non-qualified withdrawals
- Can only change investments twice a year (or when beneficiary changes)
- Can only be used tax-free for qualified higher education expenses

² Please note that the principal portion of any rollover contributions may qualify for reducing WI taxable income; the portion attributed to growth is not eligible.
Tomorrow’s Scholar® is a state-sponsored 529 college savings plan administered by the State of Wisconsin. Voya Investments Distributor, LLC, a Delaware limited liability company provides investment management, administrative and distribution services for the Tomorrow’s Scholar® Plan.

An investor’s or a designated beneficiary’s home state may offer state tax or other benefits that are only available for investments in that state’s qualified tuition program. Please consider this before investing.

Earnings component of non-qualified withdrawals may be subject to federal and state taxes and the additional federal 10% tax.

The tax information 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 based on their own particular circumstances from an independent tax advisor.

Investments in Tomorrow’s Scholar 529 Plan are subject to certain charges, which will reduce the value of your Account as they are incurred. Please see the Program Description for details of charges or fees that apply to the specific Tomorrow’s Scholar savings plan.

Investments in Tomorrow’s Scholar 529 Plan are subject to investment risks, including the loss of the principal amount invested, and may not be appropriate for all investors.

Voya Investment Management is not an underwriter for any underlying municipal securities.

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 at TomorrowsScholar.com or by calling 866-677-6933. The Program Description should be read carefully before investing.

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