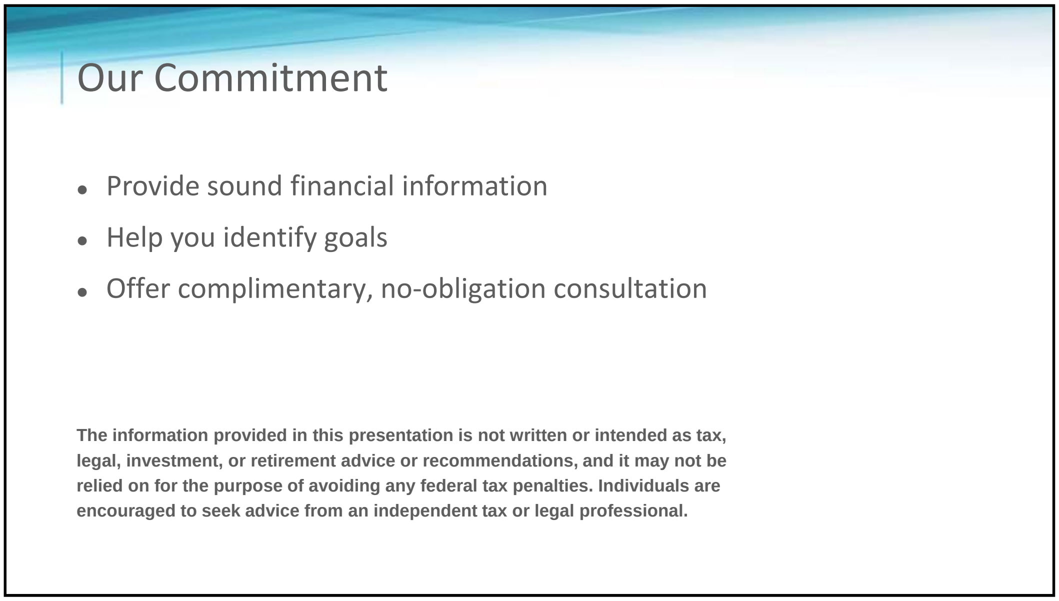
Welcome to our college funding seminar: investing in your children's future. We're glad that you could join us here today.

Before we get started, I'd like to introduce myself and my company.

[Note to presenter: Give a brief personal background, then talk about your organization and give its location. If appropriate, introduce other members of your organization who are in the room and discuss any housekeeping issues.]



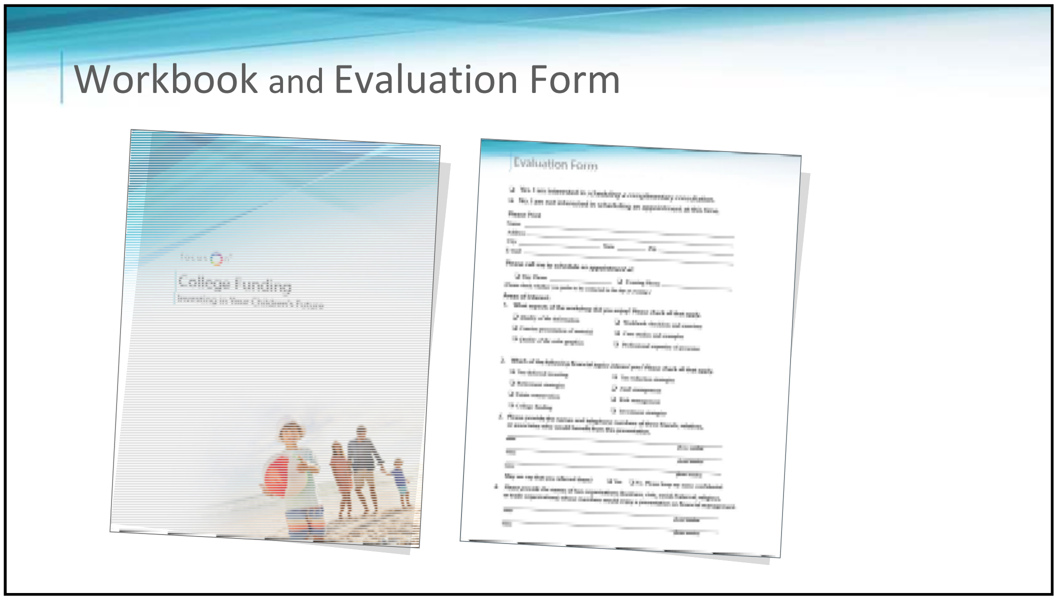
We use seminars like this one to introduce ourselves and to develop strong working relationships with members of the community like you.

