my529 introducing stable value fund

PIMCO INTEREST INCOME FUND TO BE ADDED TO AGE-BASED AND CUSTOMIZED OPTIONS

On August 17, 2018, my529 will add the PIMCO Interest Income Fund, a stable value fund, to all predetermined Age-Based investment options, and as an optional underlying fund for owners of Customized Age-Based and Customized Static accounts who design their own investment allocations.

Stable value refers to an asset class that focuses on capital preservation and daily liquidity, while providing steady returns to investors. A stable value fund invests in high quality short-term and intermediate-term government and corporate bonds. The fund contracts with insurance companies and banks to help smooth investment volatility using wrap contracts. A wrap contract typically allows investors to transact at their original invested balance plus any interest earned on the investment.

The PIMCO Interest Income Fund is run by Pacific Investment Management Company (PIMCO), an investment firm based in Newport Beach, California, with $1.77 trillion in assets under management as of March 2018.

Age-based options

The introduction of the PIMCO Interest Income Fund will reduce the allocation percentages of the Vanguard Short-Term Investment Grade Fund and the FDIC-insured accounts in my529’s predetermined Age-Based investment options. You can view the new asset allocations and glide paths for the predetermined Age-Based options in the tables on page 2.

The change is automatic and no action is required by owners of predetermined Age-Based accounts. The addition of the fund does not count as an investment option change for account owners in the predetermined Age-Based investment options.

Customized options

Customized Age-Based and Customized Static account owners who choose to invest in the PIMCO Interest Income Fund are able to use the new fund as an optional underlying fund.

my529 lowers most administrative fees

my529 is cutting the annual Administrative Asset Fee on its Age-Based and Customized investment options, effective August 1, 2018.

The Administrative Asset Fee charged to predetermined Age-Based accounts will be lowered to 0.14 percent, or $1.40 per $1,000 invested, from 0.16 percent, or $1.60 per $1,000 invested.

The cut follows reductions made just last year.

The fee charged to Customized Age-Based and Customized Static accounts will be reduced to 0.19 percent, or $1.90 per $1,000 invested, from 0.20 percent, or $2.00 per $1,000 invested.

Photo courtesy Historic Vehicle Association.
can determine the allocation percentage that is appropriate for them. However, adding the fund to a customized investment option will count as one of two allowable investment option changes in a calendar year.

Predetermined Static investment options are not affected by the change.

**Fees**

The PIMCO Interest Income Fund may increase the annual Asset-Based Fees for the predetermined Age-Based options, depending on the portfolio applicable to the age bracket of the beneficiary. However, the higher cost is expected to be offset by higher returns and reduced volatility. The initial investment management fee for the new fund is 0.129 percent. In the future, the management fee could be higher or lower depending on the total invested assets under management.

my529 is also reducing the Administrative Asset Fee for all the predetermined Age-Based and Customized options. See page one.

If you have questions about the PIMCO Interest Income Fund or the changes to the predetermined Age-Based options, contact my529 at info@my529.org or call toll-free 800-418-2551.

**my529 will release new program description in August**

my529 will publish a revised version of the Program Description in mid-August, with updated information account owners need to know about participating in the my529 program.

The newest Program Description replaces the July 14, 2017, Program Description and incorporates a Supplement published February 5, 2018.

Highlights of the latest Program Description include:

- A refreshed design giving the document a friendly look across all sections
- Adding the PIMCO Interest Income Fund into the underlying investments available to the predetermined Age-Based investment options and the Customized Age-Based and the Customized Static investment options
- Adding K-12 tuition expenses as a qualified education expense
- Adding ABLE accounts for the same qualified education expense
- Adding the PIMCO Interest Income Fund into the underlying investments available to the Customized Age-Based and the Customized Static investment options
- Adding ABLE accounts for the same beneficiary as a permitted rollover destination from my529 account balances through December 31, 2025

my529 revises the Program Description every 12 to 18 months to inform account owners of any changes to the program.
High school students who live for writing, literature, drama, or debate classes may wonder how their interests would translate into a college major and then a career. Perhaps they should set their sights on the law.

University of North Carolina law professor Carissa Byrne Hessick spoke with my529 about how a law degree incorporates a broad range of skills that, when developed and nurtured, can provide a competitive edge.

"As someone who had to finance most of my education myself, I started saving early for my own children's higher education."

Hessick, who once worked for federal judges and at a corporate law firm, earned a bachelor's degree at Columbia and a Juris Doctor at Yale Law. She practiced law for three years before transitioning into a career as a law professor with a focus on criminal law.

