FutureScholar
South Carolina's 529 College Savings Plan



Invest in their future.

One day they will thank you.

Curtis Loftis
State Treasurer
South Carolina





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A message from State Treasurer Curtis Loftis

One of the most significant steps to helping a child achieve success is clearing a path toward education. That's why I'm pleased to introduce you to the Future Scholar 529 College Savings Plan. It's the smart and easy way to help you save for education expenses and clear that important path for your child.

Administered by the South Carolina State Treasurer's Office, Future Scholar is designed to help you jump-start your college savings while enjoying federal and state income tax benefits.

If you'd like to bridge the gap between your current savings and the cost of education, I encourage you to explore the many ways Future Scholar can help you reach your savings goals.

Sincerely,

Curtis Loftis



Invest now for their future education

It's never too early to start

College may seem like a distant dream in your child's life, but it's never too early to start saving. Just as your child is learning now in preparation for a bright future, you can prepare now to help meet the cost of your child's college expenses.

With Future Scholar, your smart planning today could allow your child to enter the workforce without significant student loan debt.

South Carolina's Future Scholar 529 College Savings Plan offers several benefits that can help turn a college dream into reality.

- **Tax-free growth.** Money in your account grows free from federal and South Carolina state income taxes. Withdrawals are also tax-free as long as the money is used for qualified education expenses.[1]
- **You're in control.** Some college savings vehicles transfer account assets to the child as early as age 18, but with Future Scholar you decide when distributions are made. If your child receives a scholarship or decides not to attend college, the money in your account can be transferred without tax consequences to a sibling or other qualified member of the original beneficiary's family.
- **Low impact on financial aid.** Money in a 529 plan is treated as a parental asset when financial aid is determined, which means only 5.64% or less of the account's value (based on current financial aid formulas) is factored in when determining your expected family contribution each academic year. More information can be found at futurescholar.com.
- **No income or age limits.** Anyone can open a Future Scholar account, regardless of income level, and there are no age restrictions on beneficiaries; accounts can be set up for children, teenagers and adults.
- **No minimum contribution** requirement and high contribution limits. There's no minimum amount required to open or contribute to an account. In addition, family and friends can establish more than one Future Scholar account for the same child, as long as the total of all accounts does not exceed the overall contribution limit of $575,000 per beneficiary.[2]

Did you know?

The money you save can be used to pay for a lot more than college! With Future Scholar, you can save for a lifetime of learning. If your child is attending a K-12 public, private or religious school, you can withdraw up to $20,000 a year to pay for tuition, curriculum, books, online educational materials and more. In addition to paying college tuition and fees at an eligible in-state, out-of-state or international school, you can also pay for other college expenses like room and board, books and computers. Your account can also be used to pay for eligible technical colleges, trade schools as well as expenses related to certified apprenticeships, professional licenses and other continuing education. With Future Scholar 529, you can prepare to support your child's educational journey.[3,4]

[1] Please see the Program Description for more information on qualified educational expenses.
[2] Lower limits may be set by South Carolina state law.
[3] A list of eligible educational institutions can be found at studentaid.gov.
[4] Qualifying apprenticeship programs are those registered and certified with the Secretary of Labor under Section 1 of the National Apprenticeship Act.

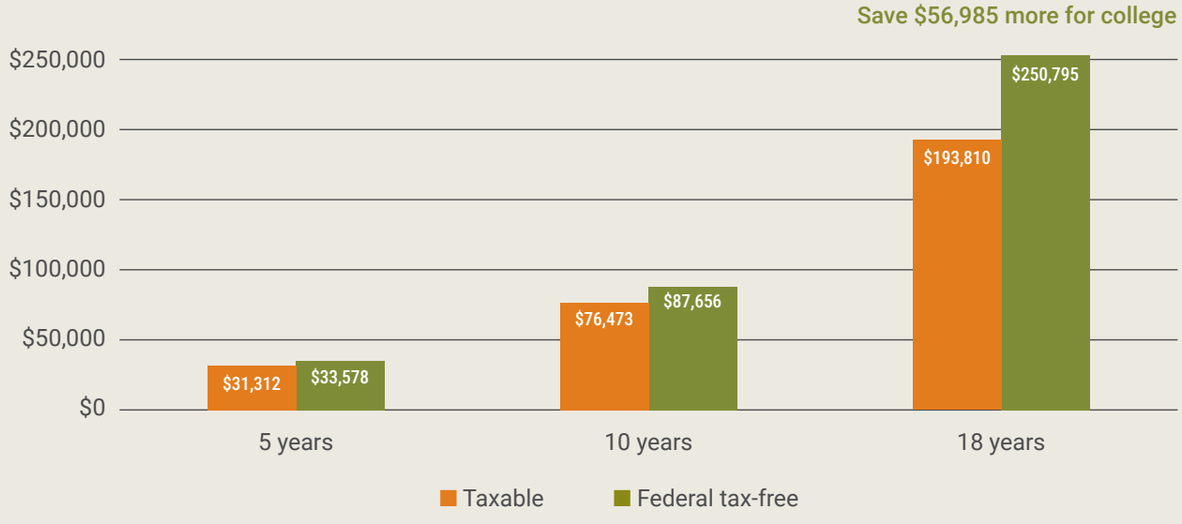
Invest in a smart way

The tax advantages of a Future Scholar 529 Plan can help you save more money along the way

- Money you contribute grows free from federal and South Carolina state income taxes as long as all withdrawals are used for qualified education expenses.
- Because you don't pay taxes on current income or capital gains, your earnings have the potential to grow faster than they would in a comparable taxable account.

Tax-free growth makes a difference

Tax-free investing can help you build more savings for college. The earlier you start, the bigger a difference you can make for your child down the road.



