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2020 General Information
What is Michigan Education Trust (MET)?

Your Smartest Investment
You have questions about saving for your child’s college education. We have answers! We are the Michigan Education Trust (MET), Michigan’s 529 prepaid tuition program that allows parents, grandparents, businesses, and others to prepay undergraduate tuition at today’s rates. MET contracts are easy to set up, easy to use and, most important, an easy way to save for college. A MET contract is one of the smartest investments you can make in a child.

The MET Program: A Summary
MET contracts can be purchased for any child residing in Michigan and applied at any public college or university. In addition, students may direct refund payments to Michigan private and out-of-state institutions. Since 1988, more than 109,515 MET contracts have been purchased, and today more than 11,966 students are using their MET benefits at Michigan public colleges and universities, private colleges, and out-of-state institutions.

MET Covers Tuition Only
MET does not cover room, board, books, non-mandatory fees and other expenses. However, if a student receives a scholarship or grant that partially covers tuition and fees, MET will pay for tuition and mandatory fees at 100 percent and excess funds can be applied toward other qualified higher education expenses.

How MET Works

MET’s Contract
MET has covered the cost of higher education for thousands of students since the inception of the program. When a Purchaser buys prepaid tuition credit hours at MET’s current prices, MET enters into a contractual agreement with them. Under that contract, MET provides payment of future tuition and mandatory fees for all educational benefits purchased. With the Limited Benefits Plan contract, there may be additional costs at certain universities. MET provides in-state tuition at public four year colleges and universities in Michigan or in-district tuition at public community colleges in Michigan for the credit hours purchased under the contract.

It’s important to understand how the MET agreement works. MET is a public body created by Michigan’s Legislature (Public Act 316 of 1986) and is housed within the Michigan Department of Treasury. MET must operate and finance its activities only through its assets. To protect those assets from other uses by the State, only MET, and not the State, controls its assets.

Experienced money managers at the Department of Treasury invest the money paid by MET Purchasers. MET then uses funds and investment earnings to pay MET Beneficiaries’ tuition costs and mandatory fees. An independent actuarial evaluation and financial audit are conducted each year so that contract prices can be adjusted to correspond with future benefit payments. If at some point MET’s assets are not sufficient to meet those obligations, and if the Legislature does not appropriate enough money to cover the difference, the money in the program will be returned to Purchasers on a pro rata basis.

MET has never failed to honor a contract. Since MET’s introduction in 1988, annual actuarial reviews have declared the Trust financially sound. When the actuarial evaluation and financial audit are completed, an annual report is prepared and made available to all MET Purchasers as required by law.

Annual reports and actuary reports for the previous three fiscal years are available at www.SETwithMET.com or upon request to the MET office at 1-800-MET-4-KID (1-800-638-4543).
Three Plans, One Purpose

MET offers three different plans to help Purchasers make the most of their tuition savings:

1) THE FULL BENEFITS PLAN
The Full Benefits Plan provides full in-state tuition and mandatory fees at any Michigan public university, or tuition and mandatory fees at Michigan public community colleges (in-district or out-of-district) up to the number of credit hours purchased for a standard four-year bachelor’s degree (usually 120 credit hours).

Individuals may purchase up to five years (150 credit hours) of tuition under this contract.

2) THE LIMITED BENEFITS PLAN
The Limited Benefits Plan provides in-state tuition and mandatory fees at Michigan public universities and Michigan public community colleges (in-district or out-of-district) up to 105 percent of the weighted average tuition of all Michigan public four-year universities. If a student decides to attend a Michigan public university where tuition costs are higher than average, the number of credits allowed will be prorated based on the number of credit hours MET can purchase with 105 percent of the weighted average cost of Michigan public four-year universities. This plan might not cover the full cost of Michigan’s most expensive institutions.

Students who attend a school where tuition is not fully covered under the Limited Benefits Plan will receive the number of credit hours MET can purchase at the time of college enrollment.

Individuals may purchase up to five years (150 credit hours) of tuition under this contract.

3) THE COMMUNITY COLLEGE PLAN
The Community College Plan provides in-district tuition and mandatory fees at Michigan public community colleges. Some areas of the State are not within a community college district. Students who attend a community college out of their district will be responsible to pay the difference between the out-of-district and in-district tuition costs.

Individuals may purchase up to five years (150 credit hours) of tuition under this contract.

If a Beneficiary attends a Michigan independent (private) college or university, an out-of-state institution, or attends a college/university on a full tuition scholarship, refer to “Yes, you can...” on Page 6.

A Beneficiary may have multiple types of contracts but may not accumulate more than 150 credit hours (five years) of MET educational benefits.
Payment Options

Monthly Purchase and the new Pay-As-You-Go options make MET more affordable.

**Monthly Purchase**

MET contracts can be purchased on a monthly basis rather than in one lump sum. The Purchaser of a monthly purchase contract buys a percentage of educational benefits with every monthly payment. The percentage that each payment buys depends on the number of years over which the Purchaser elects to make payments. Depending on the age/grade of the child, monthly payments may be made over four, seven, 10 or 15 years. The total amount paid through a monthly purchase contract is greater than a lump sum payment because monthly payments must be invested gradually and earn less for MET over time than lump sums. Therefore, MET adds a rate of return into each monthly payment.

Monthly Payment Options: Monthly payments can be made by coupon book, payroll deduction, Automatic Clearing House (ACH), or made electronically through online contract access.

Monthly Payment Dates: Depending on the date a monthly purchase contract is submitted, monthly payments will begin February 25, May 26, September 25 or October 26. Subsequent monthly payments are due on the 25th of each month. The Purchaser must pay a $10 late fee for late payments and must make the monthly payment with the applicable late fee within 60 days of the scheduled due date or he or she may not continue making monthly purchases.

No Obligation: A Purchaser is not obligated to continue making monthly payments. If a Purchaser elects to discontinue monthly payments, MET has no legal right to force payment. A Purchaser who discontinues monthly payments will receive only those benefits for which timely monthly payments have been made. Those payments remain with MET until the Beneficiary reaches age 18 or graduates from high school.

A Purchaser who has stopped monthly payments may enroll to acquire additional benefits during a future enrollment period at the new cost. If the Purchaser decides to pay the entire balance more than a year before the final payment is due, MET will provide the Purchaser an early payment discount.

Regardless of payment option, the Purchaser is responsible for making all monthly payments in accordance with the dates due.

**Pay-As-You-Go**

MET contracts can now be purchased on a Pay-As-You-Go basis. Pay-As-You-Go contracts can be opened with the purchase of a minimum of one credit hour. After the initial purchase, additional payments of a minimum $25 may be made at any time. This option will allow purchasers to buy contracts by credit hours, rather than in semester increments. This will offer an affordable alternative to many people who do not wish to make a commitment to a monthly purchase plan.

The Purchaser will acquire educational benefits for payments accepted by MET. Upon receipt of a payment, MET will determine the number of credit hours (or fraction thereof) earned based upon the published per credit hour price in effect at the time the payment is received.

No Obligation: A Purchaser is not obligated to continue making payments. Payment by the Purchaser is voluntary. MET cannot compel the Purchaser to acquire educational benefits under this Contract. Educational benefits acquired will remain with MET until the Beneficiary reaches age 18 or graduates from high school.

A maximum of 150 credit hours can be purchased.
Eligibility to Enter Into a MET Contract

The Purchaser and Beneficiary must meet all of the eligibility requirements to enter into a contract.

Purchaser Eligibility Requirements
1. The Purchaser must reside in the United States.
2. MET contracts cannot be purchased by residents of Arizona, Illinois, New York, North Dakota, Ohio or Vermont due to those states’ securities laws.
3. The Purchaser must have a valid Social Security Number or Taxpayer Identification Number (TIN).

Beneficiary Eligibility Requirements
1. The Beneficiary must be a Michigan resident at the time of purchase.
2. The Beneficiary must have a valid Social Security number or Taxpayer Identification Number (TIN).

Purchasing a Contract
1. The Purchaser may enroll online at www.SETwithMET.com. Online enrollment provides the option to send the processing fee and lump sum or Pay-As-You-Go contract amount electronically OR pay the processing fee electronically and submit a check (cashier’s, certificated or personal) or money order for the lump sum or Pay-As-You-Go contract amount after enrollment. Alternately, the Purchaser may sign and submit the MET Contract Signature Page (Form 3691) and the total contract amount by mail to the MET office or submit it in person at a Treasury office.

2. For monthly purchase contracts, only the processing fee must be submitted if enrolling electronically. Alternately, the Purchaser may sign and submit the Contract Signature Page (Form 3691) and include a check (cashier’s, certified or personal) or money order for the processing fee if submitting by mail to the MET office or in person at a Treasury office.

Contracts can only be purchased during an open enrollment period.

Access to Contract Information
MET will protect private information. Contract information will be disclosed only to those persons listed on the contract as Beneficiary, Purchaser, or Appointee. MET will only provide general program information to all other inquirers.
Yes, you can...

MET recognizes that not all students will attend a Michigan public college. If the Beneficiary chooses to go to a Michigan independent (private) college or to an out-of-state college, MET does not provide full tuition at those institutions. Instead, MET pays a refund pursuant to contract provisions.

Full Benefits Plan Refund

1. If a student with a Full Benefits Plan contract attends a Michigan independent (private) college or university and directs the refund to the institution, MET will make refund payments based on the weighted average tuition of all Michigan public four-year universities.

2. If a student attends an out-of-state college and directs the refund to the institution or receives a full-tuition scholarship, refund payments will be based on the average tuition of all Michigan public four-year universities. Refund installments are paid out in four annual installments regardless of the number of credit hours purchased.

3. If a student chooses not to attend college, refund payments will be based on the Michigan public four-year university with lowest tuition. Refund installments are paid out in four annual installments regardless of the number of credit hours purchased.

Limited Benefits Plan Refund

1. If a student with a Limited Benefits Plan contract attends a Michigan independent (private) college or university and directs the refund to the institution, MET will make refund payments based on the weighted average tuition of the Michigan public four-year universities whose tuition does not exceed 105 percent of the weighted average tuition.

2. If a student attends an out-of-state college, receives a full-tuition scholarship or does not attend college, refund payments will be based on the lowest tuition of the Michigan public four-year universities. Refund installments are paid out in four annual installments regardless of the number of credit hours purchased.

3. If a student chooses not to attend college, refund payments will be based on the Michigan public four-year university with lowest tuition. Refund installments are paid out in four annual installments regardless of the number of credit hours purchased.

Community College Plan Refund

1. If a student with a Community College Plan contract attends a Michigan public university or a Michigan independent (private) college or university and directs the refund to the institution, MET will make refund payments based on the weighted average tuition of Michigan’s public community colleges. Refund installments are paid out in two annual installments regardless of the number of credit hours purchased.

2. If a student attends an out-of-state college and directs the refund to the institution or receives a full tuition scholarship, refund payments will be based on the average tuition of Michigan public community colleges. Refund installments are paid out in two annual installments regardless of the number of credit hours purchased.

3. If a student chooses not to attend college, refund payments will be based on the Michigan public community college with lowest tuition. Refund installments are paid out in two annual installments regardless of the number of credit hours purchased.

Refund Restrictions

The right to request a refund may be lost in instances of failure to use contractual educational benefits or receive a full refund within 15 years from the beginning of the academic year specified in the contract for starting college.
Impact on Financial Aid

The purchase of a MET contract, like any other investment made in a child’s name, will have an effect on the child’s ability to receive various forms of financial aid. Currently, financial aid eligibility is based on a number of factors, including a family’s size, income, assets and the age of the parents.

A MET contract is recognized as a “parental asset,” if purchased by a parent, instead of a “student resource” when the Beneficiary applies for financial aid. This means that only 5.6 percent of the MET contract value will be counted in the federal analysis to determine the student’s eligibility to receive need-based aid. Of the three major sources of financial aid - federal government, state government, and colleges and universities - each has different rules regarding financial aid eligibility. Before deciding to purchase a MET contract, you might want to check with these entities regarding how it affects financial aid eligibility.

Impact on Medicaid Eligibility

Purchasing a MET contract could adversely affect your eligibility for federal and state health care assistance programs and, in particular, Medicaid long-term care assistance. When determining Medicaid eligibility, it is probable that Medicaid authorities will consider the MET contract to be the Purchaser’s “available” asset for up to 60 months (five years) after the contract is purchased.

Bankruptcy Exclusions

The federal Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 provides a limited exclusion from an individual’s bankruptcy estate (and, therefore, will not be available to creditors) for a MET contract. To be protected, the Beneficiary must be the Purchaser’s child, stepchild, grandchild, or step-grandchild, and the contract must have been purchased at least 365 days before filing for bankruptcy. The exclusion is limited to $5,000 for all MET contracts (and other qualified tuition plan contributions) for the Beneficiary between 365 and 720 days before the bankruptcy filing. Contracts purchased more than 720 days before a bankruptcy filing are generally excluded from the bankruptcy estate.

Low Administrative Costs

Up to one-percent of MET’s total asset value can be used for program administration. However, for fiscal year 2019, less than one-half of 1 percent (0.47 percent) of the total assets were used for program administration.