Hessick’s professorial work includes postings at the University of Utah, Arizona State University, and Harvard University law schools.

What do you love about what you do?
My job consists of two very different tasks. The first is teaching law students, and the second is writing books and articles. Teaching students how to think and challenge themselves is very rewarding.

Writing books or articles is basically the opposite. It is painstakingly slow, and it takes months to have a breakthrough. But those breakthroughs … help me better understand and appreciate the ideas that I talk to my students about in class. I love both of these tasks, and I feel extremely lucky to have a job that asks me to do both.

What’s the best advice you received?
At some point in your career, you have to become your own teacher. You eventually become responsible for making sure that you are holding yourself to the highest standards.

What advice do you have for K-12 students interested in a law degree?
Law requires a few different skills: You have to be a good reader, a good writer, a rigorous thinker, and a hard worker.

The law requires you to be well-rounded, so don’t let yourself become too specialized in high school or college. Even if you don’t take a lot of classes outside of your major, make sure that your hobbies and interests don’t let your focus become too narrow.

What positive impact can law school have on students?
It teaches students not only about the law, but also how to solve problems. … Law students figure out how to [draw on] their own strengths and creativity so that they can solve any problem that life—or an employer—throws at them.

What does it look like to be an attorney right out of law school?
A legal career can mean many different things. … You can represent corporate clients, or you can work for a nonprofit to help achieve a particular social goal. You can even take your law degree into the business world and use it as background to help a company succeed. There are really no limits.

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Relevant school activities
- Debate team, high school and college
- Moot court, law school (In moot court, students act as lawyers to argue a case before a panel of judges.)
- Internship at local prosecutor’s office, law school
- Editor, Yale Law Journal
How to make account withdrawals

Graduations have come and gone, and summer is here. Before you know it, your high school graduate will be off to college, and you may be ready to withdraw your my529 funds to pay for school expenses.

But just what is considered a qualified higher education expense? Tuition, mandatory fees, textbooks, supplies and equipment (including computers), and certain room and board costs can all be covered with funds from your my529 account.

Withdrawing funds is easy and can be done either online through Account Access at my529.org or by mailing/faxing a Withdrawal Request (Form 300) to our offices. Either way, it is a simple process.

1. Choose whether it is a partial or full-balance withdrawal.
2. Select who will receive the funds—the account owner, the beneficiary, or the school directly.
3. Determine if it is a qualified or nonqualified withdrawal.

Speed up withdrawals

Link a bank account to your my529 plan

The time has come to withdraw funds from your my529 account. The faster and more convenient way is through an electronic withdrawal rather than waiting for a paper check from my529.

Through Account Access at my529.org, an account owner can link his or her my529 account to the account owner’s — or the beneficiary’s — bank account.

To link a bank account

In Account Access, look on the left side for the Manage Contributions heading, and click on Manage Linked Bank Accounts.

The following page has two sections, one to link a bank account for the account owner, and one for the beneficiary.

When you click “Add a bank account link” for either the owner or beneficiary, a window pops up in which to enter bank information. Check the small box to initiate bank account verification. The verification process can take up to three business days to complete.

Electronic withdrawals

When you request a withdrawal, you will see an option to select an electronic withdrawal if a savings or checking account has been linked prior to the request. Withdrawn funds via electronic withdrawal will appear in the bank account within three to five business days, as opposed to seven to 10 business days via check.

K-12 tuition withdrawals

my529 funds can be used for kindergarten through 12th grade (K-12) tuition expenses at a public, private, or religious school. Withdrawals for K-12 tuition expenses cannot exceed a total of $10,000 per year per beneficiary from all 529 accounts (regardless of who owns the account).

my529 distributes withdrawals to pay for K-12 tuition expenses only to the account owner.
## AGE-BASED INVESTMENT OPTIONS

