

What Advisers Think of 529 Plans

College Savings Foundation

March 2, 2011

San Diego, California

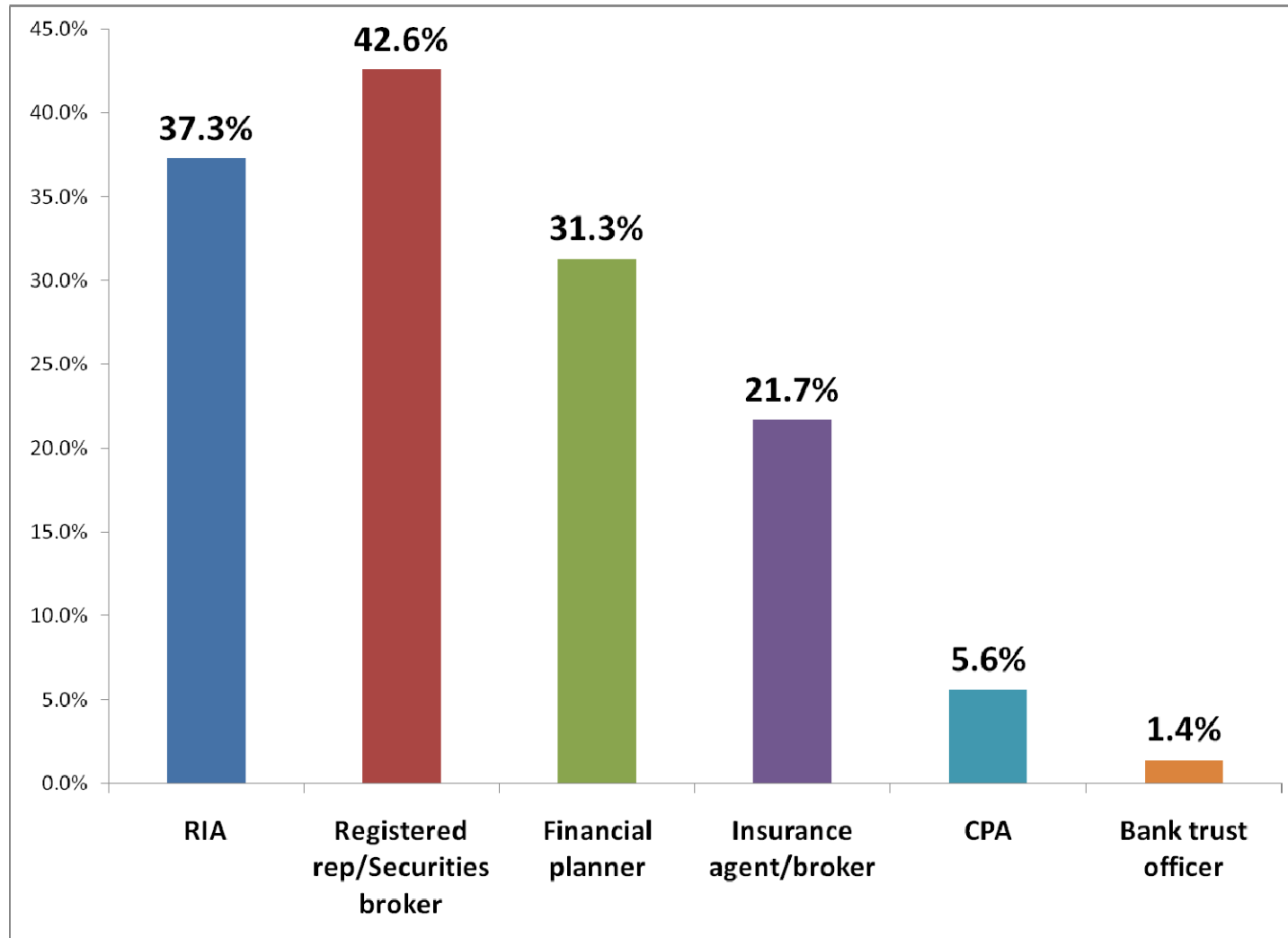
Presented by:

Evan Cooper

Deputy Editor, *InvestmentNews*

InvestmentNews

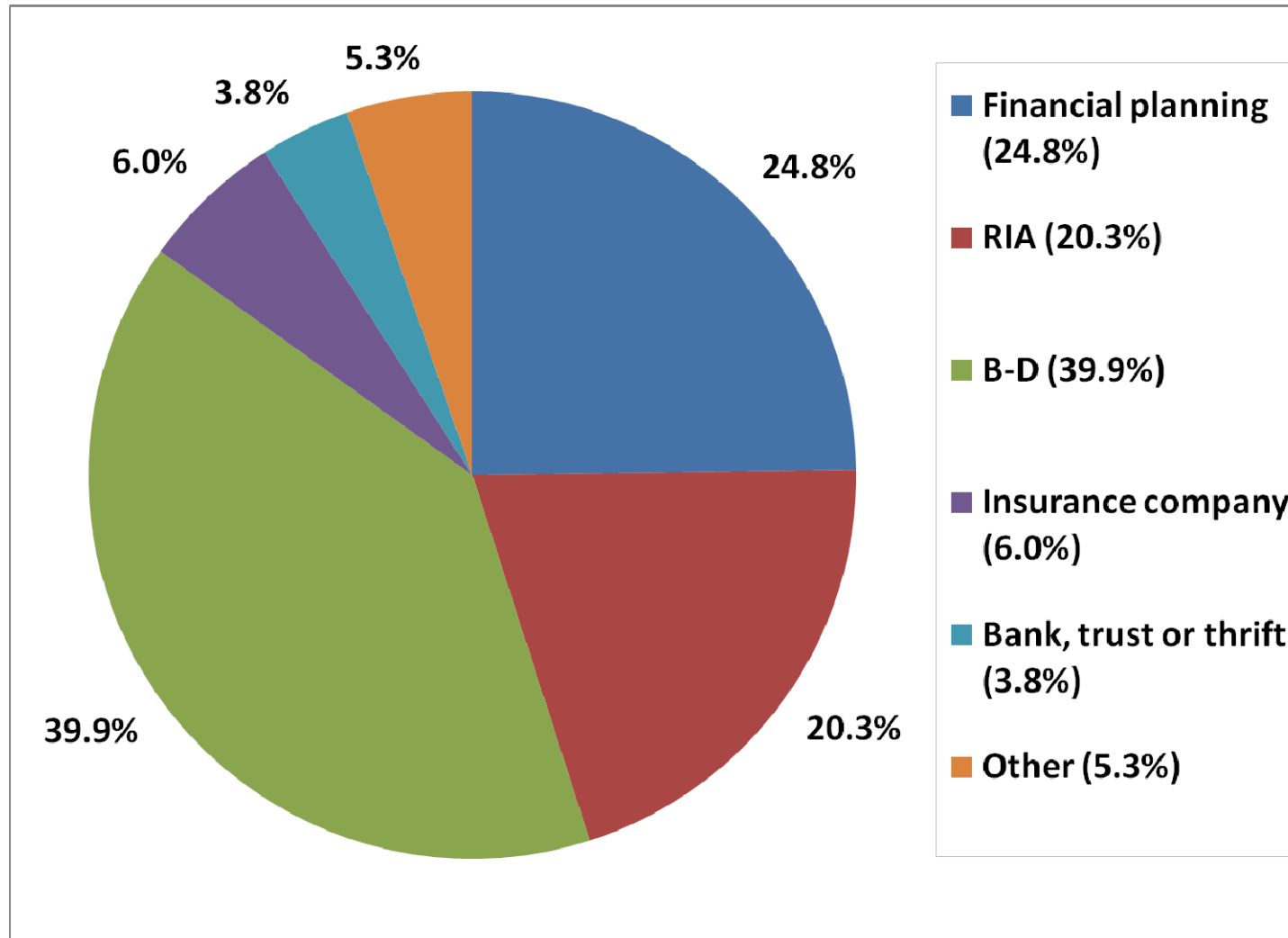
Profile of respondents: Job function



Responses: 568

Respondents were allowed to choose more than one answer. Graph does not show 15.5% who indicated they were not an adviser, broker or insurance agent.