The only administrative fees charged are a processing fee, a transfer fee, a termination fee (if terminated for a refund), a late monthly payment fee, and an NSF fee if applicable. No other fees will be charged.
Transferring a MET Contract

**MET Makes It Easy to Transfer Between Colleges or Universities**

A Beneficiary may start at one institution and decide to finish at another. Transfers among all Michigan public institutions are permitted.

With the Full Benefits and Limited Benefits plans, Beneficiaries may attend a Michigan public community college before attending a Michigan public university. If the Beneficiary has four years of educational benefits and attends a community college for two years or less, the Beneficiary will be entitled to the number of additional credit hours required to complete a four-year bachelor’s degree. This will apply if all credit hours at the community college do not transfer to the Michigan public university. This does not apply if the Beneficiary has less than four years of educational benefits or transfers to a Michigan public university after attending more than two academic years at a Michigan public community college, unless the Beneficiary receives an associate degree within two academic years. In those cases, the Beneficiary will receive only the credit hours remaining under the contract.

**Time to Decide**

A Beneficiary has 15 years from the beginning of the expected high school graduation year (academic year) specified in the contract to use all educational benefits. Failure to completely exercise the rights under the contract within 15 years will result in the closure of the contract and the refund of prepaid tuition less the value of educational benefits or refund previously paid by MET.

The Beneficiary must notify MET when he or she is ready to begin college. A student handbook, which contains the forms and instructions for activating a MET contract, is available online for eligible Beneficiaries in the spring of their senior year of high school.

A Beneficiary who advances through high school at an accelerated pace may use his or her educational benefits early. Documentation of the Beneficiary’s acceleration is required by MET.

**A MET Contract Is Transferable to Family Members**

Everyone’s life is full of changes. After the Beneficiary turns 18 years old, the contract may be transferred to an immediate family member (as defined in the contract) without any tax implications. To protect MET, the transfer will be subject to an additional contract payment if the new Beneficiary is older than the original Beneficiary and the new Beneficiary was ineligible to be a Beneficiary of a contract in the year the contract was purchased. There is no residency requirement for the new Beneficiary.

Section 6.(b) 3 states “the Person requesting the Transfer and the proposed New Beneficiary (or parent or guardian of the New Beneficiary if the New Beneficiary is a minor) must certify in writing that no payment has been or will be made to anyone (except MET) for the transfer.”
Great Tax Advantages

This tax discussion is included for general information only. Consult a tax advisor for advice on how the Purchaser/Beneficiary might be specifically affected as a result of program participation.

State Income Tax Deduction

A Purchaser may deduct the total amount paid for a contract from taxable income when determining Michigan income tax for the year in which the contract is purchased.

Federal and State Income Tax Matters

MET is a qualified tuition program under Section 529 of the Internal Revenue Code. MET benefits used to pay college tuition and mandatory fees are exempt from federal and Michigan income taxes. If, however, a MET contract is terminated and the refund is not used to pay qualified higher education expenses, contract earnings (the value of the refund over the amount paid for the corresponding portion of the contract) could be subject to federal and Michigan income taxes and a 10 percent federal penalty tax. The person receiving the refund will be responsible for those taxes.

American Opportunity Credit. You may be able to claim a credit of up to $2,500 for adjusted qualified education expenses paid for each student who qualifies for the American opportunity credit. Your allowable American opportunity credit may be limited by the amount of your income. Also, the nonrefundable part of the credit may be limited by the amount of your tax.

Lifetime Learning Credit. You may be able to claim a lifetime learning credit of up to $2,000 for qualified education expenses paid for all eligible students (i.e., yourself, your spouse or a dependent you claim on your tax return). There is no limit on the number of years the lifetime learning credit can be claimed for each student.

An American Opportunity or Lifetime Learning Credit (education credit) can be claimed in the same year the beneficiary takes a tax-free distribution from a QTP, as long as the same expenses aren’t used for both benefits. This means that after the beneficiary reduces qualified education expenses by tax-free educational assistance, he or she must further reduce them by the expenses taken into account in determining the credit. For each student, if income eligible, you can choose to use for any year either credit but not both.

The maximum annual contribution to Coverdell Education Savings Accounts (ESA) for a Beneficiary is $2,000. Under current federal law a 6 percent excise tax may apply each year to excess contributions that are in the ESA at the end of the year. Contributions can be made in the same year for the same beneficiary for both the QTP and the ESA.

These descriptions of the American Opportunity Credit, Lifetime Learning Credit and ESA are not exhaustive.* You should consult with a tax advisor concerning specific questions on how the federal tax law may affect you.

Federal Gift Tax

A MET contract purchase constitutes a gift from the Purchaser to the Beneficiary, provided the Beneficiary is not the Purchaser. That gift does not require payment of any federal tax until the Purchaser has made lifetime gifts in excess of the corresponding unified credit amount. At present, the annual gift tax exclusion is $15,000 per recipient while the lifetime gift tax exemption is $11,400,000 for an individual. The Purchaser may need to file a United States Gift Tax Return (U.S. Form 709) for the year the contract is purchased. A special election exists that allows the contributor to elect to prorate the entire taxable gift amount that exceeds the annual “present interest” gift tax exclusion limit, allowing the contributor to have the contribution treated as if made over a five-year period.

If the cost of a MET contract for a Beneficiary in a single year exceeds $15,000, the Purchaser may elect to treat up to $75,000 of the contributions or $150,000 for joint filers, as having been made over a period of up to five years for federal gift tax exclusion.

*See www.IRS.gov for Publication 970 regarding Qualified Tuition Programs.
1. What’s new with MET?
Contracts purchased in the 2020 enrollment period allow the purchaser OR the beneficiary to terminate a contract for a refund and/or transfer benefits to an immediate family member. On contracts purchased between 1988 – 2018, only the beneficiary may terminate the contract and/or transfer benefits to an immediate family member. On all contracts, the beneficiary must be 18 years old or have earned a high school diploma for a termination or transfer to occur. The only exceptions are if the beneficiary has died or is diagnosed as learning disabled, then a person with legal authority to act on behalf of the beneficiary may terminate the contract.

2. Can MET students attend any Michigan public university or college?
Yes. MET benefits can be used at any Michigan public university or college upon the student being admitted to that institution. MET cannot guarantee that a student will be admitted to any Michigan university or college.

3. Can a student wait to use his or her MET contract once they have graduated high school?
Yes. A student has 15 academic years from the expected high school graduation year to use all credit hours, transfer credit hours to an immediate family member or terminate the contract for a refund.

4. What are the mandatory fees?
Mandatory fees are those required to be paid by all students attending a particular university/college. Application fees, contact hour fees and fees which are course specific (such as lab fees for science and computer classes, etc.), or fees assessed based on the number of credit hours enrolled are not covered. Also, MET does not pay for room and board or books.

5. What if my student’s major requires more than 120 credit hours?
MET will stop providing benefits under each contract when MET has paid the credit hours purchased. If MET pays for courses that are repeated to improve a student’s grade point average or for incomplete, failed or withdrawn classes, they will count against the total number of credit hours allowed under the contract. A standard baccalaureate degree usually consists of 120 credit hours (or, on average, 30 credit hours each year). MET does not cover the cost of contact hours (hours spent with the instructor).
6. What if my student receives a full scholarship?
If a beneficiary receives a full tuition scholarship, the contract may be terminated, and the refund designee will receive a refund of the average tuition (Full Benefits and Community College contracts) or lowest tuition (Limited Benefits contract). A full scholarship must be equivalent to or greater than the contract years purchased. For example, the student owns a 2-year contract and is awarded a 2-year scholarship; a 4-year tuition scholarship; a 2-year community college scholarship; or a 1-year scholarship renewable for four years.

7. Can all MET benefits be used if my student receives a partial scholarship?
Yes. Students who receive partial tuition scholarships, grants, or other types of tuition assistance (including faculty/employee benefits paid by a public institution) may not need all the educational benefits provided under the MET contract. The institution should invoice MET for all credit hours for which a student enrolls. Any excess amount should be refunded to the student by the institution.

8. Can MET pay tuition if my student attends a Michigan independent (private) or out-of-state college or university?
Yes. If a student is admitted to a Michigan independent (private) or out-of-state college, a refund can be directed to the college. The refund amount will be based on weighted average, average, or lowest tuition depending on the type of contract.

9. Will MET cover tuition for a student that moves out-of-state after a contract has been purchased but wants to attend a Michigan public college or university?
Yes, Under the Full and Limited Benefits contracts, MET provides payment of in-state undergraduate tuition and mandatory fees at a Michigan public university. Each university determines residency requirements. A student who moves out of the state of Michigan after the contract has been purchased and still wishes to utilize the tuition benefits may do so. In such cases, however, if the university deems the student an out-of-state resident, MET will provide in-state tuition and mandatory fees and the student will be responsible to pay the difference between the out-of-state and in-state tuition costs directly to the university.

10. Can credit hours be applied to graduate school or advanced programs?
MET contracts are designed to cover undergraduate courses. However, if a student graduates from college after using the MET contract for undergraduate studies and has credit hours remaining on his or her MET contract, the remaining credit hours may be used toward graduate school or an advanced program at a Michigan public university or college at the undergraduate tuition rate.

11. What does “Termination” of a MET contract mean?
In a MET contract, termination is the action that occurs when a beneficiary is not going to use their credit hours at a Michigan public community college or university. Termination of the contract converts credit hours to a refund value. The refund value can be paid directly to Michigan Independent (private) institutions as well as degree granting institutions nationwide. In the case of full tuition scholarship, not attending college, or death or disability of the beneficiary, the refund is paid directly to the refund designee.

12. What is a Refund Designee?
At the time of purchase, the purchaser is asked to designate an individual who is entitled to a refund on the contract if benefits are not paid directly to a higher education institution. That individual is the refund designee.

13. Is the MET Contract refundable if a student decides not to attend college?
Yes. Once the beneficiary is 18 years old or has earned a high school diploma, the purchaser or beneficiary of a 2020 contract has the option to transfer benefits to an immediate family member or terminate for a refund payable to the refund designee. On contracts purchased between 1988-2018, only the beneficiary may terminate or transfer benefits.

14. If a contract is terminated, will there be a lump sum refund?
No. Pursuant to the MET statute, termination refunds are made in four annual installments for the Full or Limited Benefits contract if terminating to attend an out-of-state college, receive a full scholarship or not attend college. If terminating a Community College contract, refunds are made in two annual installments. A lump sum refund is provided upon death or learning disability of the beneficiary. See the Termination Refund Provisions chart.
15. What provisions can be made if a contract is terminated for a refund for any reason and later decides to attend a Michigan public college?
None. The MET contract does not permit the reinstatement of a contract once it has been terminated and a full or partial refund has been made.

16. How does MET pay for future tuition?
The state’s experienced money managers at the Department of Treasury invest the money paid by MET purchasers. Currently those funds are invested in equities (up to 70%) and bonds. MET uses the funds and investment earnings to pay MET beneficiaries’ tuition costs and mandatory fees.

17. Who manages the MET fund investments?
The Department of Treasury, Bureau of Investments, manages MET’s investments and has successfully managed Michigan’s $74.8 billion pension system, which is the 18th largest public pension fund in the U.S. and the 19th largest defined benefit fund in the U.S.

18. Are MET purchases made with pre-tax or after-tax dollars?
When purchasing a MET contract, you are using after-tax dollars. Pre-tax contributions are usually reserved for 401(k) types of retirement plans.

19. Can another 529 program be used to purchase a MET contract?
Yes. A rollover form must be submitted to the other 529 program and a check will be sent to MET.

20. Can a MET contract be rolled over to another Section 529 Program?
Yes, once the contract has been terminated refunds may be rolled over into another 529 program. The beneficiary must reach age 18 or graduate from high school before a contract can be terminated.

21. What if a purchaser divorces?
Only one person can be named on the Contract Signature Page as a purchaser. Once the contract is accepted by MET, the contract belongs to the beneficiary. If the purchaser is named as the refund designee, he or she will retain the right to a refund if the beneficiary decides not to attend college or the right to change the refund designee, if desired. If the beneficiary is named as the refund designee, only the beneficiary can change the refund designee at age 18 or high school graduation.

22. What if a purchaser dies?
When purchasing a MET contract, you may name an appointee and identify that person as a contingent purchaser in the event of the purchaser’s death. The contingent purchaser can change the refund designee if the purchaser was the refund designee. However, if the beneficiary is the refund designee, only the beneficiary can change the refund designee. If a purchaser, who is also the refund designee, dies without a will or naming a contingent purchaser, the beneficiary may have to go to probate court to determine an executor of the estate who can name a new refund designee. In that case, the beneficiary should contact the MET office. If a purchaser of a monthly purchase contract in payment status dies, the total monthly purchases received remain with MET until the beneficiary is 18 years old or graduates from high school. The estate may pay the contract in full or an additional person may purchase another contract.

23. If I submit a monthly purchase contract, when will my monthly purchases begin?
If a monthly purchase contract is received prior to January 31 of the current enrollment period, the first monthly payment will be due February 25. For monthly purchase contracts received between February 1 and April 30, the first monthly payment will be due May 26. Monthly purchase contracts received between May 1 and August 31, the first monthly payment will be due September 25. Monthly purchase contracts received in the month of September will have the first monthly payment due October 26.

