



New Jersey - Franklin Templeton 529 College Savings Plan

Data as of: 09/22/19

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 |
|-------------|-------|----------|-------------|------------------|
| 2.93 | 3.64 | 3.61 | 4.36 | 0.40 |

Investment Options

Age-based investment options:

The Age-Based Investment Portfolios option offers the choice of 3 risk levels: Growth, Moderate, and Conservative. Each consists of 8 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:

Select among 5 multi-fund portfolios, (Franklin Founding Funds, Franklin Growth Allocation, Franklin Corefolio, Franklin Growth & Income Allocation, and Franklin Income Allocation), 8 individual-fund portfolios, and a Franklin U.S. Government Money 529 Portfolio.

Underlying investments:

Franklin Templeton mutual funds, a Franklin Templeton money market portfolio and possibly ETFs.

Taxes and other Benefits

Program match on contributions:

There is no program match, however New Jersey beneficiaries are eligible for a one-time scholarship of up to \$1,500 for the first semester at any New Jersey college or university subject to minimum participation and contribution requirements.

State tax deduction or credit for contributions:

None.

State definition of qualified expenses

The state conforms with the federal definition of qualified education expenses, which includes expenses for higher education, as well as up to \$10,000 per year in tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school.

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

Does the program have a formal agreement with a rewards program or outside scholarship 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 Templeton Distributors, Inc.

Program distributor:

Franklin Templeton 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:

With lump-sum contributions, the minimum initial contribution is \$250 per investment option, and the minimum subsequent contribution is \$50. With the automatic investment plan, the minimum contribution level is \$25 per month. Until total contributions to an account reach \$1,200, a minimum of \$300 per year must be contributed to keep an account open

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 0.38% to 0.72% (portfolio weighted average) in the age-based and objective-based portfolios, and from 0.04% to 0.97% in the individual-fund portfolios.

Total asset-based expense ratio:

Class A: 0.34% - 1.47%

Class C: 0.34% - 2.22%

Advisor class: 0.29% - 1.22%

Contact

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Plan Portfolios

There is no investment data available for this plan. Please visit <https://www.franklintempleton.com/investor/products/investment-goals/education-savings/> for additional information.