

ColumbiaManagement  
Future Scholar



529 College Savings Plan



Because you can help make their  
**dreams come true**

**We want you to know:**

The Columbia Management Future Scholar 529 College Savings Plan is sponsored by the state of South Carolina. Investments made in Future Scholar are:

**Not FDIC insured**

**May lose value**

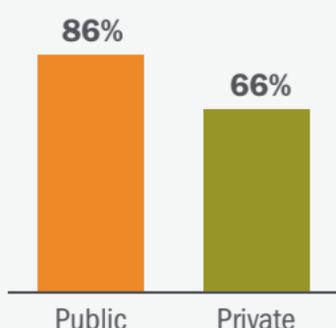
**No bank, state or federal guarantee**

# Finding a solution to the college cost dilemma

Saving for college can be challenging. The College Board reports in its annual publication *Trends in College Pricing 2011* that average tuition and fees for in-state students at public four-year colleges increased 8.3% between the academic years 2010–11 and 2011–12. Average private four-year tuition and fees increased 4.5% during the same period.

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## Total charges increase over past decade, academic years 2001–02 to 2011–12\*



The College Board reports the increase in total charges over the last decade as 86% for four-year public schools and 66% for four-year private schools. This underscores the importance of financial preparation.

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Given the already high average costs of tuition, fees, room and board (\$38,589 per year for private four-year schools and \$17,131 per year for public four-year schools for the 2011–12 academic year, according to The College Board), planning for this future expense with your financial advisor is an important consideration.

With income, gift and estate tax benefits, as well as flexible investment options, the Columbia Management Future Scholar 529 College Savings Plan could help you offset the widening gap between your family's income and future college costs. Please refer to the program description for more information, as conditions apply.

\* Trends in College Pricing. © 2011 The College Board. collegeboard.com. Total charges include tuition, fees, room and board.

## **Choose from industry leaders**

Future Scholar offers portfolios with funds from some of America's leading money managers. Select the option that best serves your specific college savings needs.

## **Investment options**

### **> Age-based option**

Select one of three risk tracks — Conservative, Moderate or Aggressive — that most closely corresponds with your child's age as well as your comfort level with risk over time.

