



**EDUCATIONAL  
INVESTMENT  
ACCOUNTS**

## Money at Work

For over 20 years, our mission has been to help our clients create and manage wealth. We pride ourselves on being industry leaders, not only in performance but also in innovation. Proof of our success is more than \$2 Billion in capital raised for our corporate clients, over \$1 Billion in assets under management and over \$2 billion in assets under administration.

Our goal is simple - to be the premier Wealth Manager and Advisor in the communities we serve. We are a regional private bank which makes us especially attuned to the unique needs of our local clientele. We consistently introduce original products carefully designed with these needs in mind. We have also cultivated key relationships with best-in-class global partners that help us deliver the gold standard in investment management solutions. These solutions include:

### Individuals & Families

- Local & International Mutual Funds
- Personal Pension Plans
- Personal Retirement Accounts
- Stock Brokerage
- Private Wealth

### Institutional Services

- Group Pension Plans
- Investment Banking
- Investment Management
- Trust & Estate Planning



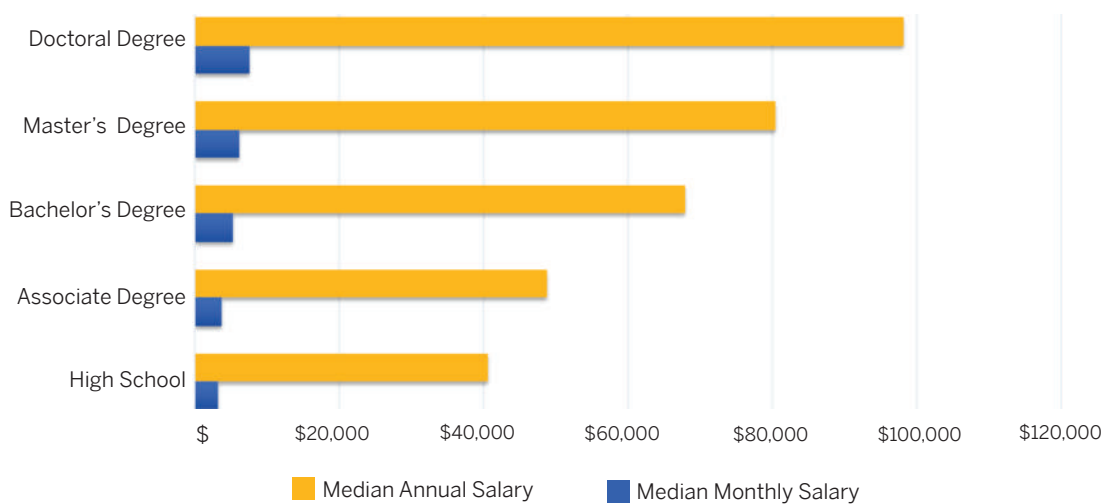


## Prepare for a future of endless possibilities.

As soon as your child is born, you begin imagining what his or her future will hold. You await the first word, watch for the first step, and try to envision what they will grow up to be. Whatever that vision is, it is likely to require a college degree. So as your child takes his or her first steps, it's important that you take the first steps to financially provide for a college education.

Investing in your child's future educational costs is a good way to ensure they have the best chance at life. The US Bureau of Labor reports that college graduates earn an average of 50% more per year than high school graduates (see chart below). Over a lifetime, that difference amounts to almost \$1 million in earnings! People who hold advanced degrees are paid even more which is clear evidence of the lifelong value of a college education.

Earnings by Educational Attainment



## The RF Educational Investment Account

While the benefits of a college degree are clear, the cost of tuition continues to rise. **The RF Educational Investment Account** (EIA) is a flexible and effective way to prepare for those future educational costs. With this account, rather than sending your children or grandchildren into the world with the burden of student-loan debt, you can save to help cover at least a portion, if not all, of their higher-education expenses.

This investment account allows parents, grandparents, other family members or anyone involved in a child's life to invest into his or her education. There are no limits to how many deposits can be made to the account. The funds are invested and provide returns well above what would be earned in a traditional savings account. There are also a range of investment funds to choose from in line with your specific goals and risk tolerance.

Unlike other college savings plans, you maintain control over the account, including how many withdrawals you wish to take. You can even change beneficiaries to another family member if your child decides not to attend college or if there is money left over.

## The rising costs of education

With the RF Educational Investment Account, you get a powerful college savings tool!

A college education is expensive. The impact of inflation means that these costs will rise. The table below demonstrates how average college costs would continue to increase at national average annual inflation rates based on a 10-year historical average.

