



College Savings Comparison Chart

JOHN HANCOCK FREEDOM 529 OFFERS UNIQUE ADVANTAGES OVER SOME OTHER COLLEGE SAVINGS VEHICLES.

When it comes to saving for your loved one's future, making informed investment choices can be critical. With John Hancock Freedom 529, you enjoy the confidence of knowing you are on the right path.

How does our college savings plan compare?

Today, you have more choices for college saving and investing than ever before. In addition to 529 savings plans, alternative savings vehicles include Coverdell Education Savings Accounts (formerly called Education IRAs), UGMA/UTMA accounts, Series EE Savings Bonds and taxable investment accounts such as mutual funds or bank savings accounts. While each of these college savings options has its distinctive features, there are benefits offered by 529 savings plans that may exceed these alternatives.

The John Hancock Freedom 529 college savings advantage.

John Hancock Freedom 529, a national 529 savings plan, provides a multi-managed platform and professional investment selection. In addition, John Hancock Freedom 529 offers some advantages the other vehicles cannot match, especially in terms of a high contribution limit and tax benefits.

To see how John Hancock Freedom 529 compares to some of the alternatives, refer to the chart on the back of this page.

	John Hancock Freedom 529	Coverdell ESA	UGMA/UTMA	Taxable Account
Portfolio management style	Multi-manager or “managing the managers” approach	Self-directed	Self-directed	Self-directed
Income limitations	None	AGI limits apply	None	None
Maximum yearly contribution per Beneficiary (individual contributor)	\$13,000 without exceeding the annual federal gift tax exclusion (\$65,000 if accelerated over a five-year period.); ¹ total contributions cannot exceed \$320,000 per Beneficiary	\$2,000; can contribute to Coverdell ESA in same year as you contribute to 529 plan ²	Unlimited; \$13,000 without exceeding the annual federal gift tax exclusion	Unlimited; \$13,000 without exceeding the annual federal gift tax exclusion
Account earnings	Tax-free if used for qualified expenses ³	Tax-free if used for qualified expenses	Taxable	Taxable to owner
Ability to change Beneficiaries	Yes	Yes	No	Not applicable
Control of distributions	Account Holder	Account Owner	Custodian; transfers to minor upon reaching age of majority	Account Owner
Investment options	Enrollment-Based Portfolios; Static Portfolios; Lifestyle Portfolios; Individual Portfolios	Range of securities	Range of securities	Range of securities
Qualified use of proceeds	Any eligible college, university or graduate school in the U.S.; equipment or services for special needs students	Any eligible college, university or graduate school in the U.S.; qualified elementary and secondary school expenses; equipment or services for special needs students	Use for minor ⁴	Unlimited
Penalties for non-qualified distributions	10% federal penalty assessed on earnings	10% federal penalty assessed on earnings	None	None
Taxation of qualified distributions	Tax-free ³	Tax-free	A portion may be federal tax exempt; some/all income may be taxed at child’s rate	Earnings and capital gains taxed at owner’s rate
Ownership of assets for federal financial aid purposes (may vary with private institutions)	Typically the Account Holder	Account Owner	Student	Account Owner

¹ 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.

² Contributions below the \$2,000 limit will not trigger excise tax, but gift tax rules still apply. State tax laws may vary.

³ State tax laws and treatment may vary. Earnings on non-qualified distributions will be subject to income tax and a 10% federal penalty tax. Please consult your tax adviser for more information.

⁴ If used by the custodian before the minor reaches the age of majority, use must be for the benefit of the minor. No restrictions on minor’s use once age of majority reached.

To obtain more information on how John Hancock Freedom 529 compares to other college savings vehicles, contact your financial consultant.

If your state or your designated Beneficiary’s state offers a 529 plan you may want to consider what, if any, potential state income tax or other benefits it offers, before investing. State tax or other benefits should be one of many factors to be considered prior to making an investment decision. Please consult with your financial, tax or other advisor about how these state benefits, if any, may apply to your specific circumstances. You may also contact your state 529 plan or any other 529 college savings plan to learn more about their features. Please contact your financial consultant or call 1-866-222-7498 to obtain a Plan Disclosure Document or prospectus for any of the underlying funds. The Plan Disclosure Document contains complete details on investment objectives, risks, fees, charges and expenses, as well as more information about municipal fund securities and the underlying investment companies that should be considered before investing. Please read the Plan Disclosure Document carefully prior to investing.

John Hancock Freedom 529 is a college savings plan offered by the Education Trust of Alaska, managed by T. Rowe Price, and distributed by John Hancock Distributors LLC through other broker/dealers that have a selling agreement with John Hancock Distributors LLC. John Hancock Distributors LLC is a member of FINRA and is listed with the Municipal Securities Rulemaking Board (MSRB). © 2009. John Hancock. All rights reserved. Information included in this material is believed to be accurate as of the January 2009 printing date.

529 plans are not FDIC insured, may lose value and are not bank or state guaranteed.



John Hancock Freedom 529
P.O. Box 17603
Baltimore, MD 21297-1603
1-866-222-7498
www.johnhancockfreedom529.com

0109:5290403

MLI0607066750