

529 Education Savings Plan

Employer Payroll Deduction Enrollment Procedures

The following information will help your organization establish payroll deduction with The Education Plan®. If you have any technical questions about this process, call 1-877-337-5268 Monday-Friday 8 a.m.-7 p.m.

Payroll Deduction Basics

The following instructions apply to employees who choose to contribute through payroll deduction:

- Contributions are made with after-tax dollars
- Contributions must be made by The Education Plan 529 account owner
- An employee must notify you (the employer) of any changes to their payroll deduction instructions

How to Implement Payroll Deduction

Our preferred method is ACH direct deposit. This is similar to the process for the electronic direct deposit of a paycheck into an employee's bank account.

In this case, contributions are directed to the employee's 529 account with The Education Plan through the ACH network. **Minimal administrative support is required from your organization** and employees' contributions are generally processed quickly.

At a Glance

STEP 1

Work with The Education Plan outreach team to initiate the payroll deduction process.

STEP 2

Promote this new benefit and encourage your employees to enroll in The Education Plan

STEP 3

Update ACH instructions and begin payroll deduction.

In More Depth

STEP 1: Establish The Education Plan as a benefit

Congratulations on helping your employees save for future education! Once we collect your contact information, we can help you and your employees begin to save through payroll deduction.

STEP 2: Educate and encourage your employees to enroll

A. Spread the word about this great new college savings benefit.

Invite The Education Plan outreach staff to:

- Give an informational seminar about The Education Plan
- Attend your next benefits fair

Request The Education Plan literature so you can:

- Incorporate it into new hire packets
- Put it on display wherever employees look for benefits information

Notify your employees:

- Send an email out to all employees announcing the new benefit
- Add a link for TheEducationPlan.com to your intranet site

To set up a seminar or to obtain literature, contact The Education Plan outreach staff:

Phone: 505-476-3860 | Email: marketing@theeducationplan.com



B. Employees who want to take part in this voluntary benefit must establish a 529 account with The Education Plan and authorize payroll deduction contributions before they can begin.

Employees can enroll in two ways:

- Online: TheEducationPlan.com
- By mail: Call 1-877-337-5268 for an Enrollment Form

STEP 3: Execute the deduction process

The following steps will help you manage the ACH deduction process.

- As employees pass in their Payroll Deduction Authorization Form, make sure that they contain the employee's Social Security number and their signature.
- Follow your existing procedures for setting up or changing bank deposits from employees' paychecks by entering the following information in your payroll system:
 - The total amount being contributed by the employee per payperiod- The ABA routing number for Mellon Bank (The Education Plan's bank): **011001234**
 - The three-digit prefix (**940**), followed by the first nine digits of the employee's account number with The Education Plan.
 - The ACH transmittal code: "checking" account

If you have any questions about this payroll deduction process, call 1-877-337-5268, Monday – Friday, 8 a.m. to 7 p.m. MT

TheEducationPlan.com

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Processing tips and best practices

The Education Plan will process payroll deduction instructions received by the close of regular trading on all business days when the New York Stock Exchange is open for business. The closing unit value(s) will be used if the Plan receives instructions and account information "in good order. Contributions received after the close of regular trading will be invested at the closing unit value(s) of the next business day.

A contribution is considered "in good order" if:

- ACH instructions contain The Education Plan's correct Mellon Bank ABA routing number and the employee's correct account number with the 940 prefix. (Note: You can locate the routing number on an employee's Payroll Deduction Authorization Form.)
- An employee's account with The Education Plan is established and payroll deduction allocations and instructions are set up for the account.

A contribution is considered "not in good order" if:

- ACH instructions contain an account number that is not recognized or is closed or frozen. In all such cases, the Plan's program manager, Ascensus Broker Dealer Services, LLC, will reject the ACH deduction.

What happens if there is an error in the ACH instructions?

If your organization provides incorrect instructions, any loss will be the responsibility of the organization. Ascensus will not process future contributions until the instructions are corrected.

What if my organization cannot support ACH direct deposit?

Speak to The Education Plan outreach staff to discuss alternative methods.

Phone: 505-476-3860

Email: marketing@theeducationplan.com

Payroll Deduction Authorization Form

Step 1. (FOR EMPLOYEES): Complete this form and return to your employer

Please print this page, sign it, include your Social Security number and the date, and submit it to the HR, benefits, or payroll representative responsible for administering payroll deduction contributions to the Plan. Your employer will initiate or change your payroll deduction after they receive this form.

Employee Name: Sample Employee

Total amount to be deducted per pay period: \$0.00

Employee Signature

Employee SSN

Date

Step 2. (FOR EMPLOYERS): Establish Payroll Deduction Instructions on Your Payroll System

When updating ACH direct deposit instructions for this employee, please make sure that you provide the following information with your transmittal:

1. ABA Number 011001234 (Mellon Bank)

2. Account Number 940 + [9- digit account #]

3. Code Transmittal for Checking

Note: The account number is a 12-digit field. The first 3 digits identify the bank account of The Education Plan. The last 9 digits are the first nine digits of the employee's account number with The Education Plan.

For Employers Transmitting Funds by Check

If you are submitting payroll deduction contributions by check, please mail the check to the appropriate address below, along with a corresponding list containing the name, account number, and contribution amount for each participating employee:

By U.S. mail:

The Education Plan
Ascensus Broker Dealer Services, LLC
PO Box 219331
Kansas City, MO 64121-9331

By registered, certified or overnight mail:

The Education Plan
Ascensus Broker Dealer Services, LLC
1001 E 101st Terrace, Suite 200
Kansas City, MO 64131