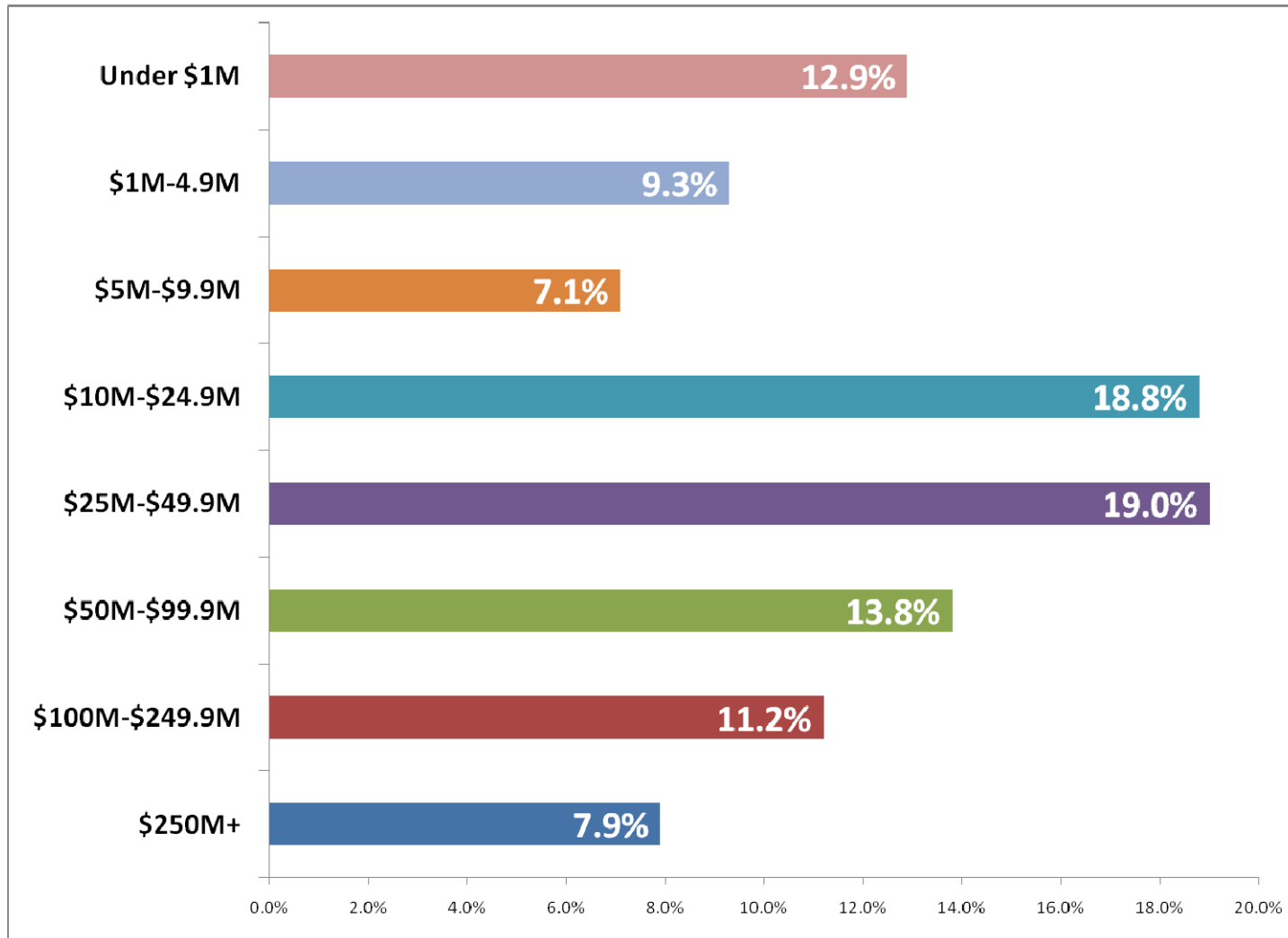
Profile of respondents: Firm type



Responses: 419

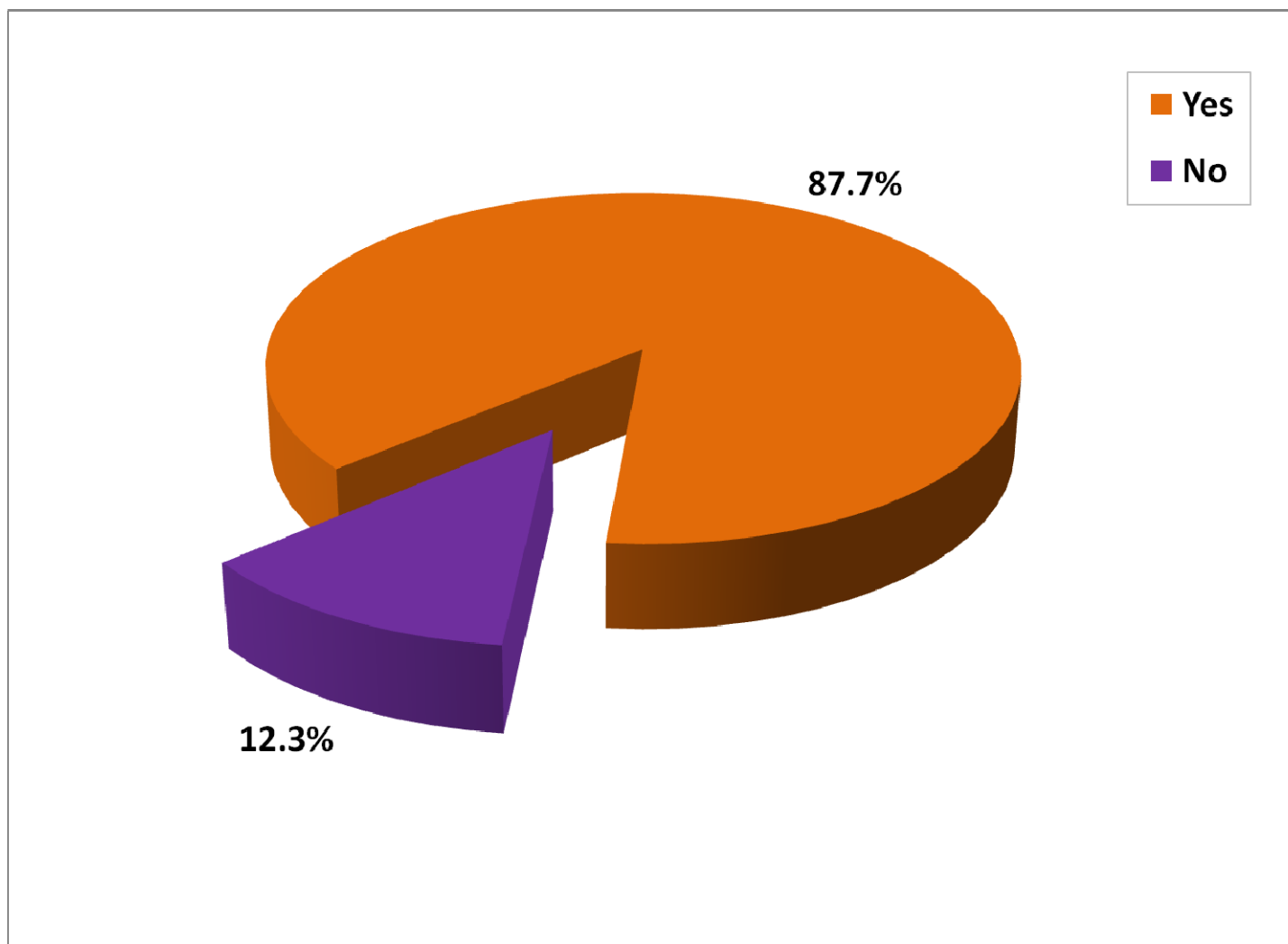
Respondents were allowed to choose only one answer.

Profile of respondents: AUM



Responses: 420

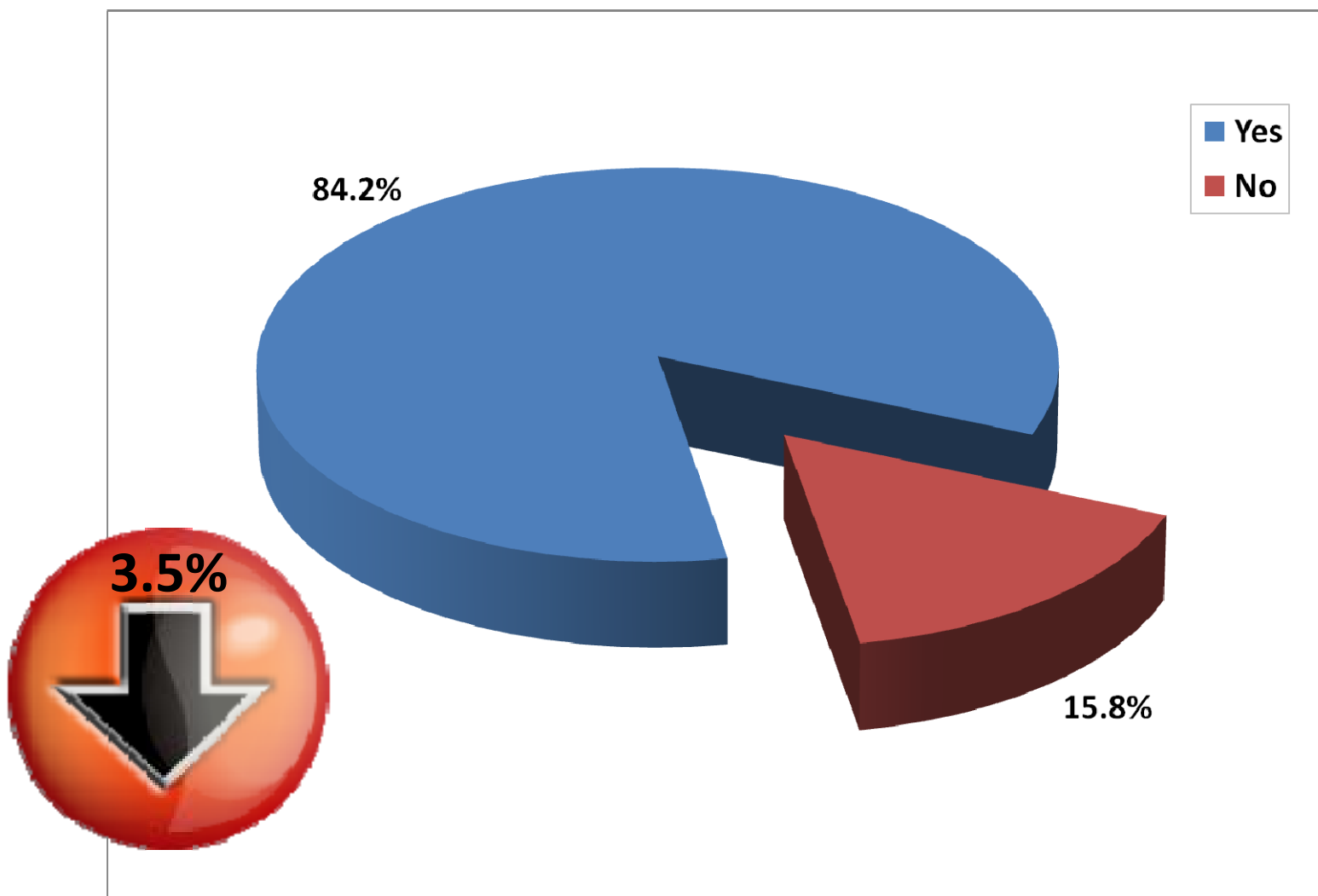
Percentage of advisers recommending 529 plans (2010)



