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FOR IMMEDIATE RELEASE

7.24.2011

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MOURDOCK ANNOUNCES NEW COLLEGE SAVINGS PLAN OPTION

GOSHEN (July 24, 2011) -- Indiana Treasurer Richard Mourdock announced at the Elkhart County Fair today a new investment option available through the State-sponsored 529 college savings plan. The CollegeChoice CD 529 Savings Plan (CollegeChoice CD) is a certificate of deposit program now available to families and individuals saving for college. The CollegeChoice CD is available through Lake City Bank as well as participating investment advisors, online and by mail.

Mourdock is chairman of the Indiana Education Savings Authority, which is responsible for State-sponsored college tuition savings plans that qualify for tax advantages under IRS section 529.

“Hoosiers have enjoyed one of the most robust 529 college savings plans in the country,” said Treasurer Mourdock. “The CollegeChoice CD now adds yet another opportunity in a fully comprehensive college savings strategy that already includes the high-quality equity, fixed income, money market and savings investments offered through CollegeChoice Direct and CollegeChoice Advisor.”

Kevin L. Deardorff, Executive Vice President-Retail Banking & Brokerage for Lake City Bank, described the CollegeChoice CD as an attractive option for people who prefer the security of an insured investment: “The CollegeChoice CD is FDIC-insured*, so the principal is not at risk and remains at full value as long you leave it in the account for the full term of the CD.”

Indiana residents who contribute to a CollegeChoice CD are eligible for a state income tax credit** of 20 percent – up to a \$1,000 credit per year. Earnings grow tax-free and distributions used to pay for qualified education expenses are also tax-free.***

A CollegeChoice CD can be purchased for a minimum of \$250 or an automatic or payroll deduction of \$25 or more.

(more)

“The Indiana Education Savings Authority has made the new CollegeChoice CD a convenient and affordable option for Indiana families,” said Deardorff.

The adult who purchases a CollegeChoice CD designates the beneficiary of the account, which could be a child, grandchild, friend, relative or even the purchaser.

CollegeChoice CD assets can be used at nearly any U.S.-accredited public or private, two-year or four-year college or technical school in the U.S. or abroad, as long it is eligible to participate in the U.S. Department of Education student financial aid program. A CollegeChoice CD can also be used to save for graduate school, including medical school or law school.

The CDs can be purchased in maturities ranging from one year to 22 years and with three interest rate options: the CollegeChoice CollegeSure® CD, the CollegeChoice InvestorSure® CD and CollegeChoice Fixed Rate CD.

CollegeChoice CD 529 Savings Plan and Lake City Bank are giving away four \$250 CollegeChoice CD scholarships at the Elkhart County Fair and sponsoring the Youth Run to make people aware of the new college savings option.

Information about the CollegeChoice CD is available at any of Lake City Bank’s 43 banking locations or online at www.collegechoicecd.com.

College Savings Bank, a Pacific LifeCorp Company, serves as the Program Manager to CollegeChoice CD.

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*The Federal Deposit Insurance Corporation (FDIC) generally insures, with respect to each FDIC-insured institution, deposit accounts that are held in the same right and capacity up to the maximum amount set by federal law, currently \$250,000. An account owner’s interest in the insurable balance of a CollegeChoice CD account is insured by the FDIC on a pass-through basis, together with any other deposit accounts and account owner holds at College Savings Bank, up to the maximum amount. Please see the Enrollment Kit for further information. The CollegeChoice CD 529 Savings Plan is not insured by the State of Indiana. Neither the principal invested nor the investment return is guaranteed by the State of Indiana.

**This credit may be subject to recapture from the account owner (not the contributor) in certain circumstances, such as a rollover to another state’s qualified tuition program or a non-qualified withdrawal. The credit does not apply to rollovers from another state’s qualified tuition program. See the Enrollment Kit for more details.

***Earnings on non-qualified withdrawals are subject to federal income tax and may be subject to a 10% federal penalty tax, state and local income taxes, and CD early withdrawal penalties. The availability of tax or other benefits may be contingent on meeting other requirements. See the Enrollment Kit for more details.

CollegeSure and InvestorSure are registered trademarks of College Savings Bank. Read the Enrollment Kit carefully before you invest or send money.