



New Jersey - Franklin Templeton 529 College Savings Plan

Data as of: 04/20/24

New Jersey Franklin Templeton 529 College Savings Plan is an advisor-sold 529 savings program managed by Franklin Templeton featuring age-based and static portfolio options utilizing mutual funds and/or ETFs along with a money market option.

5-Cap Rating

Resident:  Savingforcollege.com's 5-Cap Ratings provides an evaluation and comparison of 529 plans, utilizing a formula that examines dozens of factors grouped into the following categories. (Scale 0 to 5; 5 is highest)

Non-Resident: 

Performance	Costs	Features	Reliability	Resident Upgrade
3.48	4.16	3.78	3.91	0.80

Investment Options

Age-based/Enrollment Year investment options:

The Age-Based Investment Portfolios option offers the choice of 3 risk levels: Growth, Moderate, and Conservative. Each consists of 10 portfolios of underlying mutual funds. Contributions are placed into the portfolio corresponding to the beneficiary's age, and later reassigned to more conservative portfolios as the beneficiary ages.

Static investment options:

Choose from 6 multi-fund portfolios with objectives ranging from more aggressive to conservative, 14 individual-fund portfolios, including ESG (Environmental Social Governance) and MWBE (Minority-owned, Women-owned, Business Enterprise) options.

Underlying investments:

Franklin Templeton funds, affiliate funds (Brandywine Global Investment Management, LLC, Clarion Partners, LLC, ClearBridge Investments, LLC, Martin Currie Investment Management Limited, Royce Investment Partners and Western Asset Management Company, LLC), Ariel Fund, iShares, Schwab, and Vanguard.

Taxes and other Benefits

Program match on contributions:

For accounts opened by a New Jersey resident on or after June 29, 2021, the New Jersey Higher Education Student Assistance Authority provides a one-time grant of up to \$750 in a dollar-for-dollar match of the account owner's initial deposit into the account, subject to income and program participation requirements. Visit HESAA.com for terms and conditions and how to apply. This program is subject to available funding.

New Jersey beneficiaries are also eligible for a one-time scholarship of up to \$3,000 for one semester at any New Jersey college or university subject to minimum participation and contribution requirements.

State tax deduction or credit for contributions:

New Jersey taxpayers, with gross income of \$200,000 or less, may qualify for a state income tax deduction for contributions into an NJBEST plan of up to \$10,000 per taxpayer, per year, beginning with contributions made in tax year 2022.

State definition of qualified expenses

The state's definition of qualified education expenses currently includes expenses for attendance at an institution of higher education or an apprenticeship program, as defined by the Internal Revenue Code and its regulations addressing qualified state tuition programs. This include tuition for elementary or secondary education, or education loan payments. Distributions from a 529 account directly to a Roth IRA are not considered a qualified expense for state income tax purposes.

State tax treatment of qualified distributions:

Qualified distributions from New Jersey and non-New Jersey 529 plans are exempt.

State tax treatment of rollovers:

New Jersey follows federal tax-free treatment.

Does the sponsoring state exclude the value of an account for state financial aid purposes?

Yes, by state regulation.

Does participation in the program provide beneficiaries with any advantages in qualifying for resident tuition status at state institutions?

No

Is there a rewards program or outside scholarship program that works with this program?

Yes, the Upromise Rewards program can be linked to any 529 college savings plan. Upromise Rewards is free to join and offers members cash back for college.

General

Program type:

Savings

How to enroll:

Enroll through a financial advisor.

Initial year of operation:

2003

State agency(ies):

New Jersey Higher Education Student Assistance Authority (HESAA)

Program manager:

Franklin Distributors, Inc.

Program distributor:

Franklin Distributors, Inc.

Contributions

Maximum contributions:

Accepts contributions until all account balances in New Jersey's 529 plans for the same beneficiary reach \$305,000.

Minimum contributions:

\$250, or \$25 if you choose automatic monthly investing. A Financial Intermediary may impose other minimum initial or ongoing contribution requirements.

Does the program offer an e-gifting platform for receiving gift contributions?

This plan offers an online tool to share a gift contribution link with family and friends., Designed exclusively for Franklin Templeton College Savings Plan account owners, Spryng is a personal crowdfunding tool designed to encourage family and friends to make contributions toward an education savings plan.

Fees & Expenses

Enrollment or application fee:

None, but contributions may be subject to a sales charge depending on share class.

Account maintenance fee:

None

Program management fees:

0.25% manager fee, plus distribution/servicing fees of 0.25% (Class A), or 1.00% (Class C); none for Advisor class and Franklin Money Portfolio.

Expenses of the underlying investments:

Ranges from 0.20% to 0.26% (portfolio weighted average) in the age-based and objective-based portfolios, and from 0.03% to 0.75% in the individual-fund portfolios.

Total asset-based expense ratio:

Class A: 0.35% - 1.25%

Class C: 0.35% - 2.00%

Advisor class: 0.28% - 1.00%

Contact

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Plan Portfolios

There is no investment data available for this plan. Please visit <https://www.franklintempleton.com/planning-and-learning/planning-for/education> for additional information.