Our commitment extends beyond simply offering financial services. We are committed to helping you evaluate your financial situation and giving you tools to help make informed decisions and pursue your financial goals.

We hope that after attending the seminar, you'll want to meet with us in our office. This is a complimentary, no-obligation consultation that we offer to everyone who attends our seminars. During that meeting, we can discuss any questions you have as a result of what we discuss here. If you prefer, we can use that time to examine your specific situation and begin the process of helping you formulate a financial strategy that will suit your needs.

We know that we'll establish a working relationship with you only when *you* are confident that we can be of service. We want you to understand your options and to know how you may benefit from working with us.

The information in this presentation is not written or intended as tax, legal, investment, or retirement advice or recommendations, and it may not be relied on for the purpose of avoiding any federal tax penalties. You are encouraged to seek advice from an independent tax or legal professional based on your individual circumstances.



Let's talk about the workbook you received as you entered.

We've found that people are more likely to remember something they act on rather than something they only hear about. That's why we designed this workbook so you can apply what you learn to your situation. In it you'll find helpful materials that reinforce the seminar's major points and will be a valuable resource for you.

Feel free to highlight, underline, or make notes in whatever way serves you best.

Inside your workbook, you'll find an evaluation form just like this one.

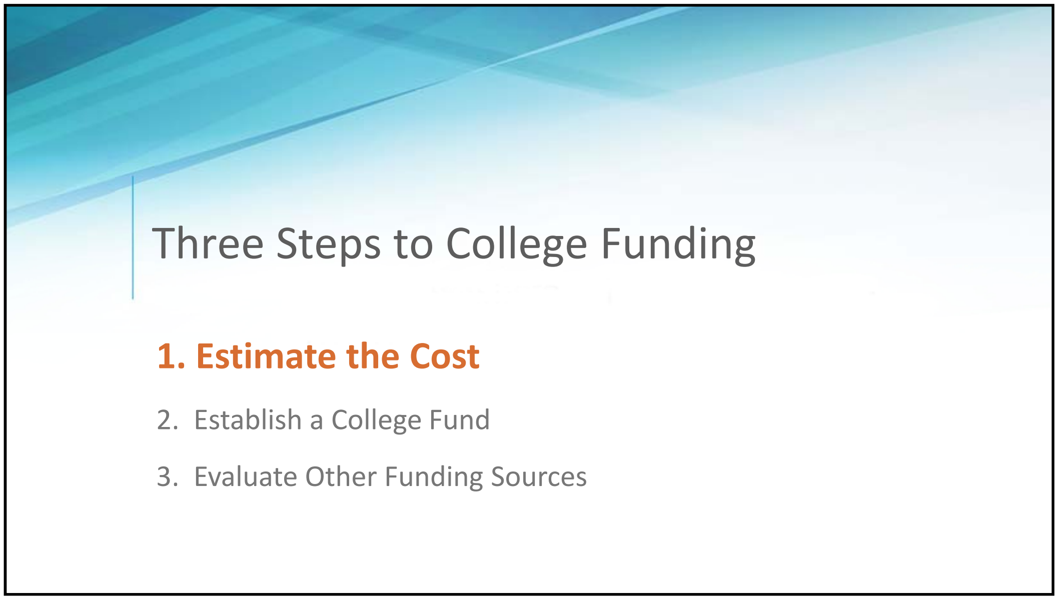
[Note to presenter: Pull out an evaluation form for your seminar participants to see.]

At the end of the presentation, please use this form to tell us whether you're interested in taking advantage of the complimentary consultation.

We'd like to make you two promises concerning this form. First, if you check "Yes, I am interested in scheduling a complimentary consultation," we'll call you in the next couple of days and set up an appointment. Second, if you check "No, I am not interested in scheduling an appointment at this time," we won't call you directly after the seminar.

In exchange for these two promises to you, please promise that you will fill out this form. Many seminar attendees do come in for a consultation, so we've set aside time just to meet with you.

When you do come to our office, feel free to leave your checkbook at home. We are very interested in developing working relationships with you, but that decision is yours.



Now let's get started.

During this presentation, we're going to focus on three steps for funding your child's college education.