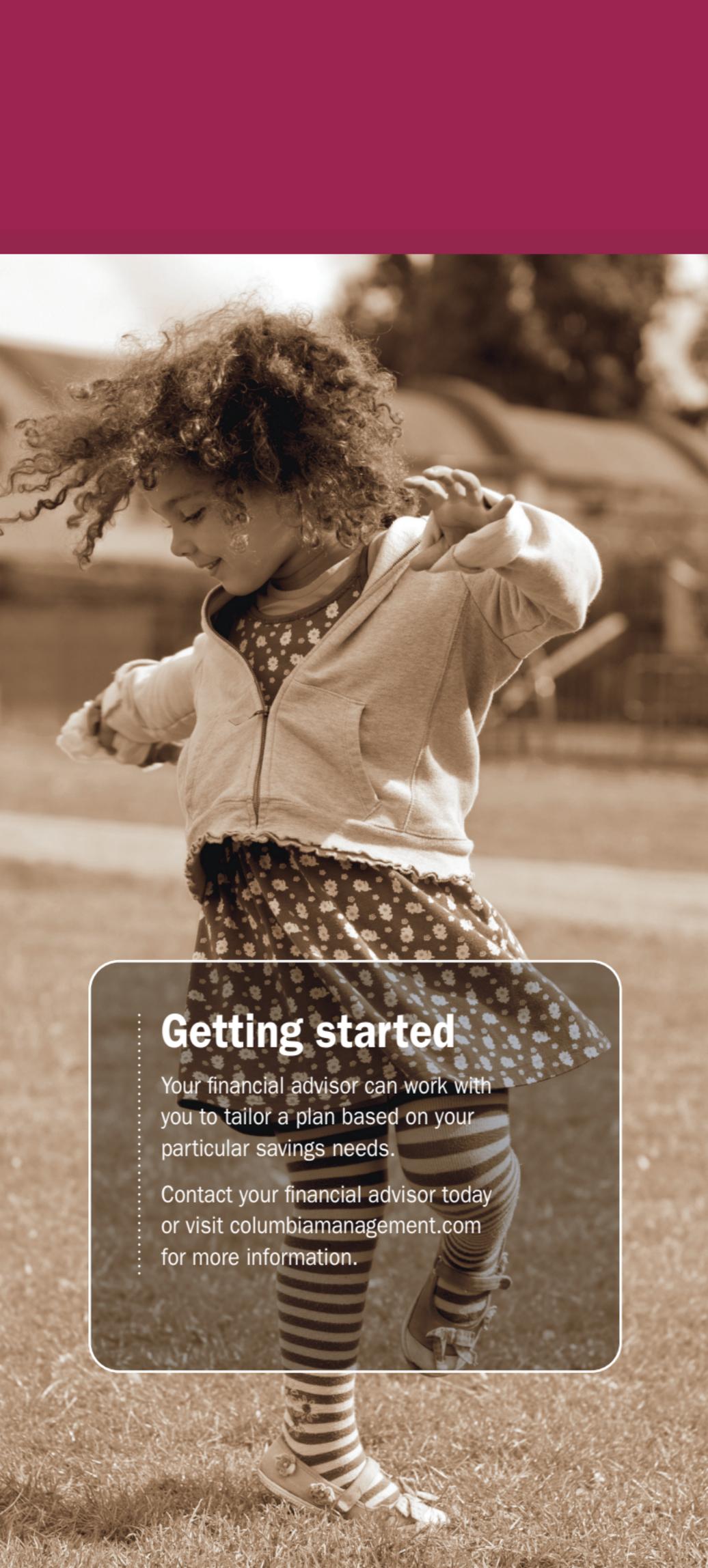
### **> Target allocation option**

Choose one of seven target allocation portfolios, each offering a distinct investment objective ranging from aggressive to more conservative.

### **> Single-fund option**

Choose from a variety of funds, ranging from stocks to bonds and money market funds, so you can customize your portfolio based on your investment strategy.

Please remember there's always the potential of losing money when you invest in securities.



## Getting started

Your financial advisor can work with you to tailor a plan based on your particular savings needs.

Contact your financial advisor today or visit [columbiamanagement.com](http://columbiamanagement.com) for more information.

# A tax-advantaged way to save

## **Tax-deferred growth**

Any earnings in the account grow free of federal taxes while invested.

## **Tax-free distributions for qualified withdrawals**

Assets withdrawn for qualified higher education expenses are exempt from federal income taxes.

## **Gift and estate tax benefits**

Contributions are considered completed gifts for federal and estate tax purposes, but account owners still retain full control of the account, including the ability to change beneficiaries.

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## **Tax-deductible contributions for South Carolina residents**

If you file a resident or nonresident South Carolina tax return, you may be eligible to deduct your Future Scholar contributions from your South Carolina state income tax return, up to the maximum account contribution limit of \$318,000 or any lower limit under applicable law. When you withdraw money to pay for qualified higher education expenses, you pay no South Carolina state income tax on your withdrawals.

Residents or taxpayers of other states should consider whether that state offers a 529 plan with tax or other benefits not available through this program. Consult your tax advisor.

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**Please consider the investment objectives, risks, charges and expenses associated with 529 plan investments before investing. Contact your financial advisor or visit [columbiamanagement.com](http://columbiamanagement.com) for a program brochure, which contains this and other important information about the 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 benefits that are only available for investments in such state's qualified tuition program.**

The Advisor Plan is sold exclusively through financial advisors, while the Direct Plan is sold directly by the Program. Participation in the Direct Plan is limited to eligible investors, as described in the Program Description. The Direct Plan offers a more limited selection of investment choices than the Advisor Plan, and the fees and expenses are lower. Please refer to the Program Description for more information.

**Columbia Management Investment Distributors, Inc., member FINRA, is the distributor and underwriter for 529 plans available through Columbia Management.** The Office of State Treasurer of South Carolina (the State Treasurer) administers the Program, and has selected Columbia Management Investment Advisers, LLC and Columbia Management Investment Distributors, Inc. (Columbia Management) as Program Manager. Columbia Management and its affiliates are responsible for providing certain administrative, recordkeeping and investment services, and for the marketing of the Program. Columbia Management is not affiliated with the State Treasurer.

**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 about any state or local taxes before making any tax-related decisions. The tax information set forth in this brochure is general in nature and does not constitute tax advice on the part of Columbia Management Investment Distributors, Inc., its affiliates or the South Carolina Office of State Treasurer.



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