<table>
<thead>
<tr>
<th>Age-0-3</th>
<th>Age-4-6</th>
<th>Age-7-9</th>
<th>Age-10-12</th>
<th>Age-13-14</th>
<th>Age-15</th>
<th>Age-16</th>
<th>Age-17</th>
<th>Age-18</th>
<th>Age-19+</th>
</tr>
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<tbody>
<tr>
<td>-0.32%</td>
<td>-0.32%</td>
<td>-0.24%</td>
<td>-0.19%</td>
<td>-0.16%</td>
<td>-0.12%</td>
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<td>1.28%</td>
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<td>0.20%</td>
<td>0.15%</td>
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<td>11.92%</td>
<td>11.92%</td>
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<td>6.86%</td>
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<td>4.71%</td>
<td>3.84%</td>
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<td>9.43%</td>
<td>9.42%</td>
<td>8.10%</td>
<td>6.67%</td>
<td>5.33%</td>
<td>5.03%</td>
<td>3.63%</td>
<td>3.34%</td>
<td>3.05%</td>
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<td>10.99%</td>
<td>10.99%</td>
<td>9.33%</td>
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<td>5.80%</td>
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<td>3.49%</td>
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<td>8.89%</td>
<td>8.89%</td>
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<td>7.36%</td>
<td>6.24%</td>
<td>6.15%</td>
<td>4.82%</td>
<td>4.73%</td>
<td>4.65%</td>
<td>5.14%</td>
</tr>
<tr>
<td>10.26%</td>
<td>10.26%</td>
<td>9.37%</td>
<td>8.25%</td>
<td>6.89%</td>
<td>6.84%</td>
<td>5.25%</td>
<td>5.19%</td>
<td>4.73%</td>
<td>5.14%</td>
</tr>
</tbody>
</table>

### Important Information Regarding Investments in my529

The performance returns shown in the table above are based on a $10,000 beginning account balance, assuming the money was invested on the first day and held until the last day of each period shown. These returns only reflect the performance returns of a hypothetical $10,000 investment for a particular investment option over the stated period of time. The performance returns shown in the table are not for individual accounts. Individual account performance will vary based on the timing of the initial and subsequent investments, withdrawals (if any), and the account balances.

The returns shown above (a) take into account the underlying investment performance for each period; (b) show applicable interest and dividends; and (c) are net of the Administrative Asset Fee charged by my529 during such periods. Beginning on January 1, 2010, and ending on September 30, 2014, the Administrative Maintenance Fee of up to $15 annually was not reflected on the returns. The Administrative Mail Delivery Fee was included in the performance calculations until September 2014. The fee no longer applies to my529 accounts.

For age-based and static investment options, performance returns shown above assume that (a) prior to January 1, 2007, the investment options did not rebalance; (b) beginning January 1, 2007, and ending December 31, 2012, investment options rebalanced on January 1 of each year to match the target allocations for each investment option at the time; and (c) beginning January 1, 2013, investment returns are based on the aggregate market value of the investment options, which reflect the actual investment rebalancing that takes place on the birthday of each beneficiary. For these reasons and the reasons stated above, the actual returns in an individual account will not match those shown in the tables.

The age brackets in the age-based investment options were changed on July 14, 2017. On that date, the number of age brackets was increased and the investment allocation for each age bracket was changed. The investment option performance shown in the table reflects the historical performance returns for the corresponding age bracket that existed before July 14, 2017. For more information about the investment allocations for these age brackets and their corresponding age-based investment options, see Part 7 Investment Information of the Program Description.

Past performance does not guarantee future results.

### Notes

1. Year-to-date calculations are based on a calendar year; January 1 to the current month-end date.
2. Average Annualized Returns for investment options with an inception date in the past 12 months are cumulative and non-annualized.
3. The inception date is the first date that (a) the investment option was offered and/or received a contribution, or (b) the underlying fund was offered as part of either the Customized Age-Based or Customized Static investment options.
4. The age brackets in the age-based investment options were changed on July 14, 2017. Investment option performance before this date reflects the returns for the corresponding age bracket that existed prior to July 14, 2017.
5. Good to new investments beginning on July 25, 2011.
6. Public Treasurers’ Investment Fund is a pool of money managed by the Utah state treasurer in short-term investments. Good to new investments as an underlying investment in the Customized Age-Based and Customized Static investment options beginning on July 25, 2011.
### Investment Option Performance as of June 30, 2018