We'll start by estimating the cost. If you have a goal to work toward, you can be more successful in reaching it.

Next, we'll review various college savings options that you can use when establishing a college fund.

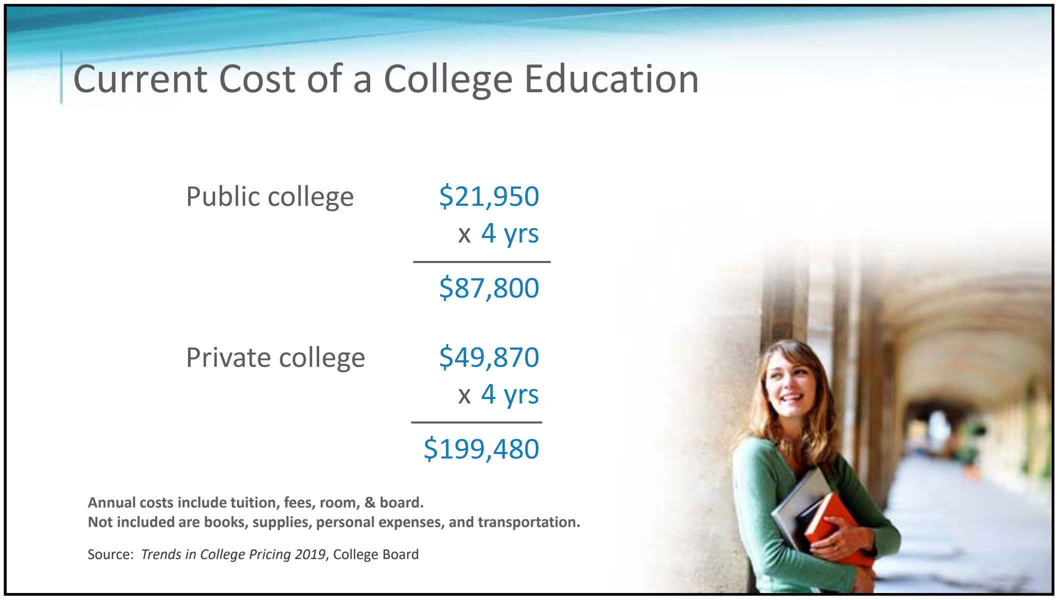
Then we'll evaluate additional funding sources — some of which you may already be aware, as well as others you might not have considered.

If I can impress upon you one thing during this presentation, it is the importance of acting now.

Nearly two-thirds of parents with a child younger than 18 who might attend college someday are saving for college or planning for how to meet college costs.

Parents who are preparing for future college costs are much more likely to feel confident that they will be able to meet the costs compared with parents who are not saving or preparing.

Source: *How America Saves for College 2018*, Sallie Mae



Here's why preparing now for your child's college education is so important. Many parents don't realize that the average total cost for four years at an in-state public college is currently approaching $90,000. That's right — $90,000![1]

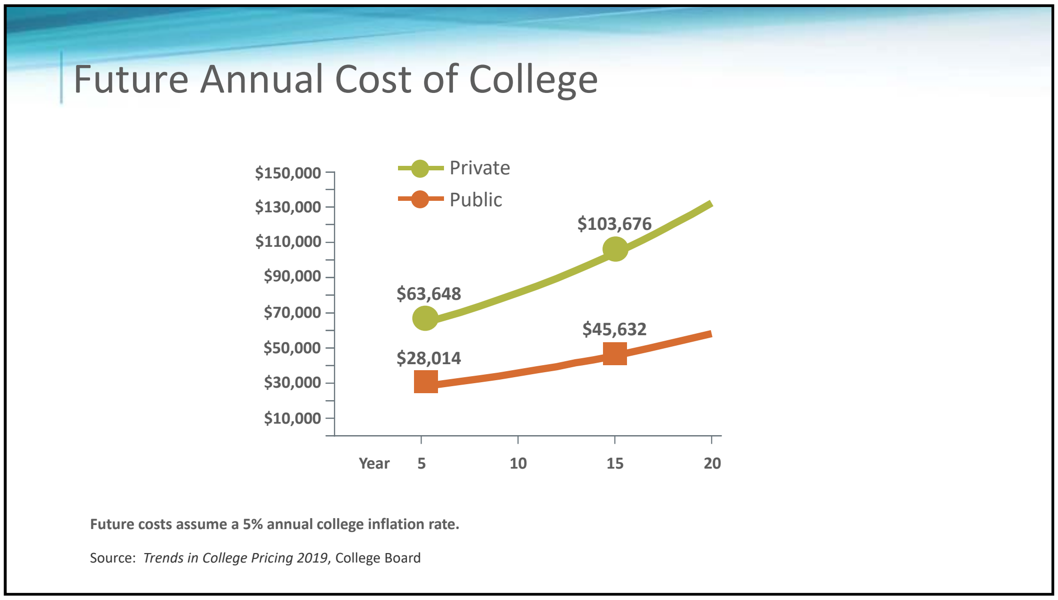
For the 2019–2020 academic year, the average cost at a four-year public college is $21,950. This number is for state residents; out-of-state costs are significantly higher.