24. Is there a payment option with greater flexibility?
The Pay-As-You-go contract gives you the option to purchase a minimum of one credit hour. After the initial purchase, additional payments of a minimum $25 may be made at any time to purchase additional credit hour or fractions of credit hours.
25. The beneficiary will not graduate from high school in the expected academic year as submitted on the Contract Signature Page at the time of purchase. Can this date be changed?
No. MET contract prices are based on actuarial projections. MET’s actuary projected a probable graduation date based on the beneficiary’s age/grade at time of purchase. The actuary also took into consideration that some beneficiaries would begin using benefits early and some would begin using benefits late. Therefore, Section 8 of the MET contract allows a beneficiary 15 academic years from the expected academic year to completely use all contract benefits or receive a refund.

26. Who can access MET contract information?
Only those persons listed on the contract as beneficiary, purchaser, or appointee will be given contract specific information whether via phone, written communication, email, online access or any other means of communication with the MET office. MET will only provide general program information to all other inquiries.

27. How does a MET contract affect a student’s eligibility for financial aid?
Effective July 1, 2006, MET contracts will be recognized as a parental asset in determining the student’s federal financial aid eligibility. Parents who purchased contracts for their children will need to report the value of all contracts for all their children as an asset when filing the FAFSA. A worksheet to assist parents determine the value to report is available in the Manage Contract section of the MET website.

28. What fees are charged for program administration?
Since MET is administered in-house, only 47 basis points are allocated to program administration. Administrative fees are not deducted from individual contracts.

29. Does the State of Michigan offer any other education savings programs?
Yes. The Michigan Education Savings Program (MESP) is a direct-sold program that offers nine investment options to encourage families to save for higher education. Savings may be used for tuition, fees, room, board, books and equipment required for enrollment. For more information visit the MESP Web site at www.misaves.com or call toll free at 1-877-861-MESP. The MI529 Advisor Plan (MAP) is a broker-sold component of MESP that allows families to work with a financial advisor regarding saving for college. Visit www.MI529advisor.com or call 866-529-8818 for information.

30. Do any other states offer a similar program?
Yes. Michigan was the first state to adopt a prepaid tuition program; however, 20 states and one not-for-profit organization have adopted similar prepaid programs. Additionally, 49 states and the District of Columbia have adopted college savings programs. For more information on states with similar programs, call the College Savings Plans Network at 877-CSPN-4-YOU (877-277-6496) or visit www.collegesavings.org.

31. Is there a telecommunications device for the speech/hearing impaired?
Yes. Telephone help is available through the Michigan Relay Center, call 711 for assistance.
## Tuition and Mandatory Fees at Michigan Public Four-Year Universities

<table>
<thead>
<tr>
<th>University</th>
<th>1988-1989</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Michigan University</td>
<td>$1,827</td>
<td>$13,754</td>
</tr>
<tr>
<td>Eastern Michigan University</td>
<td>$1,820</td>
<td>$13,721</td>
</tr>
<tr>
<td>Ferris State University</td>
<td>$1,947</td>
<td>$14,581</td>
</tr>
<tr>
<td>Grand Valley State University</td>
<td>$1,794</td>
<td>$13,204</td>
</tr>
<tr>
<td>Lake Superior State University</td>
<td>$1,767</td>
<td>$12,233</td>
</tr>
<tr>
<td>Michigan State University</td>
<td>$3,017</td>
<td>$15,774</td>
</tr>
<tr>
<td>Michigan Technological University</td>
<td>$2,193</td>
<td>$17,197</td>
</tr>
<tr>
<td>Northern Michigan University</td>
<td>$1,729</td>
<td>$11,623</td>
</tr>
<tr>
<td>Oakland University</td>
<td>$2,065</td>
<td>$15,400</td>
</tr>
<tr>
<td>Saginaw Valley State University</td>
<td>$1,959</td>
<td>$13,192</td>
</tr>
<tr>
<td>University of Michigan - Ann Arbor</td>
<td>$3,191</td>
<td>$17,837</td>
</tr>
<tr>
<td>University of Michigan - Dearborn</td>
<td>$2,190</td>
<td>$14,551</td>
</tr>
<tr>
<td>University of Michigan - Flint</td>
<td>$1,920</td>
<td>$12,619</td>
</tr>
<tr>
<td>Wayne State University</td>
<td>$2,289</td>
<td>$16,162</td>
</tr>
<tr>
<td>Western Michigan University</td>
<td>$2,104</td>
<td>$14,929</td>
</tr>
</tbody>
</table>

The chart above illustrates the tuition and mandatory fees for the universities listed above for the years 1988-1989 and 2019-20. Each bar represents the tuition fees for a specific university, with the length indicating the amount. The chart uses a logarithmic scale to accommodate a range of tuition fees from $0 to $20,000.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpena</td>
<td>$1,103</td>
<td>$4,803</td>
<td>Mid-Michigan</td>
<td>$980</td>
<td>$4,684</td>
</tr>
<tr>
<td>Bay De Noc</td>
<td>1,005</td>
<td>5,642</td>
<td>Monroe</td>
<td>651</td>
<td>4,180</td>
</tr>
<tr>
<td>Delta</td>
<td>1,139</td>
<td>4,265</td>
<td>Montcalm</td>
<td>892</td>
<td>4,743</td>
</tr>
<tr>
<td>Glen Oaks</td>
<td>899</td>
<td>4,743</td>
<td>Mott</td>
<td>1,187</td>
<td>5,302</td>
</tr>
<tr>
<td>Gogebic</td>
<td>742</td>
<td>4,328</td>
<td>Muskegon</td>
<td>971</td>
<td>4,937</td>
</tr>
<tr>
<td>Grand Rapids</td>
<td>1,187</td>
<td>4,126</td>
<td>North Central</td>
<td>1,008</td>
<td>4,661</td>
</tr>
<tr>
<td>Henry Ford</td>
<td>1,094</td>
<td>4,080</td>
<td>Northwestern</td>
<td>1,172</td>
<td>5,038</td>
</tr>
<tr>
<td>Jackson</td>
<td>1,089</td>
<td>6,394</td>
<td>Oakland</td>
<td>1,073</td>
<td>3,130</td>
</tr>
<tr>
<td>Kalamazoo</td>
<td>713</td>
<td>3,652</td>
<td>St. Clair</td>
<td>1,085</td>
<td>5,181</td>
</tr>
<tr>
<td>Kellogg</td>
<td>791</td>
<td>4,611</td>
<td>Schoolcraft</td>
<td>1,053</td>
<td>4,550</td>
</tr>
<tr>
<td>Kirtland</td>
<td>1,020</td>
<td>4,402</td>
<td>Southwestern</td>
<td>992</td>
<td>5,433</td>
</tr>
<tr>
<td>Lake Michigan</td>
<td>961</td>
<td>4,859</td>
<td>Washtenaw</td>
<td>899</td>
<td>3,255</td>
</tr>
<tr>
<td>Lansing</td>
<td>992</td>
<td>3,863</td>
<td>Wayne County</td>
<td>1,121</td>
<td>3,839</td>
</tr>
<tr>
<td>Macomb</td>
<td>1,115</td>
<td>3,437</td>
<td>West Shore</td>
<td>918</td>
<td>3,906</td>
</tr>
</tbody>
</table>
Projected Tuition Costs

College costs are projected to increase dramatically over the next 18 years.

The chart below demonstrates how your lump sum payment for a one-year Full Benefits contract in 2019-20 compares to our projected tuition for one year when your Beneficiary reaches college age. This projection assumes tuition increases of 5.5 percent for 2020, 5.0 percent for 2021 and 4.5 percent thereafter.
Historic Refund Charts

The charts below illustrate historic contract refund amounts used for calculating termination refunds when a student does not attend a Michigan public college/university.
## Termination Refund Provisions Chart

<table>
<thead>
<tr>
<th>Reason</th>
<th>Full Benefits Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATTENDS MICHIGAN INDEPENDENT (PRIVATE) COLLEGE OR UNIVERSITY AND DIRECTS PAYMENT TO THE UNIVERSITY/COLLEGE.</td>
<td>Weighted average tuition of Michigan public four-year universities. Paid as necessary to cover tuition and mandatory fees.</td>
</tr>
<tr>
<td>ATTENDS OUT-OF-STATE INSTITUTION AND DIRECTS PAYMENT TO THE UNIVERSITY/COLLEGE.</td>
<td>Average tuition of Michigan public four-year universities. Four annual installments paid as necessary to cover tuition.</td>
</tr>
<tr>
<td>RECEIVES A FULL TUITION SCHOLARSHIP.</td>
<td>Average tuition of Michigan public four-year universities. Four annual installments paid to the person specified in the contract.</td>
</tr>
<tr>
<td>BENEFICIARY DIES OR IS LEARNING DISABLED.</td>
<td>Lowest tuition of Michigan public four-year universities. Lump sum paid within 60 days to the person specified in the contract.</td>
</tr>
<tr>
<td>BENEFICIARY DOES NOT PLAN TO ATTEND COLLEGE.</td>
<td>Lowest tuition of Michigan public four-year universities. Four annual installments paid to the person specified in the contract.**</td>
</tr>
<tr>
<td>ATTENDS MICHIGAN INDEPENDENT (PRIVATE) COLLEGE OR UNIVERSITY OR OUT-OF-STATE INSTITUTION BUT DOES NOT DIRECT PAYMENT TO THE UNIVERSITY/COLLEGE.</td>
<td>Lowest tuition of Michigan public four-year universities. Four annual installments paid to the person specified in the contract.</td>
</tr>
<tr>
<td>ATTENDS A MICHIGAN PUBLIC COMMUNITY COLLEGE.</td>
<td>Lowest tuition of Michigan public four-year universities. Payment is directed to the college to cover tuition and mandatory fees. Any remaining amount is refunded at the end of the fourth year to the person specified in the contract.</td>
</tr>
<tr>
<td>ANY OTHER REASON.</td>
<td>Lowest tuition of Michigan public four-year universities. Four annual installments paid to the person specified in the contract.**</td>
</tr>
<tr>
<td>ATTENDS A MICHIGAN PUBLIC UNIVERSITY AND DIRECTS PAYMENT TO THE UNIVERSITY.</td>
<td>N/A</td>
</tr>
<tr>
<td>ATTENDS A MICHIGAN PUBLIC UNIVERSITY BUT DOES NOT DIRECT PAYMENT TO THE UNIVERSITY.</td>
<td>N/A</td>
</tr>
</tbody>
</table>

* In accordance with the MET law, refund amounts are determined in the year the contract is terminated (as allowed by the Beneficiary’s expected academic year). Under the Full and Limited Benefits Contracts, the refund amounts do not change to reflect the tuition increases after the first year the contract is terminated. Under the Community College Contract, the refund amounts may be adjusted when a student attends a college/university.

** A $100 termination fee is deducted from the first refund installment.
### Limited Benefits Contract

<table>
<thead>
<tr>
<th>Description</th>
<th>Community College Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted average tuition of Michigan four-year public universities whose tuition costs do not exceed 105 percent of weighted average. Paid as necessary to cover tuition and mandatory fees.</td>
<td>Weighted average tuition of Michigan community colleges. Two annual installments paid as necessary to cover tuition and mandatory fees.</td>
</tr>
<tr>
<td>Lowest tuition of Michigan public four-year universities. Four annual installments paid as necessary to cover tuition.</td>
<td>Average tuition of Michigan community colleges. Two annual installments paid as necessary to cover tuition and mandatory fees.</td>
</tr>
<tr>
<td>Lowest tuition of Michigan public four-year universities. Four annual installments paid to the person specified in the contract.</td>
<td>Average tuition of Michigan community colleges. Two annual installments paid to the person specified in the contract.</td>
</tr>
<tr>
<td>Lowest tuition of Michigan public four-year universities. Lump sum paid within 60 days to the person specified in the contract.</td>
<td>Lowest tuition of Michigan community colleges. Lump sum paid within 60 days to the person specified in the contract.</td>
</tr>
<tr>
<td>Lowest tuition of Michigan public four-year universities. Four annual installments paid to the person specified in the contract.**</td>
<td>Lowest tuition of Michigan community colleges. Two annual installments paid to the person specified in the contract.**</td>
</tr>
<tr>
<td>Lowest tuition of Michigan public four-year universities. Four annual installments paid to the person specified in the contract.</td>
<td>Lowest tuition of Michigan community colleges. Two annual installments paid to the person specified in the contract.</td>
</tr>
<tr>
<td>Lowest tuition of Michigan public four-year universities. Payment is directed to the college to cover tuition and mandatory fees. Any remaining amount is refunded at the end of the fourth year to the person specified in the contract.</td>
<td>N/A</td>
</tr>
<tr>
<td>Lowest tuition of Michigan public four-year universities. Four annual installments paid to the person specified in the contract.**</td>
<td>Lowest tuition of Michigan community colleges. Two annual installments paid to the person specified in the contract.</td>
</tr>
<tr>
<td>N/A</td>
<td>Weighted average tuition of Michigan community colleges. Two annual installments paid as necessary to cover tuition and mandatory fees.</td>
</tr>
<tr>
<td>N/A</td>
<td>Lowest tuition of Michigan community colleges. Two annual installments paid to the person specified in the contract.**</td>
</tr>
</tbody>
</table>
SECTION 1.
DEFINITIONS OF CONTRACT TERMS

(a) “Academic Year” means the undergraduate school year beginning the first semester, term, or quarter after July 15 of any year.