Responses: 211

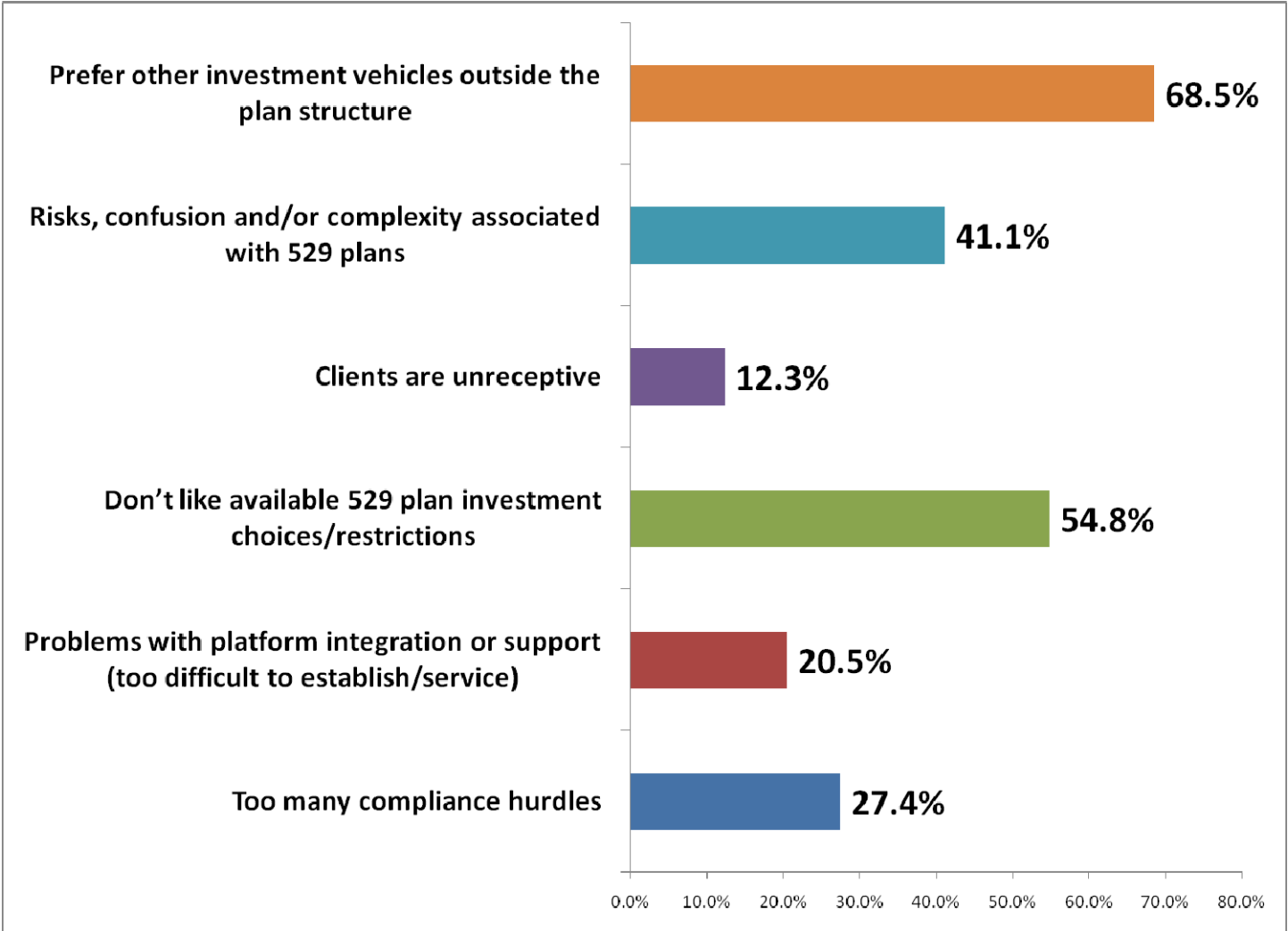
Source: *InvestmentNews* 2010 529 Survey

Percentage of advisers recommending 529 plans (2011)



Responses: 379

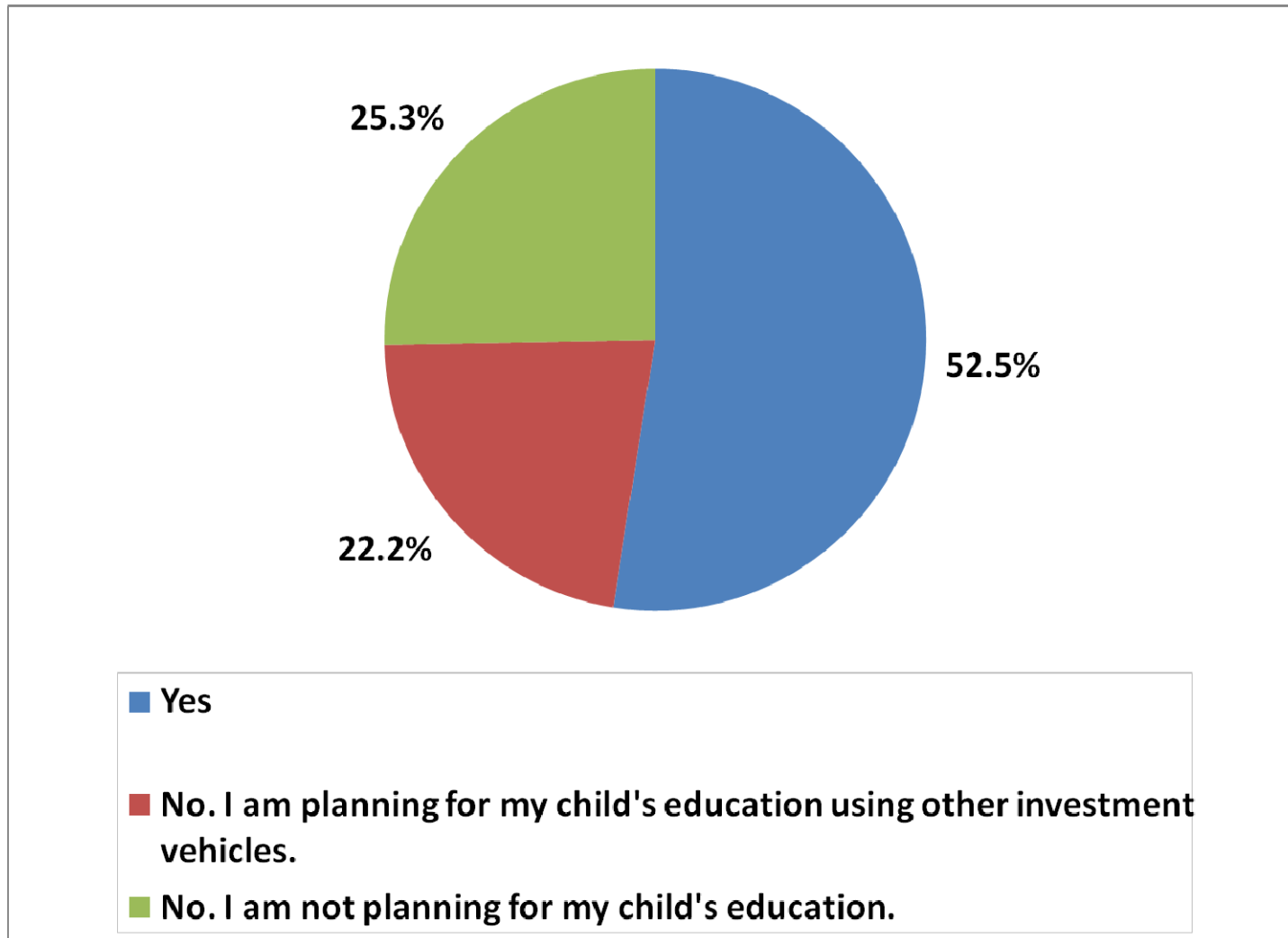
Issues with recommending 529 plans to clients



Responses: 73

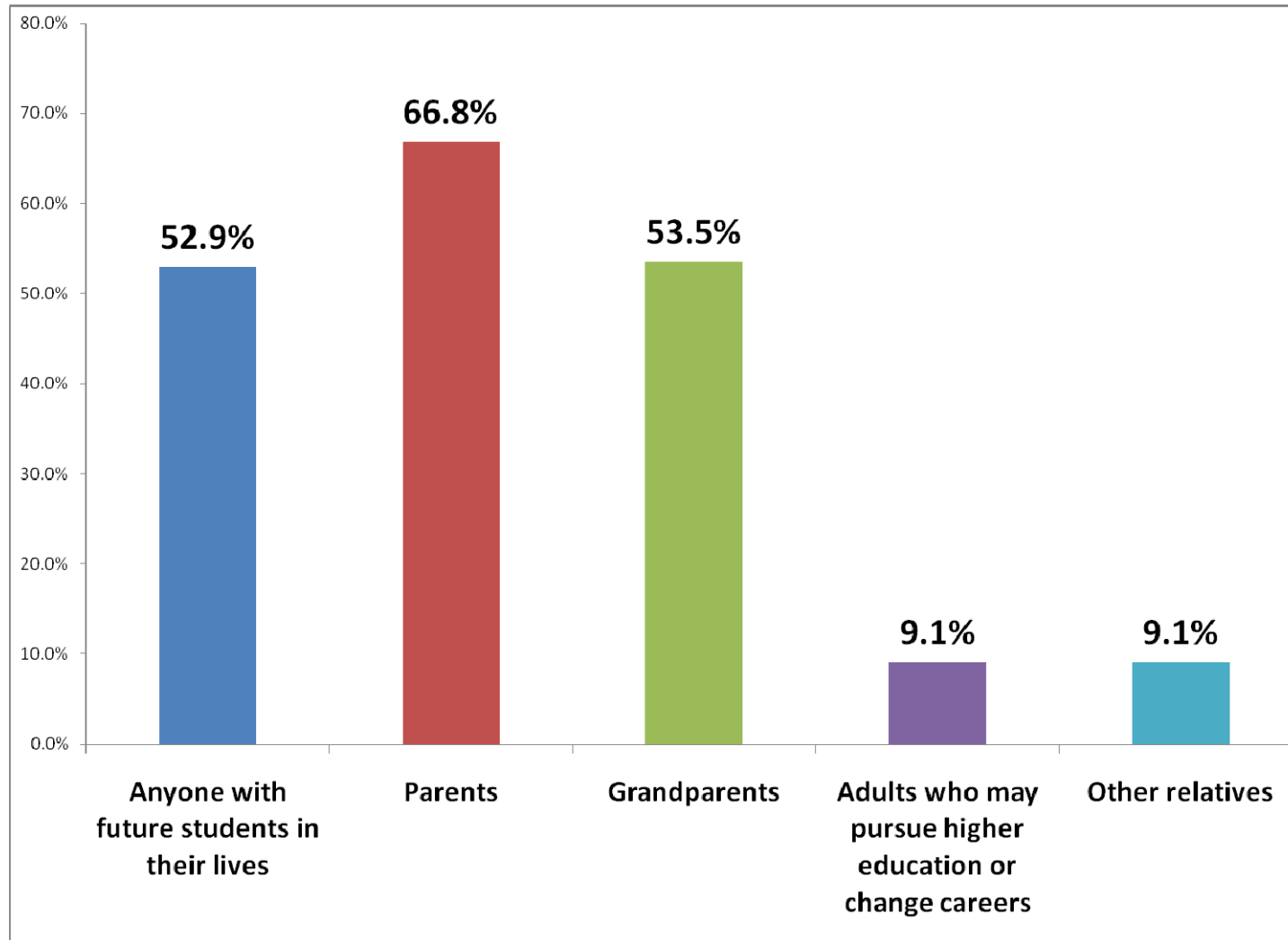
Respondents were allowed to choose more than one answer. Includes only those who responded "No" to "Do you generally recommend 529 plans to your clients?"