Private schools are even more expensive. The average annual cost at a four-year private college in 2019–2020 is $49,870, bringing the total four-year cost to almost $200,000. Many private colleges cost considerably more. These figures include tuition, fees, room, and board; they don't include books, personal expenses, transportation, and any other indirect costs.

And unfortunately, the four-year costs shown here will likely be even higher in the future because they don't reflect college inflation.

[Note to presenter: You should know the current costs of the major colleges and universities in your area and state and be able to compare them to these numbers when appropriate.]

Source: *Trends in College Pricing 2019*, College Board

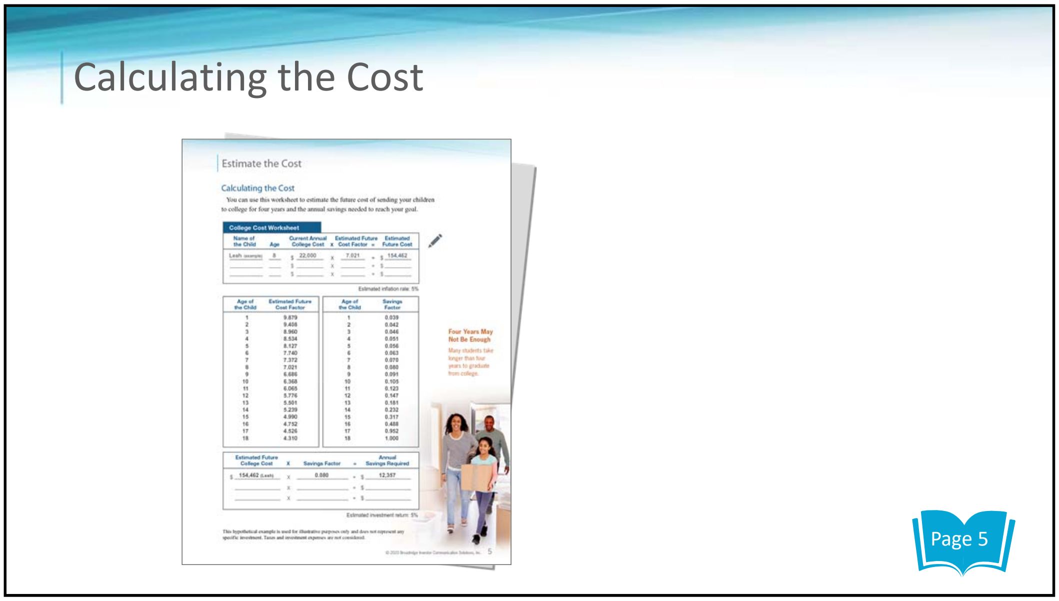


Many people don't realize the impact that college inflation can have on overall costs. Over the past 10 years, the rate of college inflation has generally been *double* the rate of general inflation, as measured by the Consumer Price Index.

If college inflation grows by a rate of 5 percent each year, in 5 years the average annual cost of a public college could reach $28,014, and the average annual cost of a private college could reach $63,648.

Looking 15 years out and using the same assumptions, the average annual cost for a public college could be $45,632; for a private college, it could be $103,676!

Source*: Trends in College Pricing 2019*, College Board



The College Cost Worksheet on page 5 can be used to estimate the future cost of sending your child or children to college for four years and to help you calculate how much you need to save each year.