(b) “Act” means Act No. 316 of Public Acts of 1986, which is Michigan Compiled Law 390.1421 and following provisions.

(c) “Advance Tuition Payment Fund” means the Plan D advance tuition payment fund.

(d) “Annual Tuition Cost” means a figure determined by dividing the total in-district Tuition collected by a particular Community College for a year for credit hour courses by the total number of in-district Fiscal Year Equated Students at that particular school for that year.

(e) “Annual Undergraduate Tuition Cost” means a figure determined by dividing the total in-state undergraduate Tuition collected by a particular State Institution of Higher Education for a year by the total number of in-state Undergraduate Fiscal Year Equated Students at that school for that year.

(f) “Appointee” means the Person named in Item 11 of the Contract Signature Page, who will receive correspondence concerning the Contract and, in addition, the Person whom the Purchaser may select to be the Refund Designee (in Item 16) and/or the successor Purchaser upon the death or incapacity of the Purchaser (in Item 6).

(g) “Average Tuition Cost” means an amount determined by adding the Annual Undergraduate Tuition Cost at each State Institution of Higher Education and dividing that result by the total number of State Institutions of Higher Education for University Contracts and an amount determined by adding the Annual Tuition Cost at each Community College and dividing that result by the total number of Community Colleges for Community College Contracts.

(h) “Beneficiary” or “Qualified Beneficiary” means the individual named in Item 1. The Beneficiary must be a Resident when the Contract Signature Page is submitted to MET.

(i) “Board” means the MET Board of Directors.

(j) “Community College” means an educational institution described in Michigan Constitution 1963, Article 8, Section 7.

(k) “Complete Credit Public Educational Institution” means a Public Educational Institution whose In-State Tuition Rate or In-District Tuition Rate does not exceed 105 percent of the Weighted Average Tuition Cost of all State Institutions of Higher Education in the Academic Year in which the Beneficiary initially enrolls at the Public Education Institution determined by MET annually.

(l) “Complete Credit State Institution of Higher Education” means a State Institution of Higher Education whose In-State Tuition Rate does not exceed 105 percent of the Weighted Average Tuition Cost of all State Institutions of Higher Education in the Academic Year in which the Beneficiary initially enrolls at a Higher Education Institution determined by MET annually.

(m) “Contract” means this MET Contract.

(n) “Disabled” or “Disability” means a limitation of an individual’s learning ability resulting from an injury or disease which renders the individual incapable of participating in higher education.

(o) “Fiscal Year Equated Students” means a figure determined for each Community College by dividing one-half of the number of credit hours necessary to receive a two-year associate degree at that Community College into the number of credit hours for which in-district students were enrolled.

(p) “Higher Education Institution” means a Public Educational Institution, an Independent, Degree-granting College or University or an Out-of-State Institution of Higher Education.

(q) “Immediate Family” means the spouse, mother, father,
brother, sister, legally adopted brother or sister, child, legally adopted child, niece, nephew or cousin of the first degree of the Beneficiary.

(r) “Independent, Degree-granting College or University” means a non-profit, non-public, associate or baccalaureate degree-granting higher education institution approved by the State Board of Education and located in the State.

(s) “In-District Tuition Rate” means the Tuition rate charged a student who meets the in-district residency requirements established by a particular Community College.

(t) “In-State Tuition Rate” means the Tuition rate charged a student who meets the in-state residency requirements of a particular State Institution of Higher Education.

(u) “Item” means any of those categories listed as numbers 1–27 on the Contract Signature Page.

(v) “Lowest Tuition Cost” means the lowest annual Tuition rate charged freshmen, sophomores, juniors or seniors among all annual Tuition rates at any State Institution of Higher Education for University contracts; and the lowest annual Tuition rate charged freshmen and sophomores among all annual Tuition rates at any Community College for Community College Contracts.

(w) “Mandatory Fee” means any fee, other than charges for credit hours, room and board, which a Public Educational Institution requires all students to pay as a condition of enrollment, such as registration fees. Fees which are course specific such as laboratory fees, contact hour charges, and fees based on the number of credit hours enrolled or health insurance fees are not covered under this Contract. These examples are not all inclusive of non-mandatory fees.

(x) “MET” means the Michigan Education Trust.

(y) “Monthly Purchase” means the acquisition of educational benefits by the Purchaser of the applicable percent, as specified in Section 3(g) of the Contract.

(z) “Monthly Purchase Amount” means the monthly dollar amount specified by MET for a monthly purchase contract.

(aa) “New Beneficiary” means an individual who is an Immediate Family member to whom Contract rights have been transferred.

(bb) “Out-of-District Tuition Rate” means the Tuition rate charged a student attending a Community College who does not meet the in-district residency requirements established by a particular Community College.

(cc) “Out-of-State Institution of Higher Education” means one of the following: (i) A non-profit, baccalaureate degree-granting college or university located outside this state. (ii) A proprietary baccalaureate degree-granting college or university located outside this state that is eligible to participate in United States Department of Education student aid programs. (iii) A community or junior college located outside this state that is eligible to participate in United States Department of Education student aid programs.

(dd) “Pay-As-You-Go” (PAYG) Purchase Plan means payment of a any type of MET contract opened with the purchase of a minimum of 1 credit hour up to a maximum of 150 credit hours. After the initial purchase of at least 1 credit hour, additional payments of a minimum of $25 may be made at any time. Credit hours would be purchased at the published per credit hour price in effect at the time payment is received by MET.

(ee) “Person” means an individual who is a resident of the United States, or a partnership, trust, association, corporation, or governmental subdivision existing under the laws of the United States or any state of the United States.

(ff) “Plan” or “Plan D” means this Contract and other Contracts designated as Plan D Contracts.

(gg) “Prepaid Tuition Amount” means, when referring to this Contract the lump sum paid less the processing fee or the accumulated amount of all Monthly Purchase Amounts received by MET under the Contract less the processing fee.

(hh) “Public Educational Institution” means a State Institution of Higher Education or a Community College.

(ii) “Purchaser” means the Person named in Item 6. If the Purchaser is a natural Person, he/she must be 18 years of age or older, or a trustee, or a designated custodian or minor under the Michigan Uniform Transfers to Minors Act, or be represented by a court appointed or approved conservator or guardian.

(jj) “Refund Designee” means the person named in Item 16 of the Contract Signature Page.

(kk) “Resident” means an individual who is domiciled in the State.

(ll) “State” means the State of Michigan.

(mm) “State Institution of Higher Education” means a college or university described in Michigan Constitution 1963, Article 8, Section 4, 5 or 6, or any four-year degree-granting institution established by the State in the future as a State Institution of Higher Education.

(nn) “Termination” means a discontinuation of the right to receive educational benefits at a Public Educational Institution.

(oo) “Total Contract Price” means, when referring to this Contract the accumulated amount of all Monthly Purchase Amounts including the processing fee specified in Item 26 of the Contract or, when referring to lump sum contracts which have the Total Contract Price set forth in Item 27 of the contract, the amount in Item 27 of the contract or, if incorrect, the amount that should have been in Item 27.

(pp) “Transfer” means moving Contract rights from the Beneficiary to a New Beneficiary.

(qq) “Tuition” means the undergraduate quarter, term, semester or trimester charges imposed to attend a Public Educational Institution including Mandatory Fees.
UNIVERSITY CONTRACT
(FULL AND LIMITED BENEFITS)

SECTION 2. MET's OBLIGATIONS

(a) Upon MET's acceptance of the Contract and the Beneficiary's enrollment at a Public Educational Institution, MET will pay for no more than 15 credit hours for each semester purchased at the Beneficiary's Public Educational Institution (for Full Benefits Contracts) or Complete Credit Public Educational Institution (for Limited Benefits Contracts) at the In-State Tuition Rate multiplied by the semesters of educational benefits acquired by the Purchaser. MET pays these educational benefits from the assets of the Plan.

(1) MET will stop providing benefits under this Contract when MET has paid the semesters purchased, regardless of the number of credit hours the Beneficiary has accumulated toward graduation at his or her Public Educational Institution. The Beneficiary can accumulate fewer credit hours than MET has paid if the Beneficiary drops classes, fails classes, repeats classes, changes majors, takes classes at another Public Educational Institution which do not transfer to the Beneficiary's Public Educational Institution or for other reasons. A standard baccalaureate degree usually consists of 120 semester credit hours (or, on average, 30 credit hours each year).

(2) MET will only pay educational benefits and provide refunds under the Contract from the assets of the Plan. The ability of MET to pay benefits and provide refunds under the Contract is not guaranteed by the State of Michigan.

FOR LIMITED BENEFITS CONTRACTS:

(b) If a Beneficiary enrolls at a Public Educational Institution which is not a Complete Credit Public Educational Institution, MET will provide the number of credit hours MET can purchase with 105 percent of the Weighted Average Tuition Cost of all State Institutions of Higher Education based upon the Academic Year at the time of enrollment multiplied by the semesters of educational benefits acquired by the Purchaser.

(c) If a Beneficiary transfers to another Public Educational Institution, the number of credit hours the Beneficiary will have at the new Public Educational Institution will be determined at the time of transfer by:

(1) calculating the number of credit hours the Beneficiary is entitled to at the new Public Educational Institution pursuant to subsections (a) or (b), as applicable, as if he or she were just commencing receiving MET benefits using the Weighted Average Tuition Cost of all State Institutions of Higher Education and the Annual Undergraduate Tuition Cost of the new Public Educational Institution as of the Academic Year the Beneficiary first used MET benefits,

(2) calculating a percent equal to the credit hours already provided by MET for the Beneficiary divided by the total credit hours MET would have provided at that Public Educational Institution,
(d) The Beneficiary must meet the Public Educational Institution’s residency requirements to be eligible for that institution’s In-State Tuition Rate. The Beneficiary is responsible for the difference between the In-State Tuition Rate and out-of-state Tuition rate. If the Beneficiary attends a Community College, MET will pay, as appropriate, the In-District Tuition Rate or the Out-of-District Tuition Rate, and contact or billing hour charges (to the extent the Out-of-District Tuition Rate and contact/billing hour charges do not exceed the Average Tuition Cost).

(f) A Beneficiary of (i) other than a four-year Contract who attends a Community College, or (ii) a four-year Contract who attends a Community College for more than two Academic Years may then attend a State Institution of Higher Education, but will only receive the remaining educational benefits under the Contract. This subsection does not apply if the Contract has been terminated.

SECTION 3.
PAYMENT AND CONTRACT ACCEPTANCE

(a) Contract Acceptance: MET has no obligation to the Beneficiary until it accepts this Contract. MET will accept this Contract only after it receives:

(1) a properly completed Contract Signature Page signed by the Purchaser, who must be 18 years of age or older, a designated custodian under the Michigan Uniform Transfers to Minors Act (UTMA) (who may name the minor as the purchaser) or a court appointed conservator or guardian, and

(2) payment of a properly calculated Total from Item 27 of the Contract Signature Page. Payment must be in the form of a cashier’s check, certified check, or money order payable to Michigan Education Trust or if enrolling online, through electronic funds transfer.

(b) Confirmation of Acceptance: MET will send a confirmation of Contract acceptance to the Purchaser within 90 days from MET’s receipt of the Contract Signature Page. If the Purchaser does not receive confirmation, the Purchaser should notify MET in writing.

(c) Insufficient Payment: If the Purchaser pays less than the total Prepaid Tuition Amount and one-time processing fee due for this Contract, MET will notify the Purchaser. If MET sends a notice, the Purchaser shall advise MET by mail, return receipt requested, that he or she will do one of the following and, if (1) is selected, enclose payment:

(1) pay the additional amount necessary to purchase the number of semesters specified in Item 15 of the Contract Signature Page,

(2) accept an adjusted amount of educational benefits to reflect what the actual payment submitted could purchase when MET received the payment, or

(3) withdraw the Contract offer. MET will then return to the Purchaser the amount paid by the Purchaser (without interest).

If MET does not receive instructions and payment (if appropriate) from the Purchaser within 20 business days of the date notice is sent, MET shall reduce the amount of educational benefits consistent with subsection (c)(2).

(d) Payment Credit: Upon acceptance of this Contract, MET shall credit the Advance Tuition Payment Fund with the amount paid less the one-time processing fee.

FOR LUMP SUM CONTRACTS:

(e) Monthly Purchase Amounts: If the Monthly Purchase option is selected, the Purchaser will acquire educational benefits by submitting Monthly Purchase Amounts to MET. If MET accepts the Contract, MET will advise the Purchaser of the term of the Contract, the Monthly Purchase Amount, and the dates the Monthly Purchase Amounts are due. Monthly Purchase Amounts include an amount to reflect lost MET investment return, so the total amount paid will be more than a lump sum purchase. That rate of return appears in the price chart. Payments must be made in full Monthly Purchase Amounts. Partial payments will not be accepted. The Purchaser may submit Monthly Purchase Amounts early.