Do you have a 529 plan(s) for your own children?



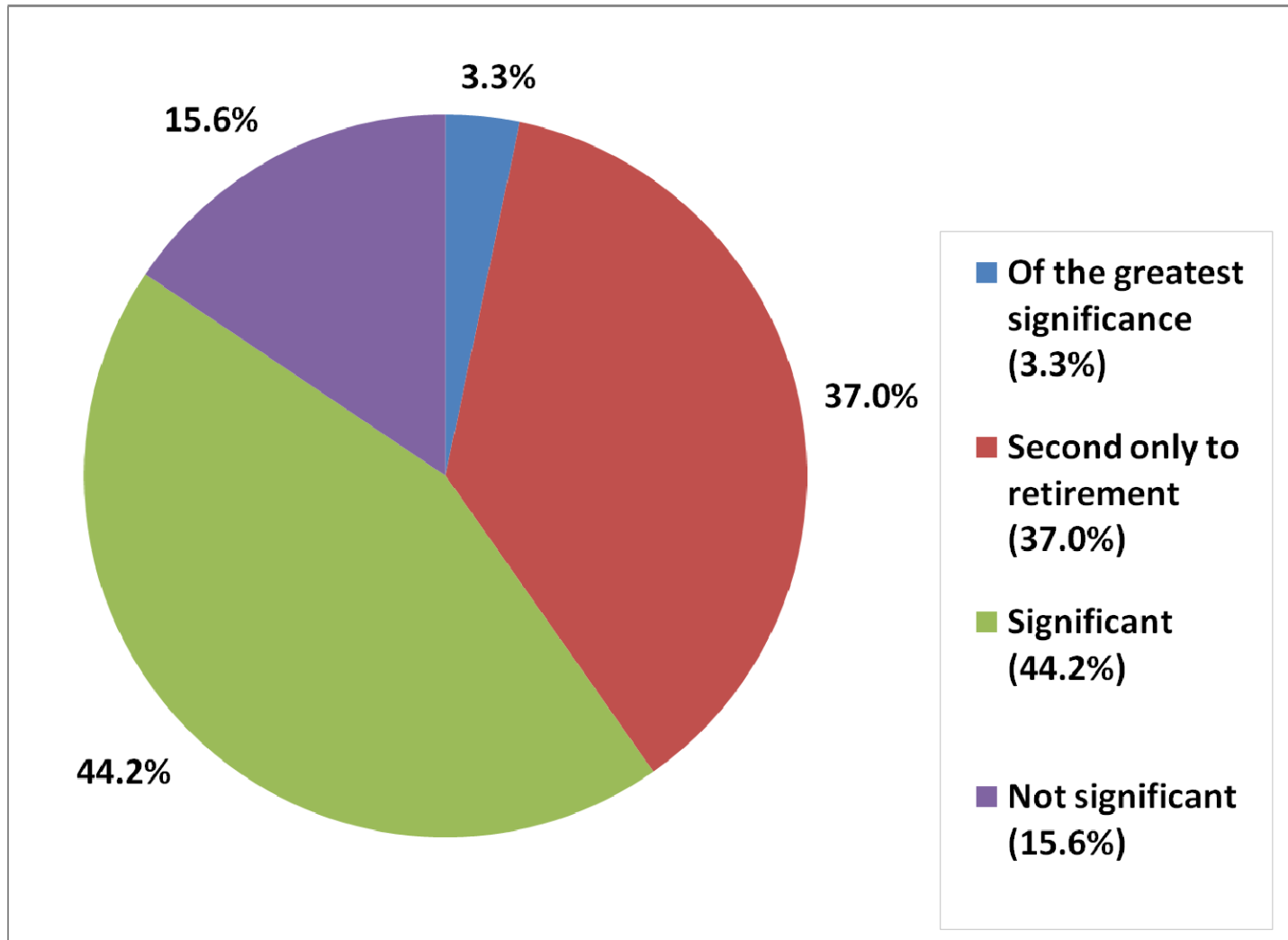
Responses: 221

Typical 529 plan candidate



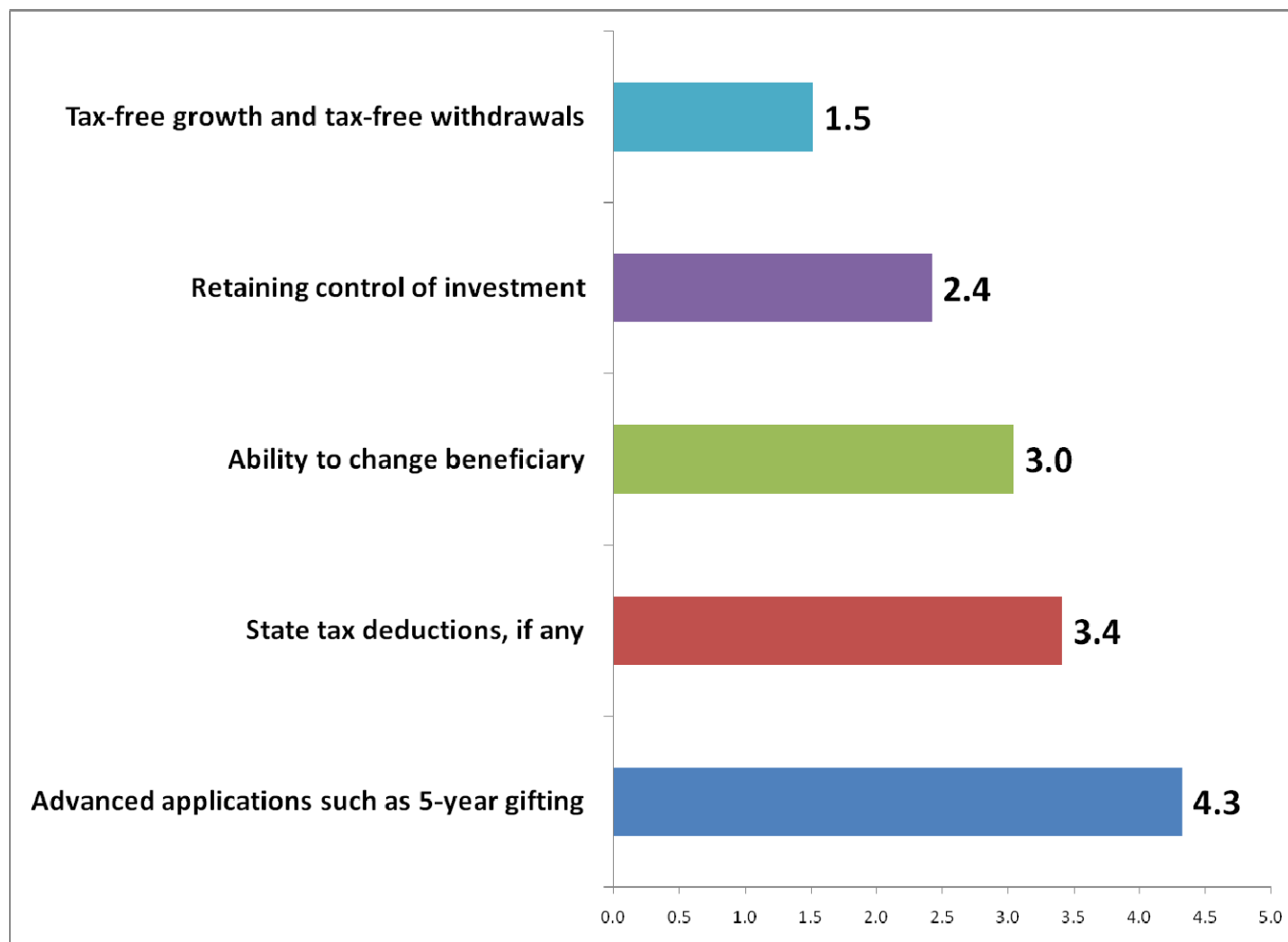
Responses: 331

How college saving compares to clients' other goals



Responses: 276

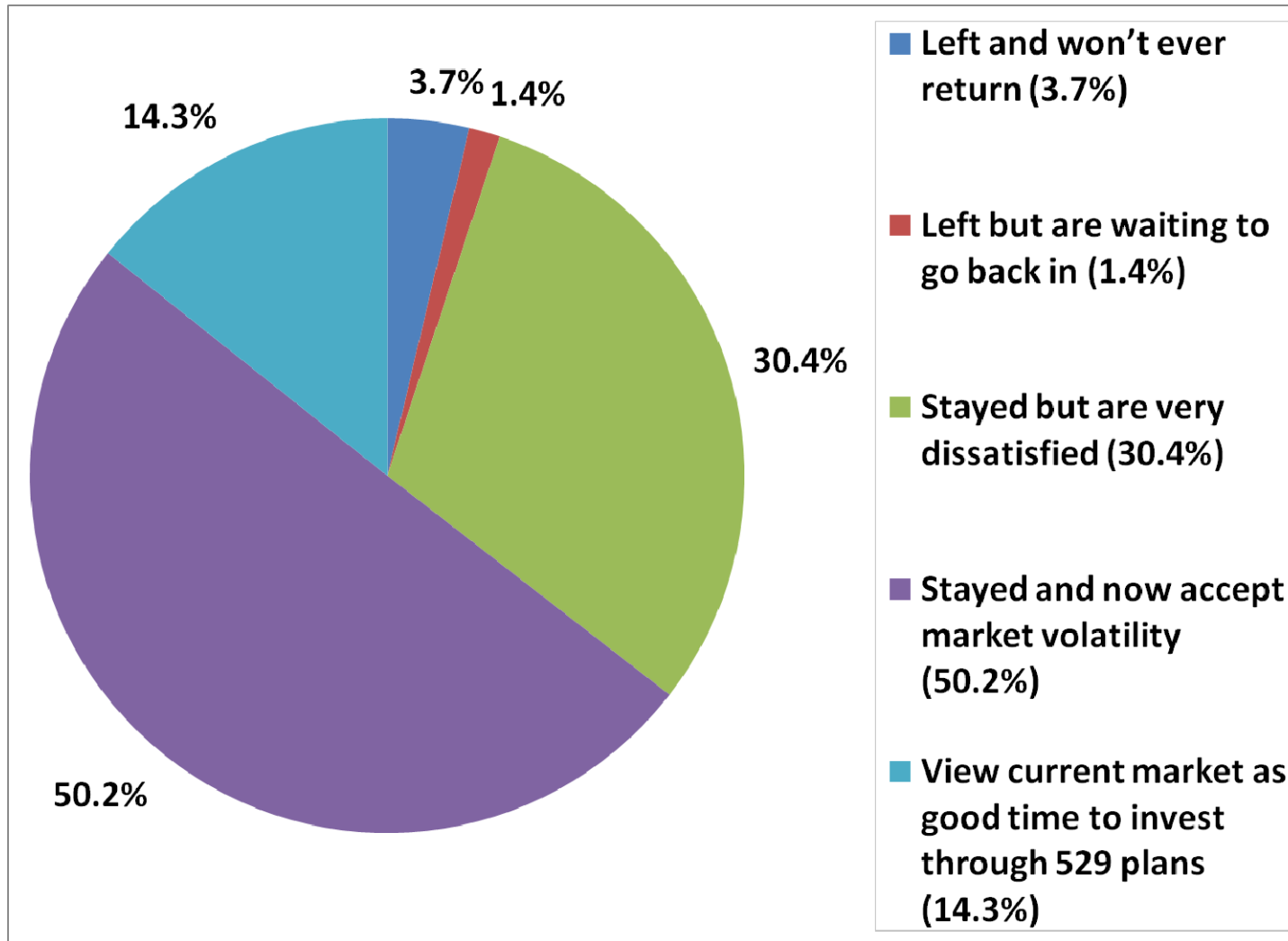
Most important features/benefits for clients



