John Hancock Investment Management

JOHN HANCOCK FREEDOM 529 OFFERED BY
EDUCATION TRUST OF ALASKA

JOHN HANCOCK FREEDOM 529

Bringing our multimanager *expertise* to every education savings portfolio

A unique partnership

Following the overall investment guidelines established by the Education Trust of Alaska, John Hancock Investment Management and T. Rowe Price jointly research and select asset managers for the plan's investment options, then continually monitor those managers to help keep your investments on track. This unique partnership offers a level of investment oversight that's hard to match with other 529 plans.

A better way to invest

In partnership with T. Rowe Price, we search the world to find proven portfolio management teams with specialized expertise for every fund we offer, then apply vigorous investment oversight to ensure they continue to meet our uncompromising standards.

- Over 200 professionals dedicated to investment manager research and oversight
- Over 300 meetings each year to identify proven managers
- More than 100 oversight meetings with managers annually

Deeper diversification

A key benefit of our asset allocation approach comes from combining multiple investment styles and multiple managers, resulting in a deeper level of diversification backed by the oversight of two leading investment organizations.

- **Oversight—**Monitoring each portfolio team for the repeatability of its investment process and management of risk
- **Various asset classes—**Both within and beyond traditional equity and fixed income
- **Broad range of styles—**Continual exposure to a variety of strategies, as different characteristics go in and out of favor
- **Multiple managers—**A diversity of approaches from some of the world's best managers

Our 529 portfolios bring together some of the best investment teams from around the world

American Funds
AXIOM INVESTORS
BainCapital CREDIT
BostonPartners
Deutsche Asset Management
Dimensional
EPOCH
JENNISON ASSOCIATES
Manulife Investment Management
PICTET Asset Management
Redwood Investments, LLC
T. Rowe Price INVEST WITH CONFIDENCE
WELLINGTON MANAGEMENT®

Representative list of asset managers as of 3/31/23. All logos are the property of their respective owners.

A powerful way to save

Tax advantages

- **Your account can accumulate and compound tax free[1]—**You pay no federal income taxes on your earnings when you withdraw the money to pay for qualified education expenses. Since the earnings aren't taxed, your savings can accumulate faster than in a taxable account.
- **Your contributions may qualify for a tax deduction[2]—**Eight states—Arizona, Arkansas, Kansas, Minnesota, Missouri, Montana, Ohio, and Pennsylvania—allow you to deduct some or all of your contributions to the John Hancock Freedom 529 plan on your state income-tax return.

Flexibility

- **Anyone can invest on behalf of your child—**Parents, grandparents, aunts, uncles, and friends can all contribute to your child's account. There are no income or age limits for contributors, and each account can accept as much as $475,000 in total contributions.[3]
- **You can take advantage of special gifting flexibility—**You can make five years' worth of contributions in a single year—up to $85,000 ($170,000 for couples filing jointly) per beneficiary—without triggering federal gift taxes.[4] Contributions directly reduce the value of the donor's taxable estate, providing potential estate planning advantages.
- **You can use it at any accredited college, apprenticeship, and grades K–12—**529 plan proceeds may be used at any accredited college and qualified apprenticeship programs to pay for tuition, fees, room and board, and other qualified expenses. You may also use your 529 plan to pay for your child's primary and secondary private school education (of up to $10,000 per year in tuition only). Account owners may also withdraw up to $10,000 (lifetime limit) tax free for payments toward qualified education loans.[2, 5]
- **You can get in-state tuition in Alaska—**As a John Hancock Freedom 529 account holder or beneficiary, you may qualify for in-state tuition at the University of Alaska, regardless of the state you live in. To qualify, you need to hold your account for at least the two years immediately preceding enrollment.

Control

- **You control the account—**Unlike with UGMA/UTMA accounts, you retain control over withdrawals for the life of the account. You can even change beneficiaries to another family member if you decide not to use it for your child's education or if there is money left over.
- **Creditor protection—**Alaska state law protects assets invested in the plan from claims by creditors of the account owner and beneficiaries in most cases.[6]

Diversification

- **You can benefit from a deeper level of diversification—**Jointly managed by John Hancock Investment Management and T. Rowe Price, the plan's ready-built investment options offer diversification by asset class, investment style, and manager, along with a level of investment oversight that's hard to match with other 529 plans.

Ask your financial professional | Talk to your financial professional today about the benefits of saving for education with the John Hancock Freedom 529 plan.

1 State tax laws and treatment may vary. Earnings on nonqualified distributions will be subject to income tax and a 10% federal penalty tax. Please consult your tax advisor for more information. **2** Consult your financial, tax, or other professional to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. **3** Contributions cannot cause the account balance to exceed $475,000 per beneficiary. Effective on or about 7/26/23, the maximum aggregate account balance limit for each Beneficiary will be increased from $475,000 to $550,000. **4** For 2023. The donor must elect that the gift be treated as having occurred over a five-year period in order for it to qualify for the federal gift tax exclusion. If additional gifts are made to the same beneficiary during this five-year period, a federal gift tax may apply. If the donor dies within this five-year period, a pro rata share will be included in the donor's estate for federal estate tax purposes. State gift and estate tax laws may vary. **5** Consult your financial, tax, or other professional to learn more about how state-based benefits (including any limitations) would apply to your specific circumstances. Some states do not consider 529 withdrawals for primary and secondary school education, student loan repayments, and apprenticeship costs to be qualified withdrawals and, therefore, the investor may be subject to penalties. The $10,000 qualified education loan limit is a lifetime limit that applies to the 529 plan beneficiary and each of their siblings. Any student loan interest paid for with tax-free 529 plan earnings is not eligible for the student loan interest deduction. **6** Each account is designed to be protected from the claims by creditors of the account holder and beneficiary, with the exception of contributions made to accounts after being in default of child support obligations for 30 days. Please refer to the Plan Disclosure Document for more information.

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