Estimated Annual College Costs		
Year	Public*	Private*
2021	\$19,600.00	\$49,680.00
2024	\$21,889.13	\$56,087.55
2029	\$25,130.09	\$67,337.09
2032	\$27,300.68	\$71,603.75

\*Total yearly costs for in-state tuition, fees, books, and room and board (transportation and miscellaneous expenses not included). Base is 2020-2021 school year. Costs for all future years projected by RF assuming a 2.8% national average increase per year for public and a 3.1% national average increase per year for private (based on a 10-year historical average). Source: Trends in College Pricing and Student Aid. collegeboard.org

These rising costs may make saving for a child's college seem unattainable. However, this is far more possible when time is on your side. That's why starting early is so important. Think about it this way - half of your savings years will have passed by the time your child is in the second grade. That is years of losing out on the interest you could have earned on his or her college savings.

This is because when you start early, you can take advantage of the power of compounding. A compounding effect occurs when any accrued interest or earnings collect additional interest or earnings. So the earlier you start, the more opportunity your money has to grow.





## How much could you save?

The amount a person needs to save for a child’s college education will differ depending on the amount of time until college enrollment, whether it is a private or public school and whether any supplemental assistance (like a scholarship) is afforded. However, one thing is certain. It will cost more for an education tomorrow than it does today. Investing early and often can help you address these educational needs down the road.

With the RF EIA, investing just \$500 a month could yield the following returns over time:

Years	Projected Annual Returns		
	4%	6%	8%
5	\$33,758	\$35,554	\$37,473
10	\$74,365	\$82,835	\$92,552
15	\$123,946	\$146,608	\$174,605
20	\$184,483	\$232,624	\$296,841

NOTE: The values given are projections only. Actual returns may vary and can go up as well as down.

## Choose from a range of investment options.

Flexibility is important when it comes to investing for long-term financial goals like college. The RF EIA lets you choose from a range of portfolios and modify your choices over time. We offer a diversified selection of individual fund portfolios, so you (with help from your RF financial representative) can build your own customized Education Investment Account.

Fund Name	Investment Type	Risk Level
<b>RF Prime Income Fund</b>	Domestic	Low
<b>RF Secure Balanced Fund</b>	Domestic	Balanced
<b>RF Targeted Equity Fund</b>	Domestic	High
<b>RF Equities Sub Fund</b>	International	High
<b>RF High Yield Fund</b>	International	Low
<b>RF Alternative Fund</b>	International	Low

\*An RF advisor can help you determine a good mix for your objectives and risk tolerance. Also, your investment choice is not locked in. You can switch your money between any of the funds at no additional charge.



## Frequently Asked Questions

### **Who controls the account?**

You control the account until the beneficiary turns 18. At this time, he or she will be deemed the Account Owner and can give instructions regarding its operation and investments.

### **Who can contribute to the account?**

Anyone can contribute to the account. Family and friends can make deposits towards your child's education once they have the account number.

### **Can I contribute to more than one beneficiary?**

Yes, you can open a separate account for each beneficiary's college education.

### **How much is it to open the account and do I need to make regular contributions?**

The minimum amount to open the account is \$2,000 with a minimum of \$100 to be paid monthly thereafter.

### **What if my child doesn't go to college?**

If your child chooses not to attend college, you could transfer the account to another member of the beneficiary's family, withdraw the funds from your account or reinvest the funds into an RF Mutual Fund.

### **How do I withdraw the funds once my child is ready for college?**

Once your child is enrolled in an Eligible Educational Institution, you will need to complete a Withdrawal Request Form. You can indicate where you wish the funds to go, either directly to the Account Owner, to the beneficiary or directly to an Eligible Educational Institution.

### **What can the funds be used for?**

The funds can be used to cover a range of higher education expenses in addition to tuition. This includes room and board, books and supplies, special needs services and any other academic expenses at any public, private and religious secondary education institution, college, university, vocational school or other post-secondary educational institution.

## Getting started is easy!

Opening a RF Educational Investment Account is simple. Just follow these three steps to start investing in your child's future.

### 1. Educate yourself

The **Educational Investment Account Disclosure Booklet** contains more complete information about the plan. Read it to ensure that you understand all the plan's features, fees, benefits, and risks.

### 2. Select an investment portfolio

Work with an RF Financial Advisor to select the Investment Portfolio(s) that best suits your college investment needs.

### 3. Complete your application

Our account application is a comprehensive document, you can select your investment options, register for automatic contributions directly from your bank account, and more.

When you are ready, contact us at [invest@rfgroup.com](mailto:invest@rfgroup.com) to begin!





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