Responses: 224

Data reflects average rating (respondents were asked to rank each feature between 1 and 5, with 1 being most important and 5 being least important).

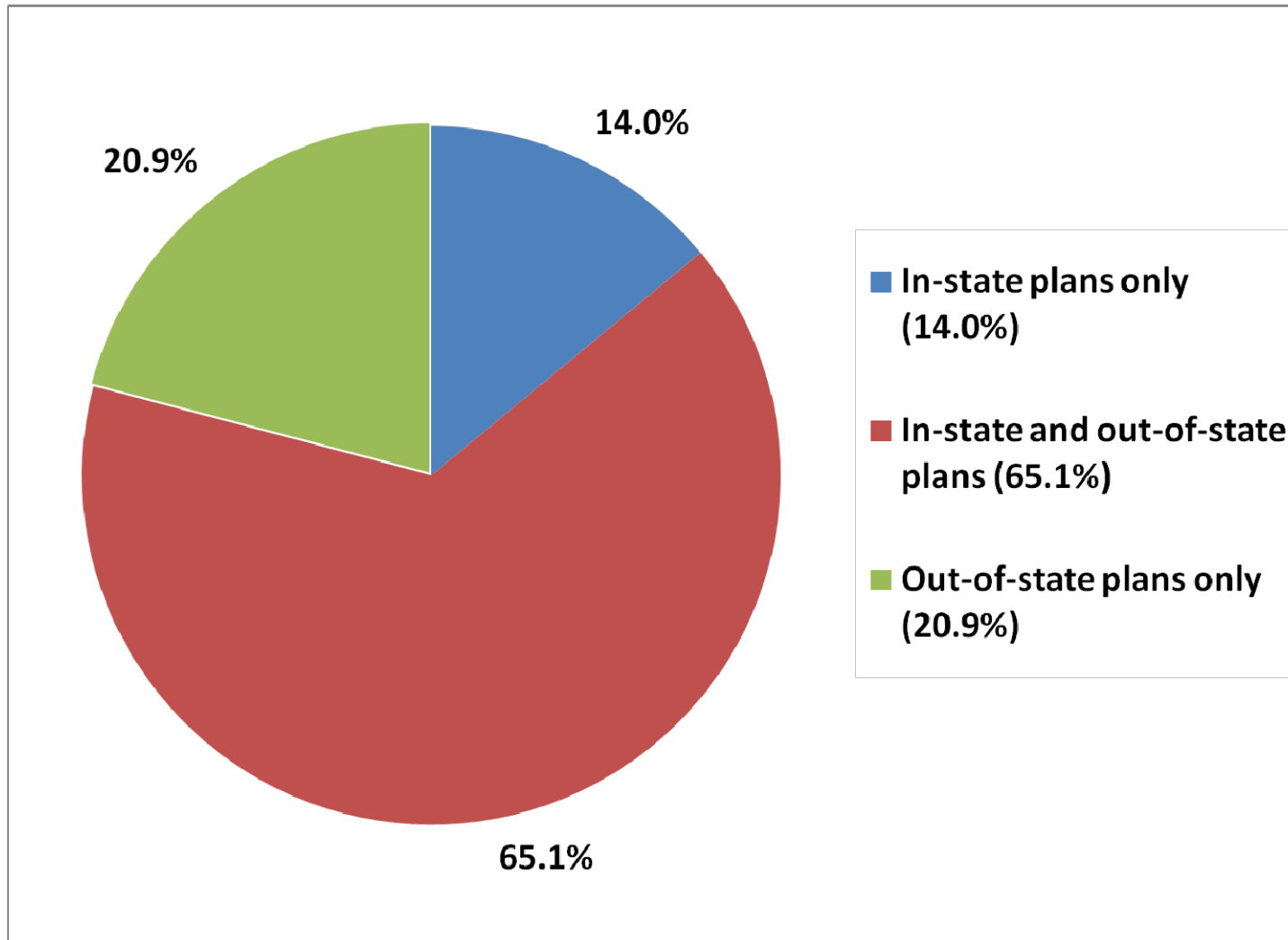
Market downturn's effect on clients with 529 plans



Responses: 217

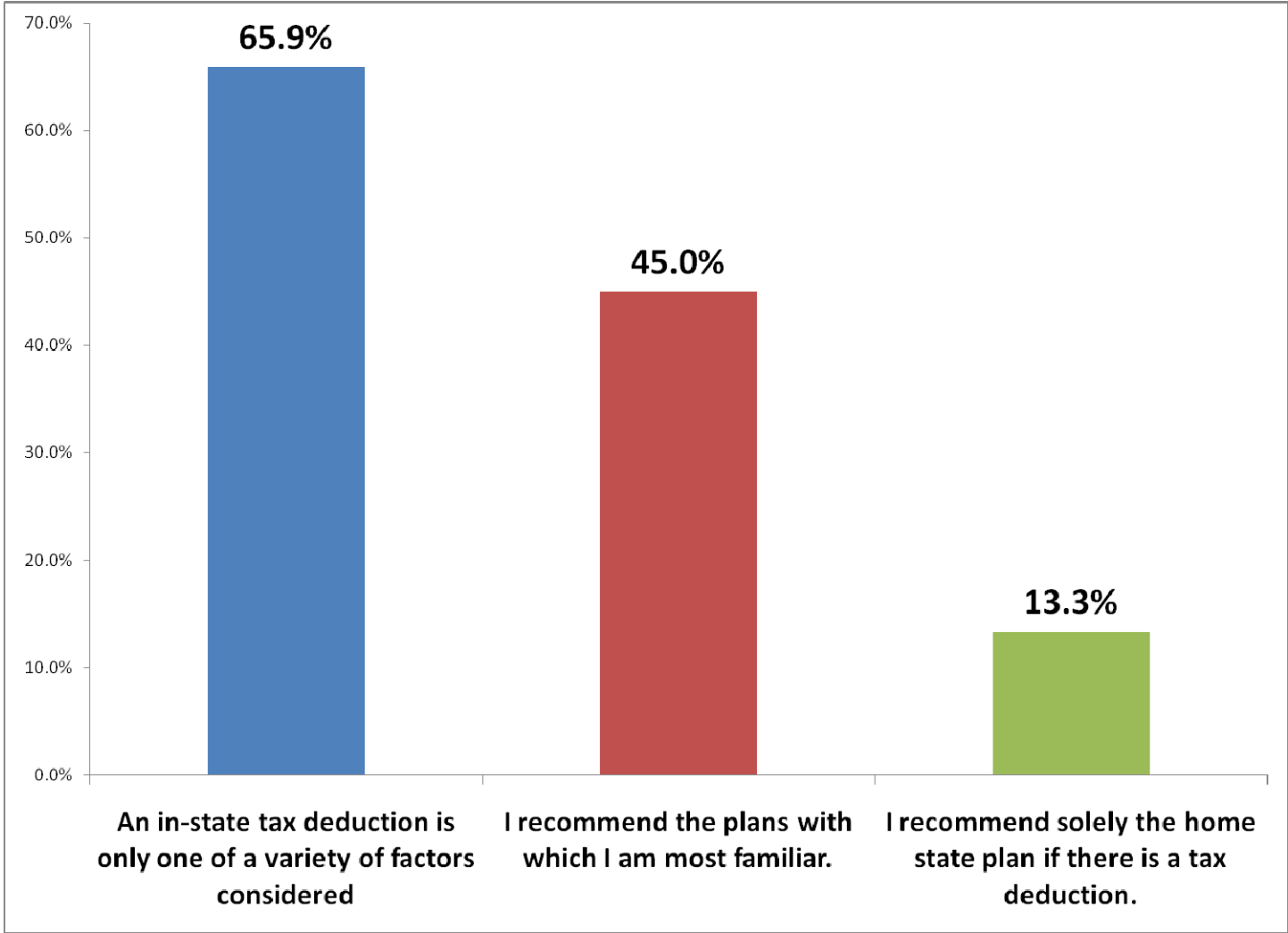
Respondents were allowed to choose only one answer.