(f) No Obligation To Purchase: Payment of the Monthly Purchase Amounts by the Purchaser is voluntary. MET cannot compel the Purchaser to acquire educational benefits under this Contract.

(g) Benefits Earned: The Purchaser will acquire educational benefits only for Monthly Purchase Amounts accepted by MET. Each Monthly Purchase Amount accepted by MET will
2020 Contract

SECTION 3. PAYMENT OF BENEFITS

(h) Acceptance Of Payment: Upon acceptance of a Monthly Purchase Amount, MET will deposit the Monthly Purchase Amount in the Beneficiary’s account.

(i) Late Payments: If a Monthly Purchase Amount is not paid by its due date, MET will accept the payment only if it is made within 60 days of the due date and is accompanied by a $10.00 late fee.

(j) Failure To Make Payments: If any Monthly Purchase Amount (and any late fee due) is not paid within 60 days of its due date, the Purchaser will lose the opportunity to submit any further Monthly Purchase Amounts under this Contract. Should that occur the Purchaser has 60 days to pay the Contract in full. Thereafter, MET will not accept any payments under the Contract.

(k) Full Payment Option: As long as the Purchaser has not lost the opportunity to make monthly purchases under Section 3(j), the Purchaser may pay the Contract in full by submitting all unpaid Monthly Purchase Amounts to MET. If the Purchaser pays the entire balance due more than one year before the final payment is due, MET will provide the Purchaser an early payment discount. The Purchaser must submit a written request for a reduced early payoff amount, which will be based on the date payoff is expected to be received by MET.

(l) Contract Term: The term of monthly purchases must end before the Academic Year the Beneficiary is projected to attend a Higher Education Institution.

FOR PAY-AS-YOU-GO CONTRACTS

(m) Pay-As-You-Go (PAYG) purchase amounts: If the PAYG Purchase option is selected, the Purchaser will acquire educational benefits by submitting an initial purchase of at least one credit hour at the published per credit hour price in effect at the time payment is received by MET. If MET accepts the Contract, MET will advise the Purchaser of the initial term of the Contract.

(n) No Obligation To Purchase: Payment of the PAYG Purchase Amounts by the Purchaser is voluntary. MET cannot compel the Purchaser to acquire educational benefits under this Contract.

(o) Benefits Earned: The Purchaser will acquire educational benefits only for PAYG Purchase Amounts accepted by MET. MET will not accept any payment less than $25. Upon receipt of a payment, MET will determine the number of credit hours (or fraction thereof) earned based upon the published per credit hour price in effect at the time the payment is received.

(p) Acceptance Of Payment: Upon acceptance of a PAYG Purchase Amount, MET will deposit the PAYG Purchase Amount in the Beneficiary’s account.

(q) Contract Term: The term of PAYG purchases must end 45 days before the Beneficiary plans to direct payment to a higher education institution or terminate the contract.

SECTION 4. MAXIMUM AMOUNT OF BENEFITS

A Beneficiary may not accumulate more than five years of MET educational benefits. Regardless of the number of MET contracts, a maximum of 150 credit hours may be purchased through MET for one beneficiary.

SECTION 5. NOTIFICATION OF INTENT TO RECEIVE EDUCATIONAL BENEFITS

(a) A Beneficiary who intends to begin using educational benefits at the start of an Academic Year must notify MET in writing by June 1 prior to that Academic Year.

(b) A Beneficiary who intends to begin using educational benefits other than at the start of an Academic Year must submit a written request to receive benefits at least three months before the requested commencement date.

SECTION 6. TRANSFER TO AN IMMEDIATE FAMILY MEMBER

(a) Any unused educational benefits may be transferred, with MET’s written approval, to an Immediate Family member, if:

1. the Beneficiary dies or becomes Disabled, or
2. the Beneficiary reaches 18 years of age or receives a high school diploma.

(b) The Purchaser or Beneficiary must request a Transfer. A mentally disabled Beneficiary or a Beneficiary under 18 years of age must be represented by a legal guardian. If the Beneficiary has died, the Refund Designee (or, if the Refund Designee is deceased, the personal representative of the Refund Designee) may request a Transfer. The Transfer shall be subject to:

1. payment of a Transfer fee, if any, and
2. payment to MET of the amount necessary to reimburse MET for any additional expense or loss of income associated with the Transfer to an older Beneficiary.

If a Contract is transferred to an older Beneficiary who was ineligible for a Contract when the Contract was purchased, the additional amount charged will be:

1. the highest Tuition charged at a State Institution of Higher Education among all State Institutions of Higher Education (for Full Benefits Contract) or a Complete Credit Public Educational Institution (for Limited Benefits Contract).

<table>
<thead>
<tr>
<th>Contract Term</th>
<th>Percent Purchased (Rounded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 years</td>
<td>2.08%</td>
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<tr>
<td>7 years</td>
<td>1.19%</td>
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<tr>
<td>10 years</td>
<td>0.83%</td>
</tr>
<tr>
<td>15 years</td>
<td>0.56%</td>
</tr>
</tbody>
</table>
reduce a Monthly Purchase Contract refund accordingly (determined by multiplying the Monthly Purchases actually made by the appropriate percentage in section 3(g)). For PAYG purchase contracts, the refund is limited to the number of credits purchased as determined pursuant to 3(o). Any Termination fee will be deducted from the first refund payment.

FOR FULL BENEFITS CONTRACTS:

(2) if the Contract is terminated pursuant to subsection (a)(1), the refund shall be based on Weighted Average Tuition Cost.

(3) if the Contract is terminated pursuant to subsection (a)(2) or (a)(3), the refund shall be determined annually based on:

(i) if the Beneficiary directs payment to an out-of-state Institution of Higher Education or certifies that he or she will attend a Higher Education Institution with a full tuition scholarship in the coming year, Average Tuition Cost, and

(ii) for Beneficiaries not covered by subsection (b)(3)(i), Lowest Tuition Cost.

(4) if this Contract is terminated pursuant to subsection (a)(4), (a)(5), or (a)(6) the refund shall be based on Lowest Tuition Cost.

FOR LIMITED BENEFITS CONTRACTS:

(5) if the Contract is terminated pursuant to subsection (a)(1), the refund shall be based on Weighted Average Tuition Cost of Complete Credit State Institutions of Higher Education.

(6) for all other terminations, the refund shall be based on Lowest Tuition Cost.

(7) a refund shall not, in total, be less than the Prepaid Tuition Amount.

(c) Refund Payment Procedure:

(1) a refund under subsection (a)(1) or (a)(5)(iii) shall be made to the Beneficiary’s Higher Education Institution to pay Tuition and Mandatory Fees. However, the total amount paid shall not exceed the maximum refund due.
MET will pay the Refund Designee any portion of the refund remaining on August 15 of the fourth year following the last full Academic year before the refund commenced, unless deferred by the Beneficiary in writing.

(2) a refund under subsections (a)(2), (a)(3), (a)(5)(i), (a)(5)(ii), or (a)(6), shall be divided by four and made in four annual installments as follows:

(i) if an annual installment is to be paid to the Higher Education Institution, the annual installment will be distributed as necessary to pay Tuition;

(ii) any balance remaining after paying Tuition for an Academic Year shall be paid at the end of the Academic Year to the Refund Designee unless deferred by the Beneficiary in writing;

(iii) or any annual installment not paid to a Higher Education Institution during the year shall be paid at the end of the Academic Year to the Refund Designee unless deferred by the Beneficiary in writing;

(iv) if payment is directed to the Refund Designee, the annual installment will be paid by August 15.

(3) for a refund under subsection (a)(4), a lump sum refund shall be paid within sixty (60) days after MET’s approval of the Termination.

(d) Adjustment for Benefits Received: Any refund shall be reduced by the amount of educational benefits paid by MET before termination. If the Contract is terminated under subsections (a)(2), (a)(3), (a)(5)(i) or (ii) or (a)(6), the reduction shall be made in equal amounts against each annual installment.

(e) Terminated Contract: Once a Contract has been terminated and MET has paid a full or partial refund, the Contract cannot be reinstated.

(f) Reserved.

(g) Notice of Termination: A Beneficiary who requests a refund under subsections (a)(1), (2), (3), (5), or (6) must give MET written notice by July 15 prior to the Academic Year in which the refund payments are to commence or the refund may not be available at the start of the Academic Year.

(h) Before the Beneficiary reaches 18 years of age or has received a high school diploma, the Purchaser may request that the Board terminate the Contract. If the request is made less than 12 months after acceptance of the Contract and the MET Board, in its discretion, approves the request, the Beneficiary will receive the Prepaid Tuition Amount, less the rate of general investment loss, if any, for Plan D Contracts. If the request is made more than 12 months after acceptance of the Contract and the MET Board, in its discretion, approves the request, the Purchaser will receive the Prepaid Tuition Amount.

SECTION 8.
TERMINATIONS BY MET

(a) Fraud: MET will terminate the Contract and refund the amount paid by the Purchaser less a Termination fee and educational benefits used, if any of the following have been fraudulently stated on a Contract Signature Page or otherwise:

(1) the age of the Beneficiary or Purchaser,
(2) the grade of the Beneficiary,
(3) the Academic Year which the Beneficiary is to receive benefits under the Contract,
(4) the residency of the Beneficiary at the time the Contract is submitted to MET, or
(5) other matters as determined by the Board.

(b) FIFTEEN YEARS TO USE BENEFITS:

(1) FIFTEEN (15) YEARS AFTER THE JULY 15 IMMEDIATELY BEFORE THE ACADEMIC YEAR SPECIFIED IN ITEM 22 OF THE CONTRACT SIGNATURE PAGE, MET WILL TERMINATE THIS CONTRACT AND WILL NOT PAY ANY FURTHER EDUCATIONAL BENEFITS.

(2) At that time, MET will pay the Refund Designee the Prepaid Tuition Amount to the extent it exceeds any educational benefits or refund paid under the Contract. MET may pay the refund at the end of the Academic Year in which the Beneficiary has completed all credit hours acquired under the Contract.

(c) Actuarial Unsoundness: To protect Purchasers and Beneficiaries, an actuarial review of the Plan shall be made annually. If a nationally recognized actuary determines that Plan D does not have sufficient funds to ensure the actuarial soundness of the Plan and the Board determines that there are insufficient numbers of new Contracts to ensure the actuarial soundness of Plan D, MET shall terminate all Plan D Contracts and prorate the assets of Plan D among the existing Contracts. If Plan D is liquidated, the amount to be returned is uncertain and could be less than the Prepaid Tuition Amount. Upon Termination pursuant to this subsection, MET will stop providing educational benefits from the Plan and will pay refunds determined as follows:

(1) MET will calculate the Contract’s “Asset Value,” which is the amount paid by the Purchaser less any educational benefits or refunds paid by MET.

(2) The refund will be a percentage of the amount of the total Plan assets after liquidating all of the Plan investments. The percentage is determined by dividing the Asset Value of this Contract by the Asset Value of all Plan Contracts. The refund shall be applied, at the option of the Refund Designee, either toward the purposes of this Contract for the Beneficiary or paid to the Refund Designee.
SECTION 9.
ANNUAL REPORT
MET will have an accounting of MET assets prepared annually and make it available to the Purchaser.

SECTION 10.
CONTRACT NOT SUBJECT TO JUDGMENT OR ATTACHMENT
It is the intent of the parties that this Contract shall not be subject to any judgment or attachment against the Purchaser, the Beneficiary, or any other Person.

SECTION 11.
FEES
(a) The Board may impose fees for the purpose of administering MET. For two fees, the Board has established these maximum amounts:
   Transfer fee  $100.00
   Termination fee  $200.00
(b) The Termination fee and any other applicable charge shall be deducted from the first refund payment.

SECTION 12.
CHANGE OF ADDRESS
The Purchaser or the Appointee shall notify MET in writing of any change of address of the Purchaser, the Beneficiary or the Appointee.

SECTION 13.
GENERAL TERMS
(a) This Contract is offered pursuant to the Act and the administrative rules promulgated under the Act. This Contract should be read so that it meets the requirements of Section 529 of the United States Internal Revenue Code, any successor provision, and any applicable Internal Revenue Service regulation.
(b) Nothing in the Act or this Contract shall be construed as a promise or guarantee by MET or the State that a Beneficiary will be admitted to any or a particular Public Educational Institution, will be allowed to continue to attend a Public Educational Institution after having been admitted, or will graduate from a Public Educational Institution.
(c) This Contract may not be sold for any reason. This Contract may not be used as security for any loan.
(d) The Purchaser may change the Appointee upon written request to MET.
(e) If the Purchaser has designated the Beneficiary as the Refund Designee, the Purchaser cannot change that designation.
(f) This Contract represents the entire understanding of the parties to this Contract and may not be modified except in writing signed by the Purchaser and an authorized MET representative.
(g) If any portion of this Contract shall be found to be invalid or unenforceable by any court, that portion shall be severed from the Contract and the remainder of the Contract will remain in full force.
(h) The captions in this Contract are for convenience only and in no way limit the intent of any provision of this Contract.
(i) This Contract is to be interpreted under the laws of the State.