<table>
<thead>
<tr>
<th>Static Investment Options</th>
<th>Latest Month</th>
<th>Average Annualized Return</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Three Year</td>
</tr>
<tr>
<td>Equity—100% Domestic</td>
<td>0.60%</td>
<td>11.73%</td>
</tr>
<tr>
<td>Equity—30% International</td>
<td>0.04%</td>
<td>9.69%</td>
</tr>
<tr>
<td>Equity—10% International</td>
<td>0.43%</td>
<td>10.29%</td>
</tr>
<tr>
<td>70% Equity/30% Fixed Income</td>
<td>0.21%</td>
<td>7.85%</td>
</tr>
<tr>
<td>20% Equity/80% Fixed Income</td>
<td>0.03%</td>
<td>3.05%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>0.04%</td>
<td>1.41%</td>
</tr>
<tr>
<td>Public Treasurers’ Inv. Fund: Utah Res.</td>
<td>0.21%</td>
<td>1.25%</td>
</tr>
<tr>
<td>Public Treasurers’ Inv. Fund: Non-Utah Res.</td>
<td>0.20%</td>
<td>1.09%</td>
</tr>
<tr>
<td>FDIC-Insured</td>
<td>0.19%</td>
<td>1.26%</td>
</tr>
</tbody>
</table>

### CUSTOMIZED INVESTMENT OPTIONS

The information below shows the returns for the following underlying investments and are net of the my529 Administrative Asset Fee. Returns on an account invested in the Customized Age-Based or Customized Static investment options will depend upon the underlying investment allocation chosen by the account owner/agent. In addition, individual account performance will vary based on the timing of the investments in the investment option, any cash flow in or out of the my529 account during the investment period, and on the balances in the my529 accounts.

<table>
<thead>
<tr>
<th>Investment Option</th>
<th>Latest Month</th>
<th>Average Annualized Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Total Stock Market Index Fund</td>
<td>0.67%</td>
<td>11.41%</td>
</tr>
<tr>
<td>Institutional Fund</td>
<td>0.59%</td>
<td>11.70%</td>
</tr>
<tr>
<td>Value Index Fund</td>
<td>0.14%</td>
<td>10.12%</td>
</tr>
<tr>
<td>Growth Index Fund</td>
<td>1.18%</td>
<td>13.08%</td>
</tr>
<tr>
<td>Mid-Cap Index Fund</td>
<td>0.90%</td>
<td>9.02%</td>
</tr>
<tr>
<td>Small-Cap Index Fund</td>
<td>0.71%</td>
<td>10.26%</td>
</tr>
<tr>
<td>Small-Cap Value Index Fund</td>
<td>0.35%</td>
<td>10.11%</td>
</tr>
<tr>
<td>Small-Cap Growth Index Fund</td>
<td>1.18%</td>
<td>10.40%</td>
</tr>
<tr>
<td>International Value Fund</td>
<td>-1.43%</td>
<td>4.27%</td>
</tr>
<tr>
<td>International Growth Fund</td>
<td>-0.21%</td>
<td>12.03%</td>
</tr>
<tr>
<td>Emerging Markets Stock Index Fund</td>
<td>-4.52%</td>
<td>3.39%</td>
</tr>
<tr>
<td>Short-Term Investment-Grades Fund</td>
<td>0.02%</td>
<td>1.42%</td>
</tr>
<tr>
<td>Short-Term Bond Index Fund</td>
<td>0.05%</td>
<td>0.61%</td>
</tr>
<tr>
<td>Short-Term Infl.-Prot. Sec. Index Fund</td>
<td>0.22%</td>
<td>0.91%</td>
</tr>
<tr>
<td>Total Bond Market Index Fund</td>
<td>0.02%</td>
<td>1.48%</td>
</tr>
<tr>
<td>High-Yield Corporate Fund</td>
<td>0.27%</td>
<td>0.31%</td>
</tr>
<tr>
<td>Total International Bond Index Fund</td>
<td>0.44%</td>
<td>3.25%</td>
</tr>
</tbody>
</table>

### Important Legal Notice

Investing is an important decision. Read the Program Description in its entirety for more information and consider all investment objectives, risks, charges, and expenses before investing. Call 800.418.2551 for a copy of the Program Description or visit my529.org.

Investments in my529 are not insured or guaranteed by my529, the Utah State Board of Regents, the Utah Higher Education Assistance Authority or any other state or federal agency. Your investment could lose value. However, Federal Deposit Insurance Corporation (FDIC) insurance is provided for the FDIC-insured accounts. Please read the Program Description to learn about the FDIC-insured accounts.

The state in which you or your beneficiary pays taxes or lives may offer a 529 plan that provides state tax or other benefits, such as financial aid, scholarship funds, and protection from creditors, not otherwise available to you by investing in my529. You should consider such benefits, if any, before investing in my529.

my529 does not provide legal, financial, investment, or tax advice, and the information provided in this document does not contain legal, financial, investment, or tax advice and cannot be construed as such or relied upon for those purposes. You should consult your own tax or legal advisor to determine the effect of federal and state tax laws on your particular situation.