Which plans are recommended most



Responses: 215

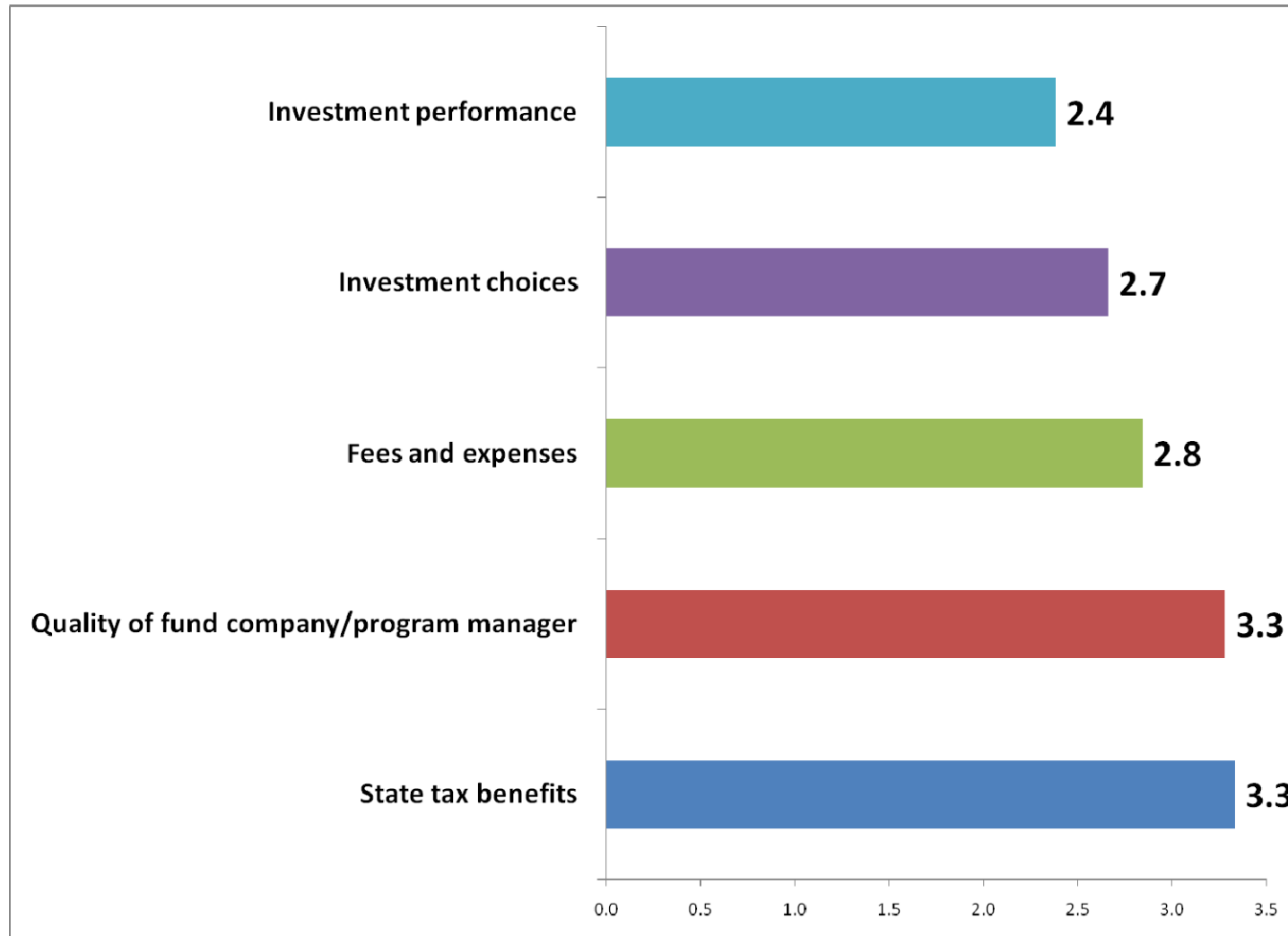
Why advisers recommend the plans they do



Responses: 211

Respondents were allowed to choose more than one answer.

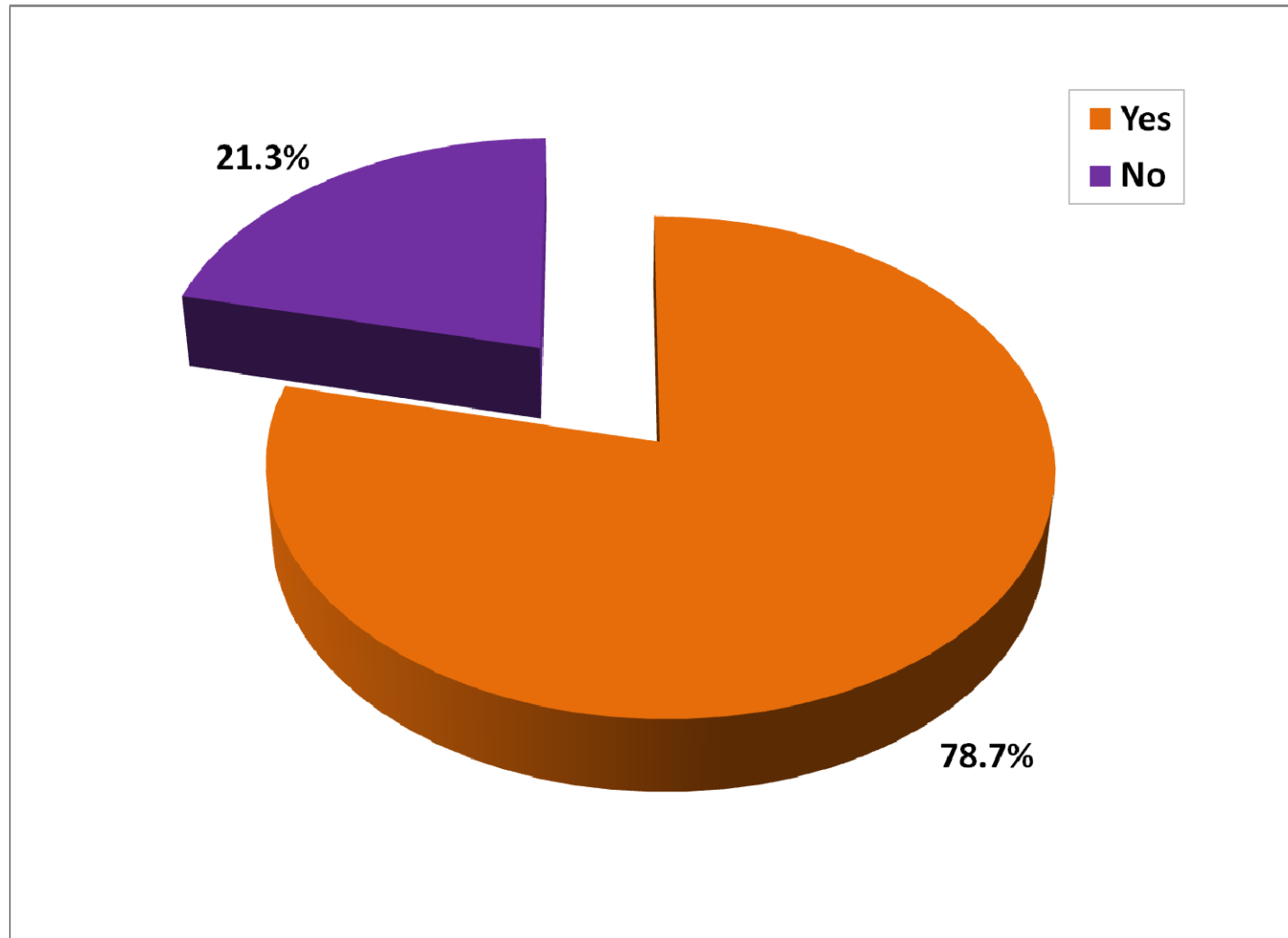
Importance of factors when recommending 529 plans



Responses: 268

Data reflects average importance rating (respondents were asked to rank each feature between 1 and 5, with 1 being most important and 5 being least important).

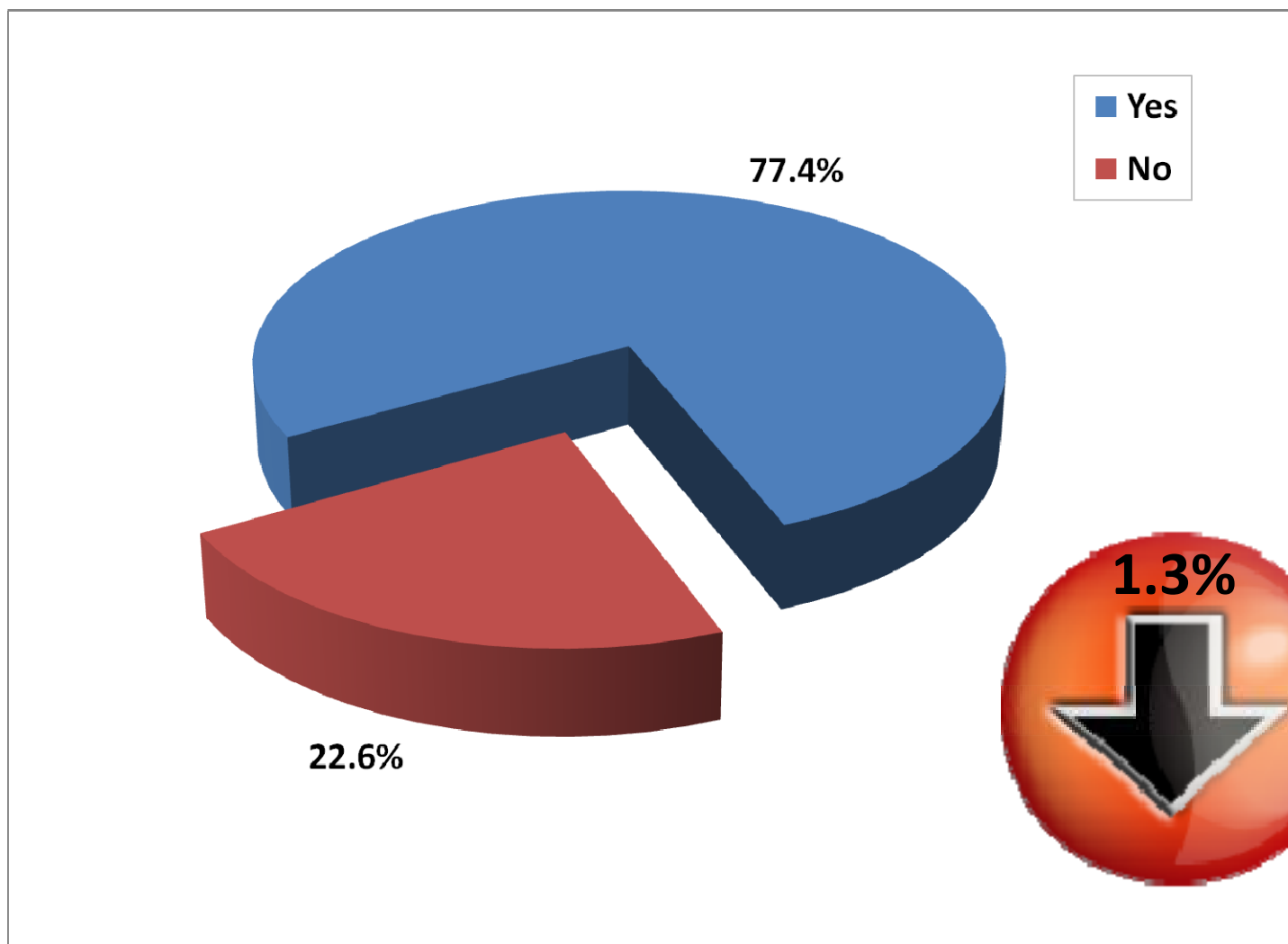
Do you feel well-informed about 529 plans? (2010)