SECTION 14.
ATTENDANCE AT A PUBLIC EDUCATIONAL INSTITUTION WITHIN TWO YEARS OF PURCHASE
(a) If a Beneficiary of a Full Benefits Contract is expected to enter college within two years of purchase, Prepaid Tuition Amount shall be based on the tuition at the State Institution of Higher Education with the Highest Annual Undergraduate Tuition Cost.
(b) If the Beneficiary covered by subsection (a) does not attend the State Institution of Higher Education with the highest Annual Undergraduate Tuition Cost, MET may refund the difference between the Prepaid Tuition Amount and the Tuition (if less) paid to a Public Educational Institution by MET, if the Board determines the refund won’t adversely affect the Plan’s actuarial soundness. This subsection does not apply if the Contract has been terminated.

Questions?
Call 1-800-MET-4-KID
(800-638-4543)
or visit www.SETwithMET.com
COMMUNITY COLLEGE CONTRACT

SECTION 2. MET’s OBLIGATIONS

(a) Upon MET’s acceptance of the Contract and the Beneficiary’s enrollment at a Community College, MET will pay no more than 15 credit hours for each semester purchased at the Beneficiary’s Community College at the In-District Tuition Rate multiplied by the semesters of educational benefits acquired by the Purchaser. MET pays these educational benefits from the assets of the Plan.

(1) MET will stop providing benefits under this Contract when MET has paid the credit hours purchased, regardless of the number of credit hours the Beneficiary has accumulated toward graduation at his or her Community College. The Beneficiary can accumulate fewer credit hours than MET has paid if the Beneficiary drops classes, fails classes, repeats classes, takes classes at another Community College which do not transfer to the Beneficiary’s Community College or for other reasons. A standard associate degree usually consists of 60 semester credit hours.

(2) MET will only pay educational benefits and provide refunds under the Contract from the assets of the Plan. The ability of MET to pay benefits and provide refunds under the Contract is not guaranteed by the State of Michigan.

(b) The Beneficiary must meet the Community College’s residency requirements to be eligible for that institution’s In-District Tuition Rate. The Beneficiary is responsible for the difference between the In-District Tuition Rate and Out-of-District Tuition rate.

SECTION 3. PAYMENT AND CONTRACT ACCEPTANCE

(a) Contract Acceptance: MET has no obligation to the Beneficiary until it accepts this Contract. MET will accept this Contract only after it receives:

(1) a properly completed Contract Signature Page signed by the Purchaser, who must be 18 years of age or older, a designated custodian under the Michigan Uniform Transfers to Minors Act (UTMA) (who may name the minor as the Purchaser) or a court appointed conservator or guardian, and

(2) payment of a properly calculated Total from Item 27 of the Contract Signature Page. Payment must be in the form of a cashier’s check, certified check, or money order payable to Michigan Education Trust or if enrolling online, through electronic funds transfer.

(b) Confirmation of Acceptance: MET will send a confirmation of Contract acceptance to the Purchaser within 90 days from MET’s receipt of the Contract Signature Page. If the Purchaser does not receive confirmation, the Purchaser should notify MET in writing.

FOR LUMP SUM CONTRACTS:

(c) Insufficient Payment: If the Purchaser pays less than the total Prepaid Tuition Amount and one-time processing fee due for this Contract, MET will notify the Purchaser. If MET sends a notice, the Purchaser shall advise MET by mail, return receipt requested, that he or she will do one of the following and, if (1) is selected, enclose payment:

(1) pay the additional amount necessary to purchase the number of semesters specified in Item 15 of the Contract Signature Page,

(2) accept an adjusted amount of educational benefits to reflect what the actual payment submitted could purchase when MET received the payment, or

(3) withdraw the Contract offer. MET will then return to the Purchaser the amount paid by the Purchaser (without interest).

If MET does not receive instructions from the Purchaser and, if appropriate, payment within 20 business days of the date notice is sent, MET shall reduce the amount of educational benefits consistent with subsection (c)(2).

(d) Payment Credit: Upon acceptance of this Contract, MET shall credit the Advance Tuition Payment Fund with the amount paid less the one-time processing fee.

FOR MONTHLY PURCHASE CONTRACTS:

(e) Monthly Purchase Amounts: If the Monthly Purchase option is selected, the Purchaser will acquire educational benefits by submitting Monthly Purchase Amounts to MET. If MET accepts the Contract, MET will advise the Purchaser of the term of the Contract, the Monthly Purchase Amount, and the dates the Monthly Purchase Amounts are due. Monthly Purchase Amounts include an amount to reflect lost investment return, so that the total amount paid will be more than a lump sum purchase. That rate of return appears in the price chart. Payments must be made in full Monthly Purchase Amounts. Partial payments will not be accepted. The Purchaser may submit Monthly Purchase Amounts early.

(f) No Obligation To Purchase: Payment of the Monthly Purchase Amounts by the Purchaser is voluntary. MET cannot compel the Purchaser to acquire educational benefits under this Contract.

(g) Benefits Earned: The Purchaser will acquire educational benefits only for Monthly Purchase Amounts accepted by MET. Each Monthly Purchase Amount accepted by MET will earn the following percentage of the years of Tuition to be purchased by this Contract:
<table>
<thead>
<tr>
<th>Contract Term</th>
<th>Percent Purchased (Rounded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 years</td>
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</tr>
<tr>
<td>15 years</td>
<td>0.56%</td>
</tr>
</tbody>
</table>

(h) Acceptance Of Payment: Upon acceptance of a Monthly Purchase Amount, MET will deposit the Monthly Purchase Amount in the Beneficiary’s account.

(i) Late Payments: If a Monthly Purchase Amount is not paid by its due date, MET will accept the payment only if it is made within 60 days of the due date and is accompanied by a $10.00 late fee.

(j) Failure To Make Payments: If any Monthly Purchase Amount (and any late fee due) is not paid within 60 days after its due date, the Purchaser will lose the opportunity to submit any further Monthly Purchase Amounts under this Contract. Should that occur, the Purchaser has 60 days to pay the Contract in full. Thereafter, MET will not accept any payments under the Contract.

(k) Full Payment Option: As long as the Purchaser has not lost the opportunity to make payments under Section 3(j), the Purchaser may pay the Contract in full by submitting all unpaid Monthly Purchase Amounts to MET. The Purchaser may submit Monthly Purchase Amounts early. If the Purchaser pays the entire balance due more than one year before the final payment is due, MET will provide the Purchaser an early payment discount. The Purchaser must submit a written request for a reduced early payoff amount, which will be based on the date payoff is expected to be received by MET.

(l) Contract Term: The term of monthly purchases must end before the Academic Year the Beneficiary is projected to attend a Higher Education Institution.

FOR PAY AS YOU GO PURCHASE PLANS

(m) Pay As You Go (PAYG) purchase amounts: If the PAYG Purchase option is selected, the Purchaser will acquire educational benefits by submitting an initial purchase of at least one credit hour at the published per credit hour price in effect at the time payment is received by MET. If MET accepts the Contract, MET will advise the Purchaser of the initial term of the Contract.

(n) No Obligation To Purchase: Payment of the PAYG Purchase Amounts by the Purchaser is voluntary. MET cannot compel the Purchaser to acquire educational benefits under this Contract.

(o) Benefits Earned: The Purchaser will acquire educational benefits only for PAYG Purchase Amounts accepted by MET. MET will not accept any payment less than $25. Upon receipt of a payment, MET will determine the number of credit hours (or fraction thereof) earned based upon the published per credit hour price in effect at the time the payment is received.

(p) Acceptance Of Payment: Upon acceptance of a PAYG Purchase Amount, MET will deposit the PAYG Purchase Amount in the Beneficiary’s account.

(q) Contract Term: The term of PAYG purchases must end 45 days before the Beneficiary plans to direct payment to a higher education institution or terminate the contract.

SECTION 4. MAXIMUM AMOUNT OF BENEFITS

A Beneficiary may not accumulate more than five years of MET educational benefits.

SECTION 5. NOTIFICATION OF INTENT TO RECEIVE EDUCATIONAL BENEFITS

(a) A Beneficiary who intends to begin using educational benefits at the start of an Academic Year must notify MET in writing by June 1 prior to that Academic Year.

(b) A Beneficiary who intends to begin using educational benefits other than at the start of an Academic Year must submit a written request to receive benefits at least three months before the requested commencement date.

SECTION 6. TRANSFER TO AN IMMEDIATE FAMILY MEMBER

(a) Any unused educational benefits may be transferred with MET’s written approval to an Immediate Family member, if:

1. the Beneficiary dies or becomes Disabled, or
2. the Beneficiary reaches 18 years of age or receives a high school diploma.

(b) The Purchaser or Beneficiary must request a Transfer. A mentally disabled Beneficiary or a Beneficiary under 18 years of age must be represented by a legal guardian. If the Beneficiary has died, the Refund Designee (or, if the Refund Designee is deceased, the personal representative of the Refund Designee) may request a Transfer. The Transfer shall be subject to:

1. payment of a Transfer fee, if any, and
2. payment to MET of the amount necessary to reimburse MET for any additional expense or loss of income.
associated with the Transfer to an older Beneficiary. If a Contract is transferred to an older Beneficiary who was ineligible for a Contract when the Contract was purchased, the additional amount charged will be:

(i) the highest Tuition charged at a Community College among all Community Colleges in the enrollment period purchased minus the amount the Purchaser paid for one year of educational benefits;

(ii) add the amount determined in subparagraph (i) to the loss of investment income for the period from the date the Contract was accepted until the date of Transfer. The rate of return assumed will be the rate of return stated in the price chart;

(iii) multiply the amount determined in subparagraph (ii) by the number of years and/or fraction of year being transferred.

(3) the Person requesting the Transfer and the proposed New Beneficiary (or the parent or guardian of the New Beneficiary if the New Beneficiary is a minor) must certify in writing that no payment has been or will be made to anyone (except MET) for the Transfer.

(c) Only a Transfer to an Immediate Family member is allowed.

SECTION 7.
TERMINATION AND REFUNDS

(a) Reasons For Termination: This Contract may be terminated upon written request to MET by the Purchaser or the Beneficiary (or a Person with legal authority to act regarding subsection (a)(4)) if:

(1) the Beneficiary has reached 18 years of age or has received a high school diploma and certifies that he or she will:

(i) attend a State Institution of Higher Education or an Independent, Degree-granting College or University,

(ii) attend an Out-of-State Institution of Higher Education, or

(iii) attend a Community College or Higher Education Institution with a full Tuition scholarship,

(2) the Beneficiary has died or is Disabled,

(3) the Beneficiary has reached 18 years of age or has received a high school diploma and certifies that he or she will not attend a Community College or a Higher Education Institution, or

(4) the Board approves a Termination for any other reason.

(b) Refund Amount:

(1) the refund amount shall be, as appropriate, Weighted Average Tuition Cost, Average Tuition Cost, or Lowest Tuition Cost for the last full Academic Year before refund payments begin multiplied by the years of educational benefits acquired by the Purchaser. If all Monthly Purchases have not been made, MET will reduce a Monthly Purchase Contract refund accordingly (determined by multiplying the Monthly Purchases actually made by the appropriate percentage in Section 3(g)). Any Termination fee will be deducted from the first refund payment.

(2) if the Contract is terminated pursuant to subsection (a)(1), each installment shall be determined annually and the refund shall be based on:

(i) if the Beneficiary directs payment to a State Institution of Higher Education or an Independent, Degree-granting College or University, Weighted Average Tuition Cost,

(ii) if the Beneficiary directs payment to an Out-of-State Institution of Higher Education or if the Beneficiary will attend a Community College or Higher Education Institution with a full tuition scholarship, Average Tuition Cost, and

(iii) for Beneficiaries not covered by (i) or (ii), Lowest Tuition Cost.

(3) if this Contract is terminated pursuant to subsection (a) (2), (a)(3), or (a)(4) the refund shall be based on Lowest Tuition Cost.

(4) a refund shall not, in total, be less than the Prepaid Tuition Amount.

(c) Refund Payment Procedure:

(1) a refund under subsection (a)(1)(i) shall be made to the Beneficiary’s Higher Education Institution to pay Tuition and Mandatory Fees. However, the total amount paid shall not exceed the maximum refund due.

(2) a refund under subsections (a)(1), (a)(3), or (a)(4) shall be divided by two and made in two annual installments as follows:

(i) if an annual installment is to be paid to the Higher Education Institution, the annual installment will be distributed as necessary to pay Tuition (and Mandatory Fees for subsection a(1)(i) refunds);

(ii) any balance remaining after paying Tuition for an Academic year shall be paid at the end of the Academic Year to the Refund Designee unless deferred by the Beneficiary in writing;

(iii) or any annual installment not paid to a Higher
Education Institution during the year shall be paid at the end of the Academic year to the Refund Designee unless deferred by the Beneficiary in writing;

(iv) if payment is directed to the Refund Designee, the annual installment will be paid by August 15.