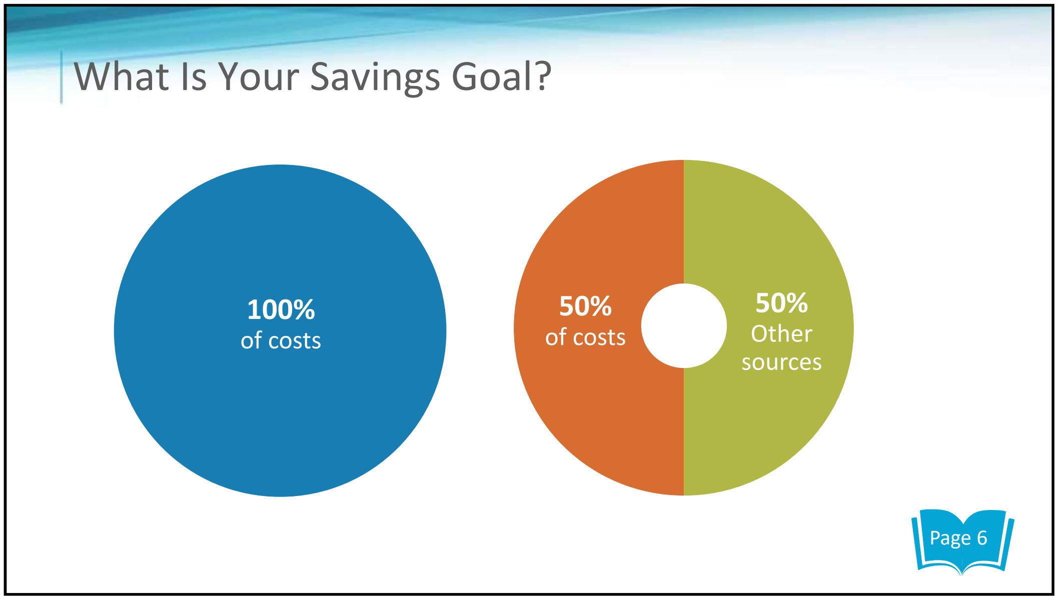
[Note to presenter: Pause to give participants sufficient time to locate the workbook exercise, then walk through the hypothetical example with attendees.]

Let's go through a hypothetical example to see how the worksheet works. We'll assume that a couple's child, Leah, is **8 years old** and will start college in 10 years.

The current annual cost of the college the parents would like Leah to attend is **$22,000**. To determine the potential future cost, look at the table below on the left side. The estimated future cost factor for an eight-year-old is **7.021**. *(The future cost factor is based on a 5 percent inflation rate.)* Multiplying the current annual cost for the college Leah might attend ($22,000) by the estimated future cost factor (7.021) results in an estimated future cost of **$154,462** for four years of college.

We enter the $154,462 estimated college cost in the first space below and look up the savings factor for an eight-year-old in the Savings Factor table. *(The savings factor is based on a hypothetical 5 percent annual return.)* Multiplying the **0.080** savings factor for an eight-year-old by the family's estimated future college cost ($154,462) equals **$12,357**, which is the amount the couple must save annually until Leah enters college.

This hypothetical example is used for illustrative purposes only. Actual college costs, inflation rates, and investment performance will vary.