Responses: 207

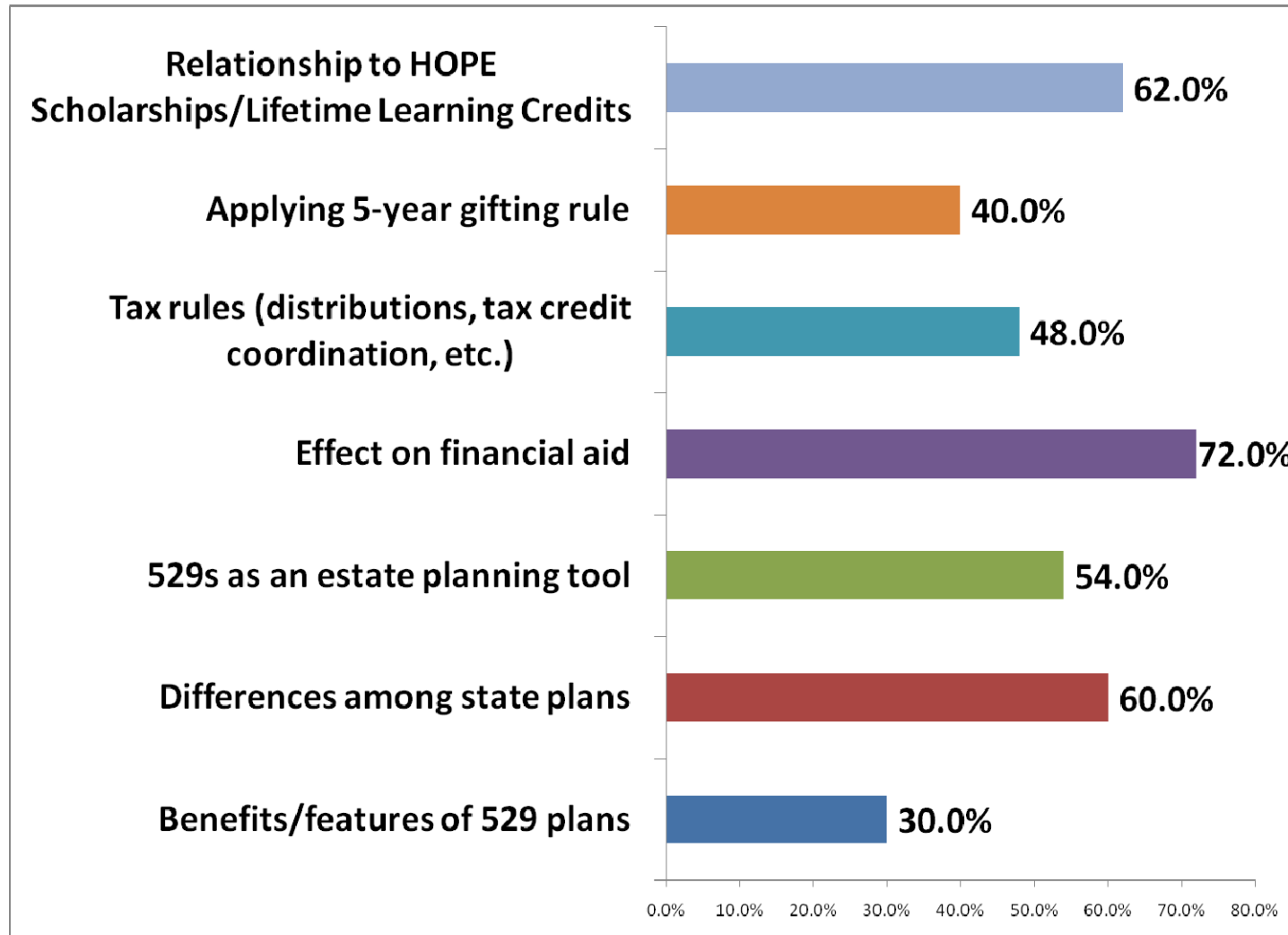
Source: *InvestmentNews* 2010 529 Survey

Do you feel well-informed about 529 plans? (2011)



Responses: 230

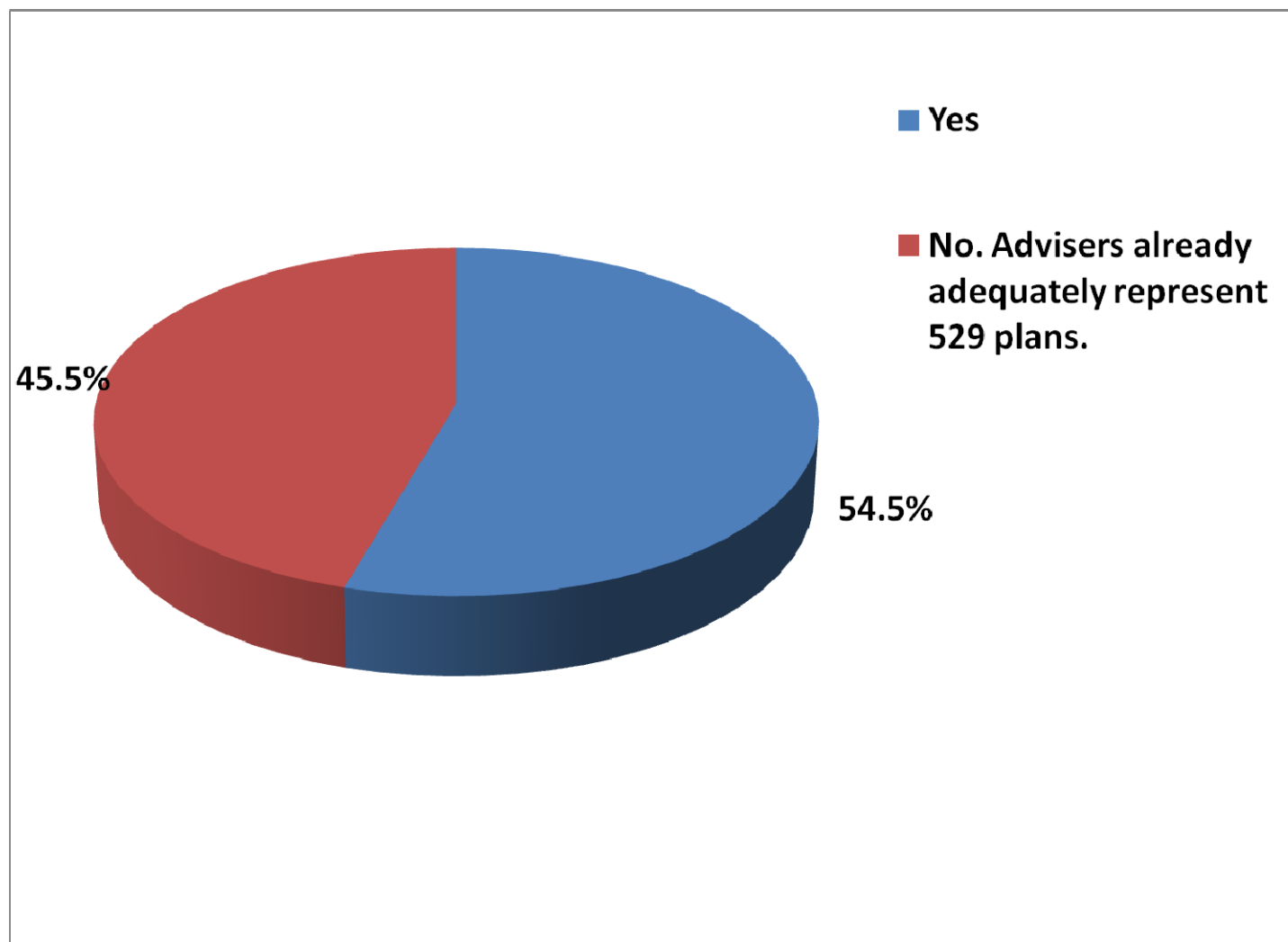
What advisers want to know more about



Responses: 50

Includes only those who responded "No" to "Do you feel as well-informed as you would like to be about 529 plans?"