(3) for a refund under subsection (a)(4), a lump sum refund shall be paid within sixty (60) days after MET’s approval of the Termination.

(d) Adjustment for Benefits Received: Any refund shall be reduced by the amount of educational benefits paid by MET before termination. If the Contract is terminated under subsections (a)(1), (a)(3), or (a)(4) the reduction shall be made in equal amounts against each annual installment.

(e) Terminated Contract: Once a Contract has been terminated and MET has paid a full or partial refund, the Contract cannot be reinstated.

(f) Notice of Termination: A Beneficiary who requests a refund under subsections (a)(1), (3), or (4) must give MET written notice by July 15 prior to the Academic Year in which the refund payments are to commence or the refund may not be available at the start of the Academic Year.

(g) Before the Beneficiary reaches 18 years of age or has received a high school diploma, the Purchaser may request that the Board terminate the Contract. If the request is made less than 12 months after acceptance of the Contract and the MET Board, in its discretion, approves the request, the Purchaser will receive the Prepaid Tuition Amount, less the rate of general investment loss, if any, for Plan D Contracts. If the request is made more than 12 months after acceptance of the Contract and the MET Board, in its discretion, approves the request, the Purchaser will receive the Prepaid Tuition Amount.

SECTION 8.
TERMINATIONS BY MET

(a) Fraud: MET will terminate the Contract and refund the amount paid by the Purchaser less a Termination fee and educational benefits used, if any of the following have been fraudulently stated in a Contract Signature Page or otherwise:

(1) the age of the Beneficiary or Purchaser,
(2) the grade of the Beneficiary,
(3) the Academic Year which the Beneficiary is to receive benefits under the Contract,
(4) the residency of the Beneficiary at the time the Contract is submitted to MET, or
(5) other matters as determined by the Board.

(b) FIFTEEN YEARS TO USE BENEFITS:

(1) FIFTEEN (15) YEARS AFTER THE JULY 15 IMMEDIATELY BEFORE THE ACADEMIC YEAR SPECIFIED IN ITEM 22 OF THE CONTRACT SIGNATURE PAGE, MET WILL TERMINATE THIS CONTRACT AND WILL NOT PAY ANY FURTHER EDUCATIONAL BENEFITS.
(2) At that time, MET will pay the Refund Designee the Prepaid Tuition Amount to the extent it exceeds any educational benefits or refund paid under the Contract. MET may pay the refund at the end of the Academic Year in which the Beneficiary has completed all credit hours acquired under the Contract.

(c) Actuarial Unsoundness: To protect Purchasers and Beneficiaries, an actuarial review of the Plan shall be made annually. If a nationally recognized actuary determines that Plan D does not have funds sufficient to ensure the actuarial soundness of the Plan and the Board determines that there are insufficient numbers of new Contracts to ensure the actuarial soundness of Plan D, MET shall terminate all Plan D Contracts and prorate the assets of Plan D among the existing Contracts. If Plan D is liquidated, the amount to be returned is uncertain and could be less than the Prepaid Tuition Amount. Upon Termination pursuant to this subsection, MET will stop providing educational benefits from the Plan and will pay refunds determined as follows:

(1) MET will calculate the Contract’s “Asset Value,” which is the amount paid by the Purchaser less any educational benefits or refunds paid by MET.

(2) The refund will be a percentage of the amount of the total Plan assets after liquidating all of the Plan investments. The percentage is determined by dividing the Asset Value of this Contract by the Asset Value of all Plan Contracts.

The refund shall be applied, at the option of the Refund Designee, either toward the purposes of this Contract for the Beneficiary or paid to the Refund Designee.

SECTION 9.
ANNUAL REPORT

MET will have an accounting of MET assets prepared annually and make it available to the Purchaser.

SECTION 10.
CONTRACT NOT SUBJECT TO JUDGMENT OR ATTACHMENT

It is the intent of the parties that this Contract shall not be subject to any judgment or attachment against the Purchaser, the Beneficiary, or any other Person.

SECTION 11.
FEES

(a) The Board may impose fees for the purpose of administering MET. For two fees, the Board has established these maximum amounts:

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Maximum Amount</th>
</tr>
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<tbody>
<tr>
<td>Transfer fee</td>
<td>$100.00</td>
</tr>
<tr>
<td>Termination fee</td>
<td>$200.00</td>
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</table>

(b) The Termination fee and any other applicable charge shall be deducted from the first refund payment.

SECTION 12.
CHANGE OF ADDRESS

The Purchaser or the Appointee shall notify MET in writing of any change of address of the Purchaser, the Beneficiary or the Appointee.
SECTION 13. GENERAL TERMS

(a) This Contract is offered pursuant to the Act and the administrative rules promulgated under the Act. This Contract should be read so that it meets the requirements of Section 529 of the United States Internal Revenue Code, any successor provision, and any applicable Internal Revenue Service regulation.

(b) Nothing in the Act or this Contract shall be construed as a promise or guarantee by MET or the State that a Beneficiary will be admitted to any or a particular Public Educational Institution, will be allowed to continue to attend a Public Educational Institution after having been admitted, or will graduate from a Public Educational Institution.

(c) This Contract may not be sold for any reason. This Contract may not be used as security for any loan.

(d) The Purchaser may change the Appointee upon written request to MET.

(e) If the Purchaser has designated the Beneficiary as the Refund Designee, the Purchaser cannot change that designation.

(f) This Contract represents the entire understanding of the parties to this Contract and may not be modified except in writing signed by the Purchaser and an authorized MET representative.

(g) If any portion of this Contract shall be found to be invalid or unenforceable by any court, that portion shall be severed from the Contract and the remainder of the Contract will remain in full force.

(h) The captions in this Contract are for convenience only and in no way limit the intent of any provision of this Contract.

(i) This Contract is to be interpreted under the laws of the State.

Questions?
Call 1-800-MET-4-KID
(800-638-4543)
or visit www.SETwithMET.com
## Contract Price Charts

### December 1, 2019 - April 30, 2020

<table>
<thead>
<tr>
<th>Contract Type</th>
<th>One Credit Hour Cost</th>
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<td>Full Benefits</td>
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<td>Limited Benefits</td>
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### May 1, 2020 - September 30, 2020

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<tr>
<th>Contract Type</th>
<th>One Credit Hour Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Benefits</td>
<td>$612</td>
</tr>
<tr>
<td>Limited Benefits</td>
<td>$508</td>
</tr>
<tr>
<td>Community College</td>
<td>$125</td>
</tr>
</tbody>
</table>

- Initial purchase must be a minimum of one credit hour
- Same cost, newborn to adult
- Able to purchase more than one, just multiply the per credit hour cost by the number of desired credit hours
  - OR
- Deposit any amount over the initial one credit hour cost and MET will calculate the number of credits (or fractions thereof) purchased
- Make additional payments, minimum $25, at any time
- No obligation to continue

Upon receipt of a payment, MET will determine the number of credit hours (or fraction thereof) earned based upon the published per credit hour price in effect at the time the payment is received. Credit hour costs for each type of contract will be set each enrollment period to be effective on the first day of enrollment and are subject to increases during that enrollment period.

There is a 45 day waiting period between the last payment made to MET by the Purchaser on a Pay-As-You-Go contract and MET's ability to make payment to a higher education institute on behalf of the Beneficiary.
### Contract Price Charts

**Prices effective December 1, 2019 through April 30, 2020.**

(1 Semester equals 15 credit hours)

#### LUMP SUM PURCHASE PLAN

<table>
<thead>
<tr>
<th>Contract Type (Age as of 12/1/19/Grade as of Fall 2019)</th>
<th>Cost/Lump Sum 1 Sem. (1/2 yr)</th>
<th>Cost/Lump Sum 2 Sem. (1 yr)</th>
<th>Cost/Lump Sum 3 Sem. (1 1/2 yrs)</th>
<th>Cost/Lump Sum 4 Sem. (2 yrs)</th>
<th>Cost/Lump Sum 5 Sem. (2 1/2 yrs)</th>
<th>Cost/Lump Sum 6 Sem. (3 yrs)</th>
<th>Cost/Lump Sum 7 Sem. (3 1/2 yrs)</th>
<th>Cost/Lump Sum 8 Sem. (4 yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Benefits (Newborn to Adult)</td>
<td>$9,180</td>
<td>$18,360</td>
<td>$27,540</td>
<td>$36,720</td>
<td>$45,900</td>
<td>$55,080</td>
<td>$64,260</td>
<td>$73,440</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to Adult)</td>
<td>$7,950</td>
<td>$14,790</td>
<td>$22,185</td>
<td>$29,580</td>
<td>$36,975</td>
<td>$44,370</td>
<td>$51,765</td>
<td>$59,160</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to Adult)</td>
<td>$1,785</td>
<td>$3,570</td>
<td>$5,355</td>
<td>$7,140</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 4 YEAR MONTHLY PURCHASE PLAN (48 MONTHS)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
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<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Full Benefits (Newborn to 8th Grade)</td>
<td>$213</td>
<td>$426</td>
<td>$639</td>
<td>$852</td>
<td>$1,065</td>
<td>$1,278</td>
<td>$1,491</td>
<td>$1,704</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to 8th Grade)</td>
<td>$172</td>
<td>$344</td>
<td>$516</td>
<td>$688</td>
<td>$860</td>
<td>$1,032</td>
<td>$1,204</td>
<td>$1,376</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to 8th Grade)</td>
<td>$42</td>
<td>$84</td>
<td>$126</td>
<td>$168</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

#### 7 YEAR MONTHLY PURCHASE PLAN (84 MONTHS)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Full Benefits (Newborn to 5th Grade)</td>
<td>$132</td>
<td>$264</td>
<td>$396</td>
<td>$528</td>
<td>$660</td>
<td>$792</td>
<td>$924</td>
<td>$1,056</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to 5th Grade)</td>
<td>$106</td>
<td>$212</td>
<td>$318</td>
<td>$424</td>
<td>$530</td>
<td>$636</td>
<td>$742</td>
<td>$848</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to 5th Grade)</td>
<td>$26</td>
<td>$52</td>
<td>$78</td>
<td>$104</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 10 YEAR MONTHLY PURCHASE PLAN (120 MONTHS)

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Benefits (Newborn to 2nd Grade)</td>
<td>$100</td>
<td>$200</td>
<td>$300</td>
<td>$400</td>
<td>$500</td>
<td>$600</td>
<td>$700</td>
<td>$800</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to 2nd Grade)</td>
<td>$80</td>
<td>$160</td>
<td>$240</td>
<td>$320</td>
<td>$400</td>
<td>$480</td>
<td>$560</td>
<td>$640</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to 2nd Grade)</td>
<td>$20</td>
<td>$40</td>
<td>$60</td>
<td>$80</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 15 YEAR MONTHLY PURCHASE PLAN (180 MONTHS)

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Benefits (Newborn to Age 3)</td>
<td>$75</td>
<td>$150</td>
<td>$225</td>
<td>$300</td>
<td>$375</td>
<td>$450</td>
<td>$525</td>
<td>$600</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to Age 3)</td>
<td>$61</td>
<td>$122</td>
<td>$183</td>
<td>$244</td>
<td>$305</td>
<td>$366</td>
<td>$427</td>
<td>$488</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to Age 3)</td>
<td>$15</td>
<td>$30</td>
<td>$45</td>
<td>$60</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Monthly purchase contracts must be completely paid before the beneficiary is expected to enter college. Four-year monthly purchase plans can be purchased for beneficiaries in grades 8 and below; Seven-year monthly purchase plans can be purchased for beneficiaries in grades 5 and below; Ten-year monthly purchase plans can be purchased for beneficiaries in grades 2 and below; and Fifteen-year monthly purchase plans can be purchased for beneficiaries age 3 years and below. Monthly purchase amounts include 5.5 percent rate of return, therefore the total amount paid will be more than if paid by lump sum.
## Contract Price Charts

**Prices effective May 1, 2020 through September 30, 2020.**

(1 Semester equals 15 credit hours)

### LUMP SUM PURCHASE PLAN

<table>
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<tr>
<th>Contract Type (Age as of 12/1/19/Grade as of Fall 2019)</th>
<th>Cost/Lump Sum 1 Sem. (1/2 yr)</th>
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<td>$18,360</td>
<td>$27,540</td>
<td>$36,720</td>
<td>$45,900</td>
<td>$55,080</td>
<td>$64,260</td>
<td>$73,440</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to Adult)</td>
<td>$7,620</td>
<td>$15,240</td>
<td>$22,860</td>
<td>$30,480</td>
<td>$38,100</td>
<td>$45,720</td>
<td>$53,340</td>
<td>$60,960</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to Adult)</td>
<td>$1,875</td>
<td>$3,750</td>
<td>$5,625</td>
<td>$7,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 4 YEAR MONTHLY PURCHASE PLAN (48 MONTHS)

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
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<tbody>
<tr>
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<td>$213</td>
<td>$426</td>
<td>$639</td>
<td>$852</td>
<td>$1,065</td>
<td>$1,278</td>
<td>$1,491</td>
<td>$1,704</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to 8th Grade)</td>
<td>$177</td>
<td>$354</td>
<td>$531</td>
<td>$708</td>
<td>$885</td>
<td>$1,062</td>
<td>$1,239</td>
<td>$1,416</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to 8th Grade)</td>
<td>$44</td>
<td>$88</td>
<td>$132</td>
<td>$176</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### 7 YEAR MONTHLY PURCHASE PLAN (84 MONTHS)

