

Welcome to the Master Special Purpose Prepaid Tuition Trust.

Important Background Information

By completing the Joinder Agreement, you will be creating a Sub-Trust to hold the money you pay in to purchase International Tuition Certificates for your designated Beneficiary. For these purposes, you are called the “Settlor”.

By signing the Joinder Agreement, you acknowledge that all of the terms of the Declaration of Trust that governs the Sub-Trust are incorporated by reference into the Joinder Agreement and will be binding on you, any successor to you and the Beneficiary.

These prepaid International Tuition Certificates allow you to purchase, at current tuition rates, credits that can be used to offset the tuition cost of future educational services at member colleges and universities.

“Current tuition rates” means the rate that member institutions charge for tuition at the time you complete a Joinder Agreement. Even if the tuition rates go up in the future, the tuition you pay to enable your Beneficiary to attend a college or university in the U.S. will not go up.

The money contributed by you for the Certificate or Certificates will be held separately from all other contributors in a Sub-Trust in your name and for the benefit of your designated Beneficiary.

Alta Trust Company, a trust company organized and regulated by the laws of the State of South Dakota, will be the trustee of your Sub-Trust(s). Alta Trust has been in business since 2008 and is run by individuals who have been in the business of managing, investing and safeguarding other people’s money since the 1980s. However, Alta Trust will not have discretion over your money in the Sub-Trust and is not required to post a bond.

Frequently Asked Questions (FAQs)

The following frequently asked questions (FAQs) contain important information about the establishment, management and use of the Sub-Trust. You should read these FAQs carefully to understand the investment you are making in the Certificates.

What authority does Alta Trust have? Alta Trust is a directed trustee. That means it only acts upon directions from you or a successor and does not make any discretionary decisions about the management of the funds in the Certificates or distributions from the Certificates.

What happens if I die? You are being asked to identify a “Settlor’s Designee” who will take over decision-making responsibilities in the event of your death. So long as you have named a Settlor’s Designee and that person takes over the managing of your Sub-Trust at the time of your death, there will be no change in the benefit you have purchased for your Beneficiary. The Certificate or Certificates you are purchasing will be available to pay the tuition of your Beneficiary going forward.

Is there a fixed amount I have to contribute? No. You select the amount you wish to contribute. You may make subsequent contributions by submitting an additional form to the Trustee.

May other people contribute to my Beneficiary’s Sub-Trust? Yes, so long as they make arrangements with you and you make the contribution on their behalf. In this way, you control the inflow of money into the Sub-Trust.

What happens to the money if there is cash left over after purchase of a Certificate? It is held in a non-interest bearing cash account, which may be one that is maintained by Alta Trust. If there are earnings on the money in the cash account, it will be retained by Alta Trust.

If I decide to terminate the Sub-Trust, what happens to the money? If there are funds in the Sub-Trust at that time, they will be returned to you. This includes any funds that someone else makes arrangements with you to contribute to the Sub-Trust.

Is there a maximum amount I may contribute to the Sub-Trust? Yes. You may not contribute more than the amounts necessary to provide for the Qualified Higher Education Expenses of the Beneficiary. Alta Trust, as Trustee will return any excess amount to you, the Settlor.

How are Qualified Education Expenses paid? You will need to submit a Redemption Notice to Alta Trust directing it to redeem a Certificate held in your Sub-Trust and the details of the payment to be made.

Can I terminate the Sub-Trust? Yes, you may terminate it in whole or in part. You would do so by sending Alta Trust a Termination Notice providing the details of the termination. One event that may result in termination would be if all tuition for the Beneficiary has been paid and money remains in the Sub-Trust.

Are there any circumstances when there is a refund of the money paid in for Certificates? Yes, in the following circumstances: upon termination of the Sub-Trust, upon your death as the Settlor or upon death of the Beneficiary.

What if there are taxes owed on a refund? Taxes, if any, fees and other charges will be withheld from the refund proceeds before the net proceeds are returned to you as the Settlor or to your estate.

Who is responsible for dealing with U.S. tax issues? You as Settlor are responsible for claiming any tax refunds for any amounts withheld from the Sub-Trust. By signing the Joinder Agreement, you are acknowledging that Alta Trust, as Trustee of the Sub-Trust, and other parties involved in managing the Sub-Trust and the purchase and use of the Certificates (including the Trust Protector), are not responsible for filing any tax returns or other documents with any government or taxing authority on behalf of the Settlor nor for seeking application of any special rates or conditions, or any claims for any tax refund of any amounts withheld from the refund proceeds.

Who is responsible for foreign (non-U.S.) taxation compliance? You, as Settlor, are responsible for such compliance. By signing the Joinder Agreement, you confirm that you and the Beneficiary are compliance with any such requirements.

Are there fees that have to be paid related to the Sub-Trust? Yes. These are indicated in Exhibit 1 to the Joinder Agreement and include an establishment and servicing fee, a trust termination fee and a fee for conducting certain required legal compliance checks regarding you, the Settlor, and any Settlor Designee. In addition, there is a Market Manager Fee that is taken out of the initial contribution to the Sub-Trust

Does the Trustee have any liability for its actions? No, it is expressly exonerated from any liability unless it commits gross negligence, fraud or willful misconduct. Details may be found in the Declaration of Trust.

What is the Trust Protector and what does it do? The Trust Protector has certain powers related to the maintenance and management of the Sub-Trust. These include the power to amend or modify the Sub-Trust, to terminate the Sub-Trust in certain circumstances, and to terminate the Trustee in certain circumstances, all as outlined in the Declaration of Trust. The Trust Protector is not acting in a fiduciary capacity. Similar to the Trustee, it is generally exonerated from liability for its actions.

Will the Trustee conduct any investigation of the parties involved? Yes. These include a Bank Secrecy Act and Anti-Money Laundering review. These reviews are made of the Settlor, each

Beneficiary and any Settlor Designee, and require the submission of certain personal identifying information. All such information will be kept confidential.

By signing the Joinder Agreement, I acknowledge receipt of the disclosures provided in the FAQs and that Alta Trust, the trustee of my Sub-Trust, is a directed trustee and does not make independent decisions about the money I contribute or the distribution of money from the Certificates that I purchase and that it has no responsibility for filing any tax returns or other documents with any government or taxing authority on behalf of the undersigned Settlor, including without limitation seeking application of any special rates or conditions, or any claims for any tax refund of any amounts withheld from the refund proceeds.