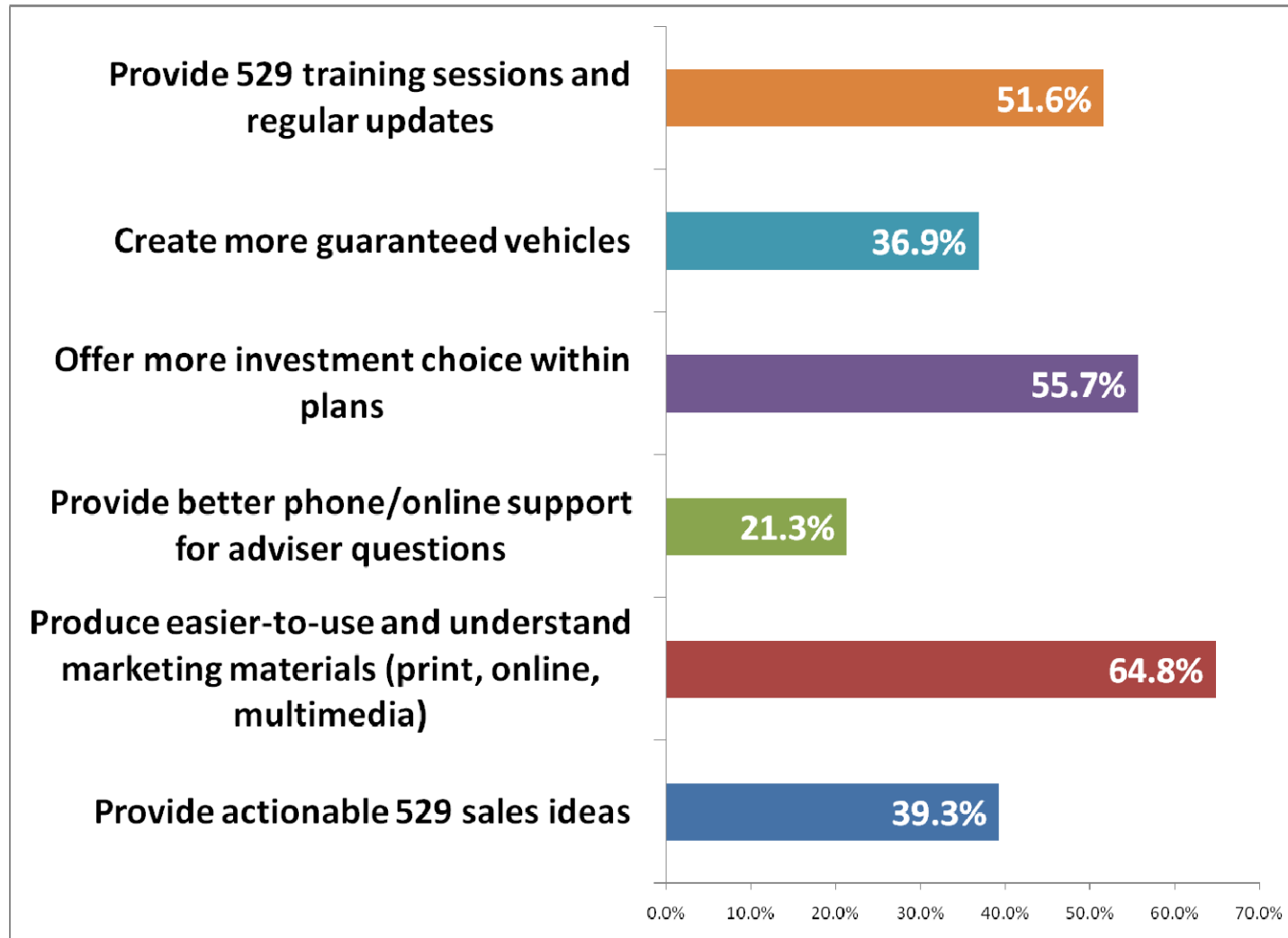
Do advisers need help better representing 529 plans?



Responses: 224

Specifically from program/investment managers.

What program/investment managers can do

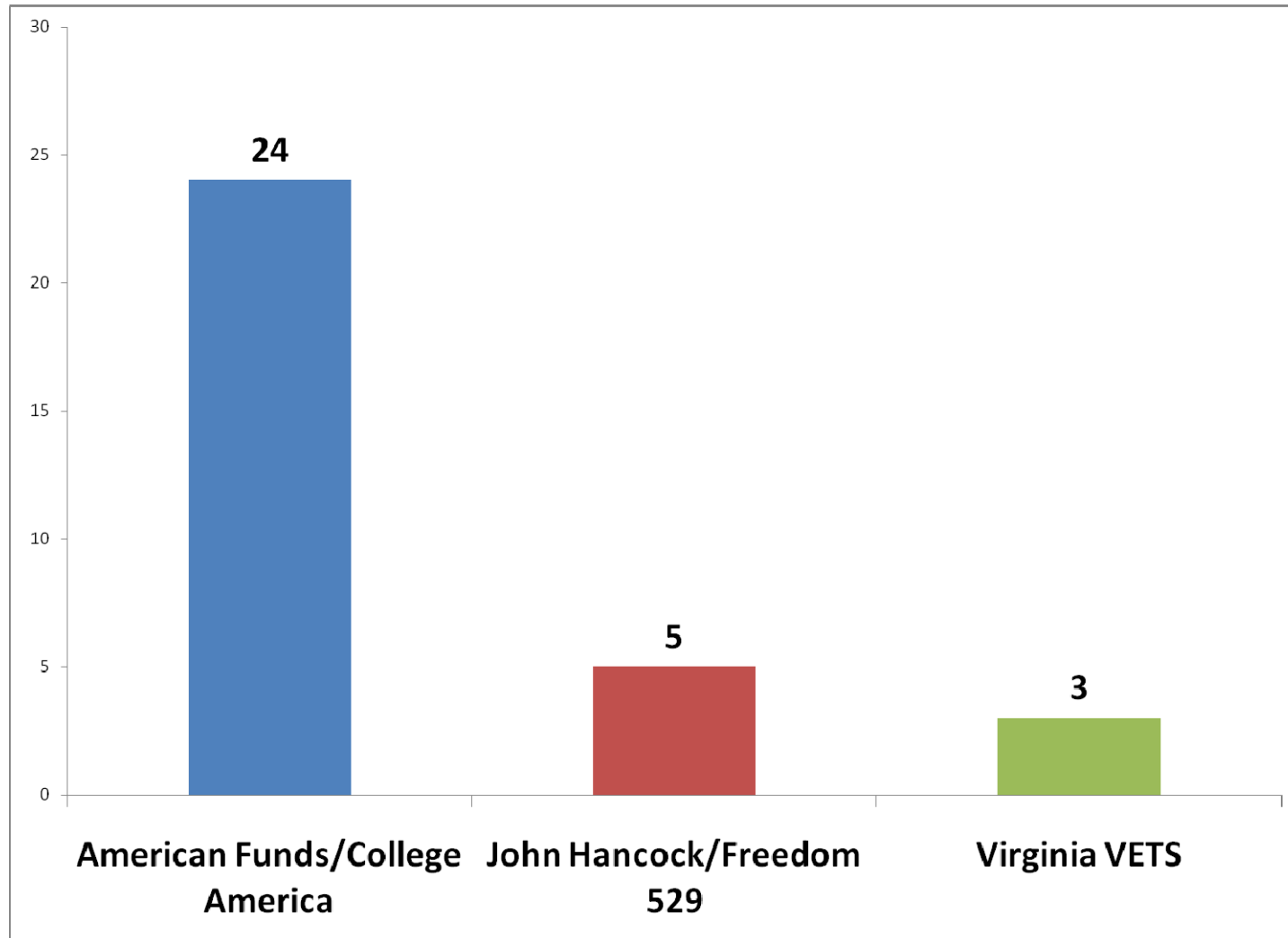


Responses: 122

Respondents were allowed to choose more than one answer. Includes only those who responded "Yes" to "Should program/investment managers help advisers better represent 529 plans?"

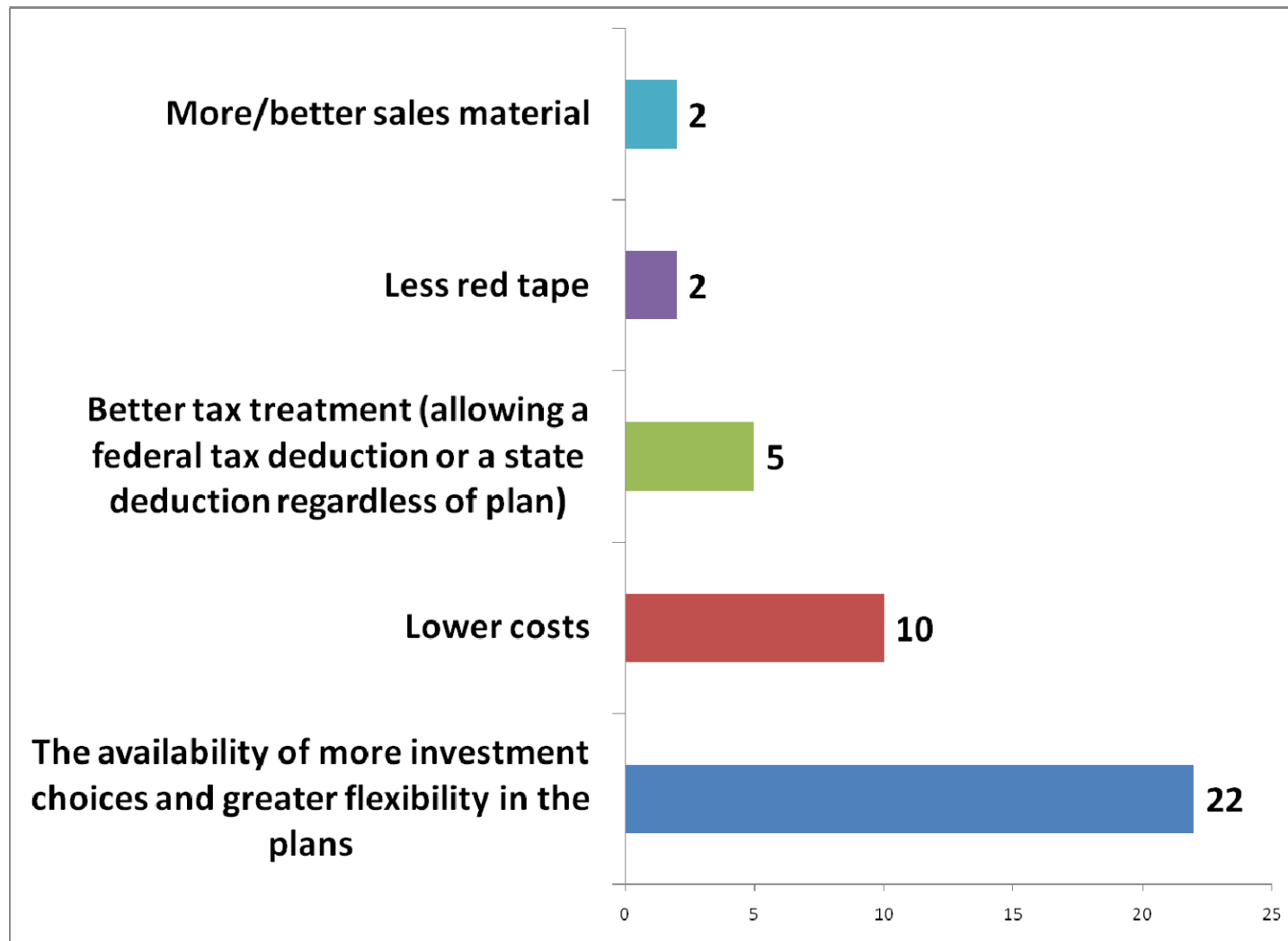
InvestmentNews

Most-liked provider-supplied tools and services



Responses: 75

What would help you sell 529 programs?



Responses: 107

Take-Aways

Advisers are positive about 529 plans.

They feel fairly well informed.

Still, would welcome more marketing support.

Would like greater investment choices, lower costs and less “red tape.”