



## Montana Family Education Savings Program -- Bank Plan

Data as of: 09/23/19

The Montana Family Education Savings Program -- Bank Plan was closed to new enrollments and investments as of July 31, 2015. College Savings Bank, a Division of NexBank SSB continues to provide services to the plan including investment management, customer service and recordkeeping. Account owners invested in CD options will receive notification prior to the maturity date and given the option to rollover matured funds to Achieve Montana or another 529 plan account, or take a qualified or non-qualified distribution of funds.

### 5-Cap Rating

<b>Resident:</b>		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)		
<b>Non-Resident:</b>				
<b>Performance</b>	<b>Costs</b>	<b>Features</b>	<b>Reliability</b>	<b>Resident Upgrade</b>
4.00	N/A	2.23	3.00	0.00

### Investment Options

#### Age-based investment options:

None.

#### Static investment options:

The interest rate on the CollegeSure CD is pegged to a private-college tuition index, less a margin percentage assigned at the time of purchase. The maximum rate in future years is set at a specified percentage over the first-year's rate. The InvestorSure CD has a five-year maturity, and earns interest tied to a percentage of the increase in the S&P 500 Index. Fixed-rate CDs earn interest at the rate posted at the time of purchase, and posted rates may change at any time. The Honors Savings Account earns interest at a variable rate which is reviewed periodically and published online.

#### Underlying investments:

FDIC-insured certificates of deposit and a high-yield savings account from College Savings Bank, a Division of NexBank SSB.

### Taxes and other Benefits

#### Program match on contributions:

None.

#### State tax deduction or credit for contributions:

Contributions to Montana AND non-Montana 529 plans of up to \$3,000 per year by an individual, and up to \$6,000 per year by a married couple filing jointly, are deductible in computing Montana taxable income. Only contributions made by the account owner, the account owner's spouse, or the account owner's custodian/parent are deductible. Contribution deadline is December 31.

#### State tax recapture provisions:

The principal portion of rollovers, qualified withdrawals within three years of establishing the account, and nonqualified withdrawals from this plan are subject to Montana tax at the highest Montana marginal rate to the extent of prior Montana tax deductions, but only after removal of non-deducted contributions.

#### State tax treatment of qualified distributions:

Qualified distributions from Montana and non-Montana 529 plans are exempt.

#### State tax treatment of rollovers:

Montana follows tax-free treatment for rollovers into a Montana 529 plan. Montana tax treatment of rollovers out of a Montana 529 plan is unclear, as Montana law may require that the rollover be treated as a nonqualified withdrawal.

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

No

#### 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 directly with the program.

#### Initial year of operation:

1998

#### State agency(ies):

Montana Board of Regents of Higher Education

#### Program manager:

College Savings Bank, a Division of NexBank SSB

#### Program distributor:

College Savings Bank, a Division of NexBank SSB

### Contributions

#### Maximum contributions:

Accepts contributions until all account balances in Montana's 529 plans for the same beneficiary reach \$396,000.

#### Minimum contributions:

CollegeSure CD:

With lump-sum contributions, the minimum initial contribution is \$250. With the automatic investment plan, the minimum contribution level is \$25 per month via electronic funds transfer, or \$25 per payroll via payroll deduction. Deposits under \$250 are held in an interest bearing savings account, and each time the balance reaches \$250, a CD purchase is made.

InvestorSure CD:

With lump-sum contributions, the minimum initial contribution is \$250. With the automatic investment plan, the minimum contribution level is \$25 per month via electronic funds transfer, or \$25 per payroll via payroll deduction. Deposits under \$250 are held in an interest bearing savings account, and each time the balance reaches \$250, a CD purchase is made on the next CD issue date.

Fixed Rate CDs:

With lump-sum contributions, the minimum initial contribution is \$250. With the automatic investment plan, the minimum contribution level is \$25 per month via electronic funds transfer, or \$25 per pay period via payroll deduction. Deposits under \$250 are held in an interest bearing savings account, and each time the balance reaches \$250, a CD purchase is made.

Honors Savings Account:

The minimum contribution is \$250 and must be contributed by electronic check through the state 529 program website or the College Savings Bank website.

### Fees & Expenses

#### Enrollment or application fee:

None.

#### Account maintenance fee:

None.

#### Program management fees:

None

#### Expenses of the underlying investments:

Not applicable, interest rate on CD is tied to a formula.

#### Total asset-based expense ratio:

None

### Contact

#### Website:

<https://www.collegesavings.com/csbcms/529-Plans/Montana-Residents>

#### Telephone:

1-800-888-2723

There is no investment data available for this plan. Please visit <https://www.collegesavings.com/csbcms/529-Plans/Montana-Residents> for additional information.