



News Release

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SCHWAB INDEX FUNDS, TRUST BANK EARN KEY ROLES IN \$375 MILLION PRIVATE COLLEGE 529 PLAN

\$240 million of the portfolio allocated to Schwab cap-weighted index funds;
100% of assets custodied by Charles Schwab Trust Bank

SAN FRANCISCO, February 27, 2020 – Charles Schwab announced today its role in the \$375 million conversion of [Private College 529 Plan](#), a unique college savings program collectively owned by nearly [300 private colleges and universities](#) nationwide. As of February 10, approximately 65% of the plan’s portfolio – or \$240 million – has been invested in low-cost cap-weighted index funds managed by Charles Schwab Investment Management (CSIM). In addition, Charles Schwab Trust Bank has been named as custodian for all assets in the plan.

“We are so pleased to be part of a program that supports a key planning need for families in such a unique way,” said Omar Aguilar, Chief Investment Officer, Passive Equity and Multi-Asset Strategies at CSIM. “Our goal is to support Private College 529 in its mission to make private college education more affordable.”

In April 2019, Private College 529 appointed Intuition College Savings Solutions, a well-established independent administrator of college savings and prepaid tuition plans, to provide record-keeping and customer services for schools and families. Intuition selected Charles Schwab Trust Bank to serve as custodian for the plan.

Private College 529 also tapped CSIM’s [Portfolio Construction Framework](#) analytics team to take a close look at the plan and conduct asset / liability modeling. Through framework simulations, Schwab was able to illustrate how Private College 529 Plan could help deliver a diversified portfolio designed to have potentially less risk at a lower cost than it was previously paying and still address its liability needs.

“We are thrilled with the collaboration of Intuition and the teams at Charles Schwab to help us enhance service to our college and university members while reducing custody and investment costs,” said Bob Cole, President, Private College 529 Plan. “This helps our member schools, who after all, guarantee tuition and pay these costs. Families pay no fees.”

“Charles Schwab and Intuition were both attractive to us because of their emphasis on helping even more families save for college,” said Timothy R. Warner, Chair of Private College 529’s Board and Vice Provost at Stanford University.

About Private College 529 Plan

[Private College 529 Plan](#) launched in 2003. It is authorized under Section 529 of the Internal Revenue Code. It is the only 529 plan not operated by a state government. Private College 529 is owned by nearly 300 private colleges and universities nationwide. The institutions offer prepaid tuition that can be used at any member or any that join in the future. Ownership of a Private College 529 account does not guarantee admission to any institution or affect the admissions process.

About Intuition College Savings Solutions

Intuition College Savings Solutions is the leading provider in the 529 industry, focused exclusively on development of premiere solutions for the college savings marketplace for over 30 years. ICSS consists of a team of seasoned experts, coupled with Align529™ - a proprietary, adaptable platform - which allows ICSS to continually deliver on the vision of providing the best innovative online experience and customer support in the industry. ICSS currently administers eleven 529 plans with over one million accounts from offices in Jacksonville and Tallahassee, Florida. For more information about Intuition College Savings Solutions and Align529™, visit intuitioncss.com or email info@intuitioncss.com.

About Charles Schwab Investment Management, Inc.

With a straightforward lineup of core products and solutions for building the foundation of a portfolio, Charles Schwab Investment Management advocates for investors of all sizes with a steadfast focus on lowering costs and reducing unnecessary complexity. As of December 31, 2019, Charles Schwab Investment Management managed approximately \$468.9 billion on a discretionary basis and approximately \$18.1 billion on a non-discretionary basis. More information is available at www.schwabfunds.com.

About Charles Schwab Trust Bank

Charles Schwab Trust Bank (CSTB) provides directed trustee or custodian services for more than 15,000 retirement plans, other employee benefit plans and savings plans, with more than \$293 billion in total assets as of January 31, 2020. CSTB also serves as trustee for a number of collective trust funds including the Schwab Managed Retirement Trust Funds™, the Schwab Indexed Retirement Trust Funds® and the Schwab Institutional Trust Funds®, with combined assets of \$18.1 billion as of December 31, 2019.

About Charles Schwab

At Charles Schwab we believe in the power of investing to help individuals create a better tomorrow. We have a history of challenging the status quo in our industry, innovating in ways that benefit investors and the advisors and employers who serve them, and championing our clients' goals with passion and integrity.

More information is available at www.aboutschwab.com. Follow us on [Twitter](#), [Facebook](#), [YouTube](#) and [LinkedIn](#).

Disclosures

Private College 529 Plan (the Plan) is established and maintained by Tuition Plan Consortium, LLC (TPC). Intuition College Savings Solutions, LLC (Intuition) is the Plan Administrator. Charles Schwab Investment Management, Charles Schwab & Co., Inc., Charles Schwab Trust Bank (CSTB) or any of its affiliates are not sponsors of, investment managers or distributors for the Private College 529 Plan. CSTB provides custody services to the plan.

Investors in mutual funds and ETFs should consider carefully information contained in the prospectus, or if available, the summary prospectus, including investment objectives, risks, charges, and expenses. You can view and download a prospectus by visiting schwabfunds.com/prospectus. Please read the prospectus carefully before investing.

As with any investment, it's possible to lose money by investing in a 529 or other educational savings plan. Additionally, by investing in a 529 plan outside of your state, you may lose tax benefits offered by your own state's plan. State tax treatment of earnings may vary. Purchasers of tuition certificates through the Private College 529 Plan should carefully consider the risks associated with purchases and refunds of tuition certificates.

Investors should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available in such state's qualified tuition program.

Information provided here represents Charles Schwab Investment Management's emerging thoughts on portfolio construction. Nothing should be construed as a recommendation or considered an offer to sell or a solicitation to buy any securities. This information is provided for illustrative purposes only and should not be considered personalized investment advice. You should not buy or sell any investment without first considering whether it is appropriate for your client based on his or her own particular situation.

Diversification strategies do not ensure a profit and do not protect against losses in declining markets.

Charles Schwab Investment Management, Inc. (CSIM) is the investment advisor for Schwab Funds, Laudus Funds and Schwab ETFs and provides non-discretionary advisory services to the Charles Schwab Trust Bank (CSTB) Collective Trust Funds. Schwab Funds and Laudus Funds are distributed by Charles Schwab & Co., Inc. (Schwab), (Member [SIPC](#)) which also provides brokerage products and services. Schwab ETFs are distributed by SEI Investments Distribution Co. (SIDCO). Trust and custody services are provided by CSTB. CSIM, Schwab, and CSTB are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation and are not affiliated with SIDCO.

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