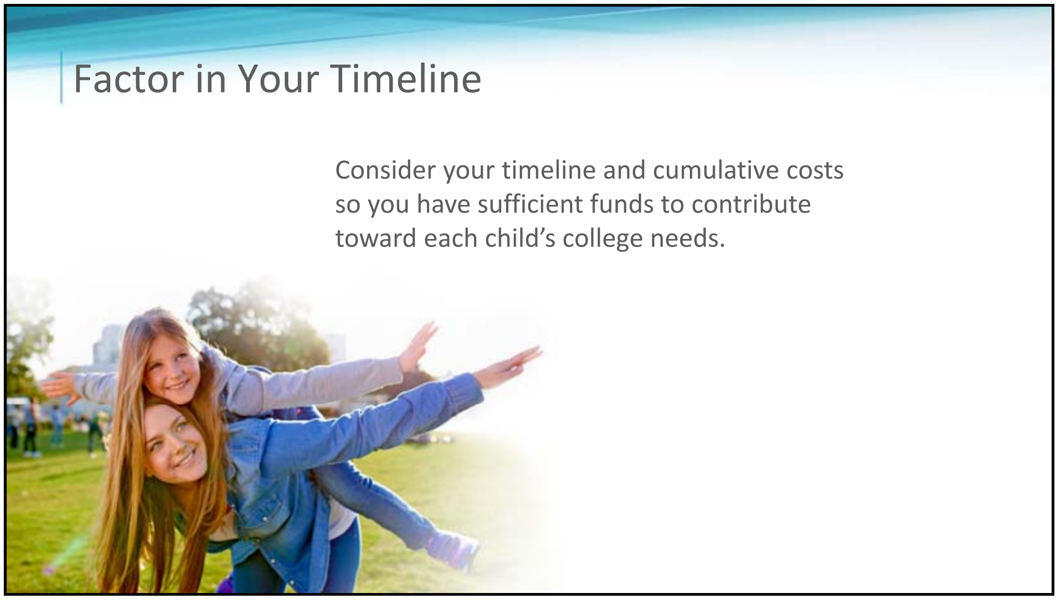


So now that you have an understanding of the costs you might be facing, what is your savings goal?

Are you hoping to fund 100 percent of your child's college education? Or do you expect to pay a percentage of the costs?

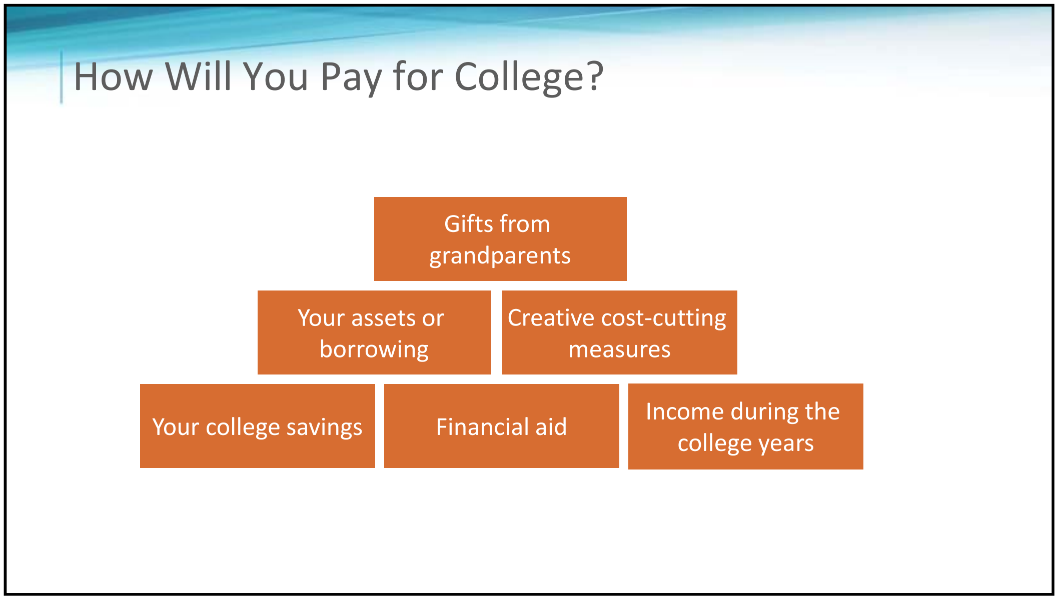
On page 6 in your workbook, you can write down your college savings contribution goal. Place a check mark next to your target: 25 percent, 50 percent, 75 percent, 100 percent (or other).

Not all parents expect to pay — or can afford to pay — the entire amount of their child's college costs. Think of your college savings as a down payment on the total cost, similar to a down payment on a home. A good benchmark is to aim to save at least 50 percent of your child's projected college costs. Then at college time, you can supplement this savings with other funding sources.



As you estimate future costs, you'll need to consider your timeline. How many years remain before you will need money for your oldest child's first year of college? If you have more than one child, will you have two or more children in college at the same time?

Determine your timeline and cumulative costs so you can establish a college funding goal for each child.



Think of your college savings as just one piece of the college financing puzzle.

In addition to your own savings, some of your child's college costs may be covered by:

- Financial aid
- Your income during the college years, plus any income your child might earn from a part-time job
- Your assets or borrowing during the college years, such as tapping your home equity
- Creative cost-cutting measures, such as having your child attend a community college for two years before transferring to a four-year college, or encouraging your child to choose an accelerated program where he or she can graduate in three years instead of four

And perhaps, if you're lucky:

- Generous gifts from grandparents or other relatives

Even though these potential resources are off in the future, knowing about them now might help you feel better as you build your college fund.

The important takeaway here is that your college savings are the cornerstone of any successful college financing plan.