

Dear [Name]:

Parents everywhere want to give their children the best education possible—but most are daunted by the rising costs of higher education. Few parents know about the recent changes to tax laws (Section 529 of the Internal Revenue Code) that provide for tax-advantaged growth of college savings. Salomon Smith Barney can help you bring this good news to your district through a special seminar on Scholars ChoiceSM.

Scholars Choice is a new and powerful way to save for college:

- Parents can invest as little as \$50 or as much as \$150,000 for each child.*
- Earnings grow federally *tax-deferred*, and qualified withdrawals are taxed at the student's rate.
- Scholars Choice is available to residents of all 50 states, and can be used at eligible schools nationwide.
- Anyone can open an account, regardless of income level, and anyone can be a beneficiary, regardless of age.
- Setting up an account is simple.

Withdrawals from Scholars Choice can be used to pay for tuition, fees, room & board, books and supplies at any eligible public or private college or university in the country. The account owner retains access to the money in the account, and has the flexibility to change the beneficiary at any time.

Scholars Choice is a qualified state tuition program under Section 529 of the Internal Revenue Code. The program is administered by the Colorado Student Obligation Bond Authority, which selected Salomon Smith Barney to manage the assets of the program.

I would welcome the opportunity to present the facts about Scholars Choice to the parents of [name of school] students. I will contact you shortly to discuss this further and to answer any questions you might have.

Sincerely,

[Name]
Financial Consultant

Investments in the Scholars Choice Program are not guaranteed by the State of Colorado, the Colorado Student Obligation Bond Authority or Salomon Smith Barney Inc., and are subject to investment risks, including the loss of the principal amount invested. Salomon Smith Barney does not provide tax or legal advice. Please consult your tax and/or legal advisor for such guidance.

Scholars Choice is a service mark of Salomon Smith Barney Inc.

* Please see the Program Disclosure Statement for information on contribution limits and taxation considerations.