



L I F E T I M E P L A N N I N G

# Preparing for College

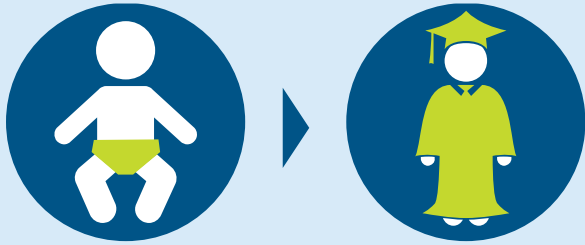
**Brian Padrick, CFP®   Eric Smith, JD, CFP®   Brandon  
Smith**

[www.lifetimeplanning.biz](http://www.lifetimeplanning.biz)

# It's Never Too Early to Start Preparing for College Payments

"I hear babies cry, I watch them grow, they'll learn much more than I'll ever know." —Louis Armstrong

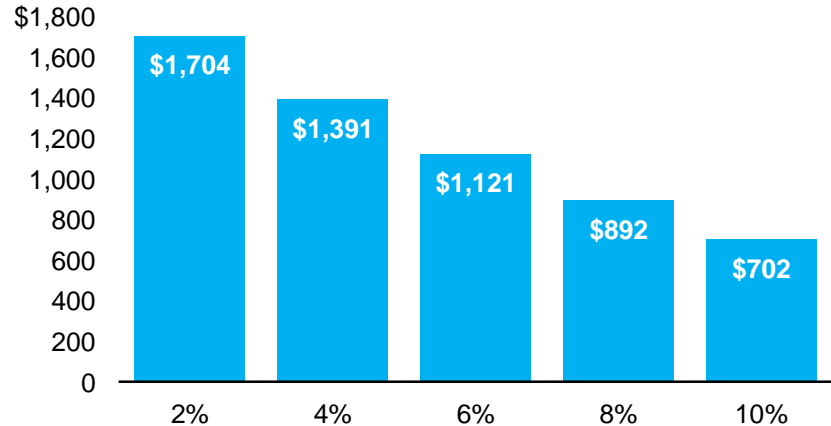
Newborn 18 years until college



Projected Cost 4-Year Private University Tuition

**\$520,000**

Monthly contributions required to meet goal at various returns



# 529 Plans. Allows Your Savings to Grow Tax Free

“Education is the most powerful weapon which you can use to change the world.” —Nelson Mandela

## Key Details



### Cash Is King

Contributions must be made in cash



### The Sky Is the Limit

Essentially no contribution limits



### Tax-Advantaged

Tax-free growth and withdrawals\*



### No Border Control

Not limited to your state



### Financial Aid

Plan funds count against financial aid

## Key Uses



Tuition



Books



Supplies and Equipment



Room and Board

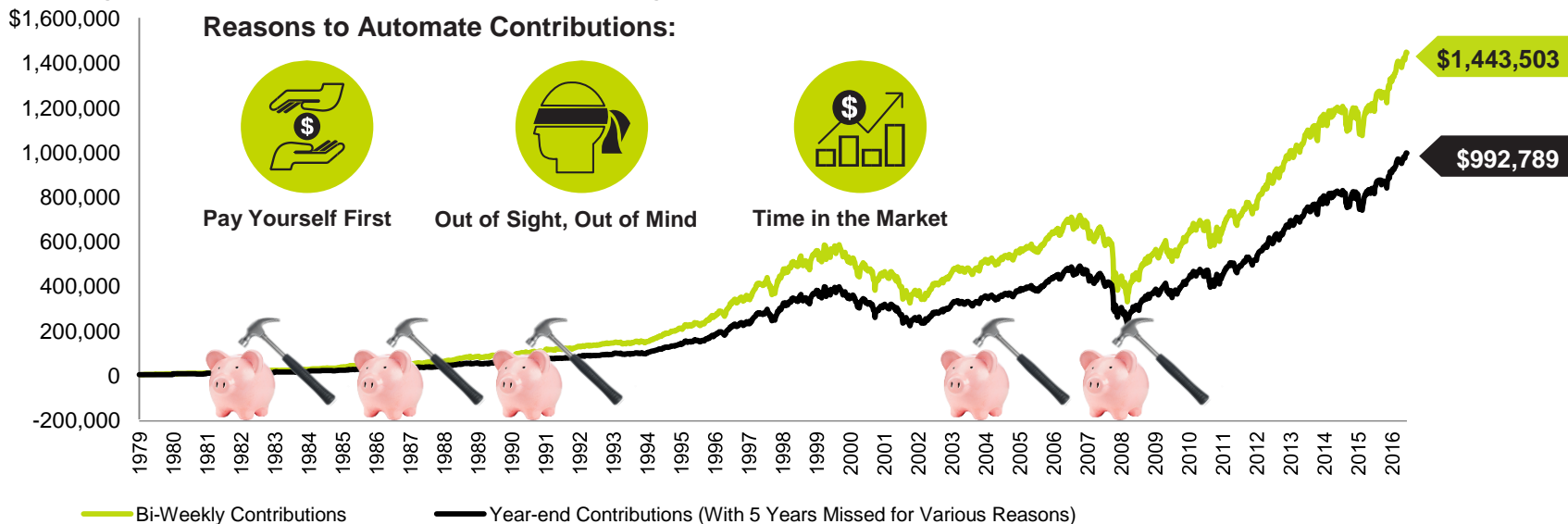


Student Loans and Interest

\*Withdrawals must be for qualified educational expenses. Slide is for illustrative purposes only.