This chart compares the difference between $5,000 invested in a taxable account and a federal tax-exempt account, each with subsequent investments of $5,000 per year over 5-, 10- and 18-year time frames. This illustration demonstrates the value of the potential tax-exempt earnings in a 529 education savings plan such as Future Scholar when plan distributions are used for qualified education expenses such as tuition, fees and room and board at higher education institutions. (Chart does not include the effects of any expenses that may apply.)

Source: Columbia Threadneedle Investments as of 11/30/26.

Results will vary based on actual rates of return. This chart is for illustrative purposes only and is intended to help you understand the benefits of tax exemption.

Assumptions: $5,000 initial investment with subsequent annual investments at year end of $5,000 per year over 5-, 10- and 18-year time frames; annual rate of return on investment of 10% and no funds withdrawn during the time period specified; taxpayer is in the 24% federal tax bracket for all options at the time of contribution and withdrawal. The assumed rate of return is not guaranteed. If the portfolios had long-term capital gains or qualified dividend income, lower maximum tax rates for these would make the investment return for the taxable investment more favorable, thereby reducing the difference between the investments shown. Losses recognized on taxable investments may provide current income tax benefits, potentially increasing the favorability of taxable accounts. You should consider your current and anticipated investment horizon and income tax bracket when making an investment decision, as this illustration may not reflect those factors. Withdrawal of earnings not used for qualified higher education expenses will be subject to federal and possibly state income tax and may be subject to an additional 10% federal penalty tax. The illustration does not reflect the deduction of any fees or charges and is not indicative of the actual performance of any product, including any portfolio or combination of portfolios available through Future Scholar or any other 529 plan.

Investment options tailored to your individual needs

Future Scholar offers the flexibility to choose an investment strategy that makes sense for your needs — whether you're investing for a newborn, an older child or your own education. Each portfolio provides the benefit of professional investment management.

Choose from three different investment options:

1. **Age-based:** Choose one of three age-based risk tracks — conservative, moderate or aggressive — that best suits your education-planning needs based on your beneficiary's age and your risk tolerance. As college approaches, the track will automatically shift a percentage of your money out of equity funds (which have more stocks) into more conservative funds (such as bonds and money market funds) so when it's time for college a larger proportion of your funds will be in more conservative, lower risk investments.

2. **Target-allocation:** Choose from seven target-allocation portfolios ranging from aggressive to conservative, allowing you to choose a strategy best suited to your needs. Unlike the age-based tracks that shift over time, your investment will not change unless you decide to change it.

3. **Single-fund:** This investment choice allows you to select from a variety of individual portfolios that invest in a single underlying fund, which lets you customize your own portfolio.



Please remember that your investments in the Future Scholar plan are not guaranteed, and it is possible your contribution may decrease in value when you invest in any of the investment options. You can move your assets among funds twice each calendar year or when you change the beneficiary.

When you're investing in something as important as your child's education, you want to work with an organization you can trust. The South Carolina State Treasurer's Office administers the Future Scholar 529 Plan to help you make your child's dream a reality.

To open your account online:

- Go to futurescholar.com and click the "enroll" tab.

To open your account by mail:

- Complete and sign the enclosed Future Scholar application.
- Write a check for your initial investment amount, payable to Future Scholar.
- Enclose your completed application and check in the return envelope provided and send today.

Convenient account access:

- Stay on track by checking your account status online anytime — 24 hours a day, 7 days a week — at futurescholar.com.

Future Scholar simplifies saving

There is no minimum investment to open a Future Scholar account, making it easy to start saving. Consider enrolling in the automatic contribution plan for added convenience. Just let us know how much and how often you'd like withdrawals made from the account you have on file, and the money will be transferred directly to your Future Scholar account.

For more information, visit futurescholar.com or call 888.244.5674. Representatives are available Monday through Friday, 8:00 a.m. to 7:00 p.m. Eastern time.

Special benefits for South Carolina taxpayers

If you file a South Carolina income tax return, as a resident or nonresident, the money you put into your Future Scholar account may be deductible, up to the maximum account balance limit of $575,000 or any lower limit under applicable law. Account withdrawals used to pay for qualified education expenses are not subject to income tax.

Tax treatment varies by state. For residents of states other than South Carolina, favorable state tax treatment for investing in a Section 529 college savings plan may be limited to investments in a Section 529 college savings plan offered by your home state. You should consult with your tax advisor before making any tax-related decisions.

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Please consider the investment objectives, risks, charges and expenses carefully before investing. Contact your financial advisor or visit columbiathreadneedle.com for an Advisor Plan program description or visit futurescholar.com for a Direct Plan Program Description, which contains this and other important information about the Future Scholar 529 College Savings Plan. Read it carefully before investing. You should also consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds and protection from creditors that are only available for investments in such state's qualified tuition program.

Tax information is general in nature and does not constitute tax advice on the part of Columbia Management Investment Advisers, LLC (CMIA), its affiliates or the South Carolina Office of State Treasurer.

The Direct Plan is sold directly by the program and is limited to a specific group of investors, as described in the program description. You may also participate in the Advisor Plan, which is sold exclusively through financial advisors. The Advisor Plan offers additional investment choices, but the fees and expenses are higher. Please contact your financial advisor for additional information on the Advisor Plan.

The Office of State Treasurer of South Carolina (the State Treasurer) administers the program and has selected Columbia Management Investment Advisers, LLC (CMIA) as program manager. CMIA and its affiliates are responsible for providing certain administrative, recordkeeping and investment services, and for the marketing of the program. Future Scholar is self-supported and does not receive taxpayer funding. CMIA is not affiliated with the State Treasurer.

Withdrawal of earnings not used for qualified higher education expenses will be subject to federal and possibly state income tax and may be subject to an additional 10% federal penalty tax.

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