# Automate Your Investments

“Good habits, which bring our lower passions and appetites under automatic control, leave our natures free to explore the larger experiences of life. Too many of us divide and dissipate our energies in debating actions which should be taken for granted.” —Ralph W. Sockman



Slide is for illustrative purposes only.

Source: Bloomberg, 12/31/16. Assumes a 10% savings rate of a \$35,000 a year salary beginning in 1980. Bi-weekly contributions assumes 10% of each paycheck vs. once a year contributions of 10% of \$35,000 on the last day of the year. All contributions are pre-tax and all returns are market based on the S&P 500 Index over a 35year time horizon (age 30–65). **Past performance does not guarantee future results.**

## Index Definitions

The 10-Year U.S. Treasury Yield is generally considered to be a barometer for long-term interest rates.

The Alerian MLP Index is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs).

The Bloomberg Barclays U.S. Aggregate Bond Index is an index of U.S. Government and corporate bonds that includes reinvestment of dividends.

The Bloomberg Barclays Aggregate Corporate Bond Index represents primarily investment-grade corporate bonds within the Bloomberg Barclays U.S. Aggregate Bond Index. The Bloomberg Barclays Aggregate U.S. Treasuries Index represents public obligations of the U.S. Treasury with a remaining maturity of one year or more.

The Bloomberg Barclays High Yield Bond Index covers the universe of fixed rate, non-investment-grade debt. The JPMorgan GBI-EM Global Diversified Index tracks total returns for local-currency-denominated money market instruments in the emerging markets.

The Bloomberg Barclays Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market and includes bonds rated investment-grade by at least two of the three major rating agencies (Moody's, S&P and Fitch). SBBI U.S. Large Company Stock Index is an unmanaged index of stocks of large U.S. companies.

SBBI U.S. Long-Term Government Bond Index is an unmanaged index generally representative of the bond market. SBBI U.S. Small Company Stock Index is an unmanaged index of stocks of small U.S. companies.

SBBI U.S. (30-day) Treasury Bills is generally representative of the rate of return on a savings investment.

The Russell 2000 Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap Index measures the performance of mid-capitalization stocks.

The Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The Russell Midcap Value Index measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values.

The S&P 500 Index is a market-capitalization weighted index of the 500 largest domestic U.S. stocks. Shiller Home Price Index tracks changes in home prices throughout the United States.

Treasury Inflation Protected Securities is generic U.S. Government inflation-index bonds.

The U.S. existing home sales median price tracks changes in residential property prices of existing single-family homes, condos and co-op sales.

Indices are unmanaged and cannot be purchased directly by investors. Index performance is shown for illustrative purposes only and does not predict or depict the performance of any investment. **Past performance does not guarantee future results.**

## Disclosures and Special Risks

These views represent the opinions of OppenheimerFunds, Inc. and are not intended as investment advice or to predict or depict the performance of any investment. These views are as of the open of business on December 31, 2017, and are subject to change based on subsequent developments.

Investing involves risk and the possible loss of principal. Mutual funds and exchange traded funds are subject to market risk and volatility. Shares may gain or lose value. Capital gains distributions are taxable as capital gains.

**Shares of Oppenheimer funds are not deposits or obligations of any bank, are not guaranteed by any bank, are not insured by the FDIC or any other agency, and involve investment risks, including the possible loss of the principal amount invested.**

This material is provided for general and educational purposes only, is not intended to provide legal or tax advice, and is not for use to avoid penalties that may be imposed under U.S. federal tax laws. OppenheimerFunds is not undertaking to provide impartial investment advice or to provide advice in a fiduciary capacity. Contact your attorney or other advisor regarding your specific legal, investment or tax situation.

*Before investing in any of the Oppenheimer funds, investors should carefully consider a fund's investment objectives, risks, charges and expenses. Fund prospectuses and summary prospectuses contain this and other information about the funds, and may be obtained by asking your financial advisor, visiting [oppenheimerfunds.com](http://oppenheimerfunds.com) or calling 1 800 CALL OPP (225 5677). Read prospectuses and summary prospectuses carefully before investing.*

Oppenheimer funds are distributed by OppenheimerFunds Distributor, Inc.

225 Liberty Street, New York, NY 10281-1008

© 2017 OppenheimerFunds Distributor, Inc. All rights reserved.

TH0809.100.1117 December 31, 2017