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Full Benefits (Newborn to 5th Grade)</td>
<td>$132</td>
<td>$264</td>
<td>$396</td>
<td>$528</td>
<td>$660</td>
<td>$792</td>
<td>$924</td>
<td>$1,056</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to 5th Grade)</td>
<td>$110</td>
<td>$220</td>
<td>$330</td>
<td>$440</td>
<td>$550</td>
<td>$660</td>
<td>$770</td>
<td>$880</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to 5th Grade)</td>
<td>$27</td>
<td>$54</td>
<td>$81</td>
<td>$108</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 10 YEAR MONTHLY PURCHASE PLAN (120 MONTHS)

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Benefits (Newborn to 2nd Grade)</td>
<td>$100</td>
<td>$200</td>
<td>$300</td>
<td>$400</td>
<td>$500</td>
<td>$600</td>
<td>$700</td>
<td>$800</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to 2nd Grade)</td>
<td>$83</td>
<td>$166</td>
<td>$249</td>
<td>$332</td>
<td>$415</td>
<td>$498</td>
<td>$581</td>
<td>$664</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to 2nd Grade)</td>
<td>$21</td>
<td>$42</td>
<td>$63</td>
<td>$84</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 15 YEAR MONTHLY PURCHASE PLAN (180 MONTHS)

<table>
<thead>
<tr>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Full Benefits (Newborn to Age 3)</td>
<td>$75</td>
<td>$150</td>
<td>$225</td>
<td>$300</td>
<td>$375</td>
<td>$450</td>
<td>$525</td>
<td>$600</td>
</tr>
<tr>
<td>Limited Benefits (Newborn to Age 3)</td>
<td>$62</td>
<td>$124</td>
<td>$186</td>
<td>$248</td>
<td>$310</td>
<td>$372</td>
<td>$434</td>
<td>$496</td>
</tr>
<tr>
<td>Community College Benefits (Newborn to Age 3)</td>
<td>$16</td>
<td>$32</td>
<td>$48</td>
<td>$64</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Monthly purchase contracts must be completely paid before the beneficiary is expected to enter college. Four-year monthly purchase plans can be purchased for beneficiaries in grades 8 and below; Seven-year monthly purchase plans can be purchased for beneficiaries in grades 5 and below; Ten-year monthly purchase plans can be purchased for beneficiaries in grades 2 and below; and Fifteen-year monthly purchase plans can be purchased for beneficiaries age 3 years and below. Monthly purchase amounts include 5.5 percent rate of return, therefore the total amount paid will be more than if paid by lump sum.
### Academic Year Chart

Use age as of December 1, 2019 and grade in school as of September 2019 to arrive at the academic year the Beneficiary/child is expected to attend college.

<table>
<thead>
<tr>
<th>Age/Grade</th>
<th>Expected Academic Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newborn (December 1, 2019 or after)</td>
<td>2038</td>
</tr>
<tr>
<td>Newborn (before December 1, 2019)</td>
<td>2037</td>
</tr>
<tr>
<td>1</td>
<td>2036</td>
</tr>
<tr>
<td>2</td>
<td>2035</td>
</tr>
<tr>
<td>3</td>
<td>2034</td>
</tr>
<tr>
<td>4 or older and not in school</td>
<td>2033</td>
</tr>
<tr>
<td>Kindergarten</td>
<td>2032</td>
</tr>
<tr>
<td>1st Grade</td>
<td>2031</td>
</tr>
<tr>
<td>2nd Grade</td>
<td>2030</td>
</tr>
<tr>
<td>3rd Grade</td>
<td>2029</td>
</tr>
<tr>
<td>4th Grade</td>
<td>2028</td>
</tr>
<tr>
<td>5th Grade</td>
<td>2027</td>
</tr>
<tr>
<td>6th Grade</td>
<td>2026</td>
</tr>
<tr>
<td>7th Grade</td>
<td>2025</td>
</tr>
<tr>
<td>8th Grade</td>
<td>2024</td>
</tr>
<tr>
<td>9th Grade</td>
<td>2023</td>
</tr>
<tr>
<td>10th Grade</td>
<td>2022</td>
</tr>
<tr>
<td>11th Grade</td>
<td>2021</td>
</tr>
<tr>
<td>12th Grade</td>
<td>2020</td>
</tr>
<tr>
<td>College Student and above</td>
<td>2020</td>
</tr>
</tbody>
</table>

Since 1988, 96 percent of high school graduates with a MET contract have gone on to attend a college or university.
Easy Steps to Enroll

1. Read the program information and Contract terms.
2. Enroll on-line at SETwithMET.com.
   OR
3. Mail in the completed Contract signature page with a check or money order payable to "Michigan Education Trust"

Contract Processing Fee Chart

** Enroll Online and Save **

Enroll Online
December 1, 2019 through September 30, 2020
Contract Processing Fee $25 (save $35)

Enroll by Mail
December 1, 2019 through September 30, 2020
Contract Processing Fee $60

Monthly Purchase Contracts

<table>
<thead>
<tr>
<th>Contacts Received</th>
<th>Monthly Payments Begin</th>
</tr>
</thead>
<tbody>
<tr>
<td>by January 31, 2020</td>
<td>February 25, 2020</td>
</tr>
<tr>
<td>April 30, 2020</td>
<td>May 26, 2020</td>
</tr>
<tr>
<td>August 31, 2020</td>
<td>September 25, 2020</td>
</tr>
<tr>
<td>September 30, 2020</td>
<td>October 26, 2020</td>
</tr>
</tbody>
</table>

Questions?
Call 1-800-MET-4-KID or visit www.SETwithMET.com.
Why MET?

**Lock In Today's Tuition Rates**

Over the past 40 years tuition rates have consistently increased at a rate two to three times inflation each year (CollegeSavings.org, 2018). With a MET 529 prepaid tuition plan, credits are purchased at today's rates, meaning you don't have to worry about tuition hikes affecting your finances in the future--talk about peace of mind.

**FLEXIBILITY**

- MET contracts can be used at Michigan public colleges and universities, private colleges or out-of-state colleges.
- Contracts can be transferred to family members of the original beneficiary.
- Refund options available for non-attendance, full-scholarship and military enlistment.
- Pay-As-You-Go payment option allows you to open a contract by purchasing a minimum of one credit hour. Once open, you can make payments any time you would like in any amount $25 or greater. Friends and family can make contributions too!

**TAX BENEFITS**

- Payments made may be deductible on a purchaser's Michigan income tax form in the year they are made.
- MET benefits used to pay for qualified higher education expenses may be exempt from federal and Michigan income taxes.
Michigan Education Trust Contract Signature Page

Issued under authority of Public Act 316 of 1986. Filing is voluntary.

Read the entire Contract and instructions before completing this signature page. Type or print in blue or black ink. Complete all items and be sure to sign the Contract. Mail this form with the necessary payment to Michigan Education Trust, P.O. Box 30198, Lansing, MI 48909.

1. Beneficiary Name (Enter one name only)
   Last
   First
   MI

   Street Address

   City
   State
   ZIP Code

2. Beneficiary Social Security Number (required)

3. Beneficiary Birth Date (mm/dd/yy)

4. Age of Beneficiary as of December 1, 2019

5. Beneficiary grade in school as of September 2019

6. Contract Purchaser Name (Enter one name only)
   Last
   First
   MI

   Street Address

   City
   State
   ZIP Code

   Purchaser E-mail Address (Optional)

7a. Is the Purchaser age 18 or older?  Yes  No

   If Yes, you do not need to answer 7b.

7b. Is this contract being purchased with funds that belong to the Beneficiary under the Michigan Uniform Gifts/Transfers to Minors Act? (See instructions)
   Yes  No

   If you answered “No” to both questions, DO NOT sign the contract.

8. Is the Contract Purchaser address the same as the Beneficiary?  Yes  No

9. Purchaser Work Telephone (  )

10. Purchaser Home Telephone (  )

11. Appointee Name
    Last
    First
    MI

    Street Address

    City
    State
    ZIP Code

   Do you wish the Appointee to become the Purchaser in the event of the Contract Purchaser’s death?  Yes  No

12. Purchaser’s Relationship to Beneficiary
    Check one box only.
    □ Parent  □ Grandparent  □ Other

13. Appointee Social Security Number or FEIN

   Appointee Telephone (  )

You may photocopy this form.

www.SETwithMET.com
14. What type of Contract do you wish to purchase? Check one box only.

- Full Benefits
- Limited Benefits
- Community College

15. How many semesters (1/2 years) of Tuition do you wish to purchase?

- 1 sem.
- 2 sem.
- 3 sem.
- 4 sem.
- 5 sem.
- 6 sem.
- 7 sem.
- 8 sem.
- 9 sem.
- 10 sem.

16. Who shall receive the refund upon Termination if it is not directed to a Higher Education Institution? Check one box only.

- Purchaser
- Beneficiary
- Appointee

17. Who shall receive correspondence? Check one box only.

- Purchaser
- Beneficiary
- Appointee

18. What method of payment? Check one box only.

- Lump Sum
- Monthly Purchase
- Pay-As-You-Go

19. If Monthly Purchase, what duration?

- 4 years
- 7 years
- 10 years
- 15 years

20. If Monthly Purchase or Pay-As-You-Go, which payment option?

- ACH
- Coupon
- Payroll


22. What Academic Year is the Beneficiary expected to enter college? (See Price/Academic Year chart)

23. Do you consider this information private and wish it to remain confidential (applies to media distribution)?

- Yes
- No

24. Is any part of your payment a rollover from a MESP, Coverdell ESA, Other Sec. 529 plan, or U.S. Savings bonds?

- What portion was contribution? $__________
- What portion was earnings? $__________

(complete and submit Form 3953, available at www.SETwithMET.com)

By submitting this Contract Signature Page, I offer to participate in the Michigan Education Trust. I certify that I have read the Contract and understand the following:

1. That it is the entire agreement between MET and myself and establishes binding contractual rights for the Beneficiary. Therefore, MET cannot honor a request to change a Beneficiary’s rights under the contract. Upon acceptance by an authorized MET representative and by my signature, I agree to be bound by the terms and conditions of this Contract. I certify that the information I have provided in this Contract is true to the best of my knowledge.

2. The ability of MET to pay benefits and provide refunds under the contract is backed only by MET Plan D Assets and not the State of Michigan. The only source of payments for benefits and refunds provided by the Contracts are the assets within Plan D.

3. If a determination is made for MET by a nationally recognized actuary that Plan D does not have funds sufficient to ensure the actuarial soundness of the Plan and if the MET Board determines that there are insufficient numbers of new Contracts to ensure the actuarial soundness of Plan D among the existing Contracts as provided in the Contract, Plan D may be liquidated and the Contract terminated.

Note: MET cannot accept your contract if the amounts are incorrect.

25. Enter the Prepaid Tuition Amount from the Contract Price Chart (Lump Sum amount or initial payment amount for Pay-As-You-Go)

26. One-Time Processing Fee (non-refundable) + 60.00

27. Total

Add Numbers 25 and 26. Enter Here
Instructions for Form 3691,
Michigan Education Trust Contract Signature Page

Welcome to the Michigan Education Trust (MET) program. In this Enrollment Kit, you will find the following charts: Contract Prices, Academic Year, Contract Processing Fee and all the information you need to enroll in the program. Follow all instructions carefully. If you have questions, call 1-800-MET-4-KID or 517-335-4767 in the greater Lansing area. Visit the MET Web site at www.SETwithMET.com. MET continuously updates information such as the types of contracts offered, current contract prices, refund provisions, other related information and provides online contract purchase.

Important - You must submit:

1) The Michigan Education Trust Contract Signature Page (Form 3691) containing the Purchaser’s original signature (copies not allowed). This form must be postmarked by September 30, 2020.

2) Payment by check (certified, cashier’s or personal) or money order made payable to Michigan Education Trust.

3) If any part of your payment is a rollover from another Sec. 529 program, complete and enclose a photocopy of Form 3953, Michigan Education Trust Rollover of Account Funds. The original form should be submitted to the other 529 program. The account statement should indicate principal and earnings of the rollover amount.

4) Mail to: Michigan Education Trust
   P.O. Box 30198
   Lansing, MI 48909

You May Photocopy the Contract Signature Page if You Wish to Purchase More Than One Contract

Print or type.
A lump sum Full Benefits Contract, Limited Benefits or Community College Contract can be purchased for Beneficiaries ages newborn through 12th grade and older. Monthly purchase contracts must be paid before the Beneficiary is expected to enter college. Pay-As-You-Go contracts must be completed 45 days before intended use. Four-year monthly purchase plans can be purchased for Beneficiaries in grades 8 and below; 7-year monthly purchase plans can be purchased for Beneficiaries in grades 5 and below; 10-year monthly purchase plans can be purchased for Beneficiaries in grades 2 and below; and 15-year monthly purchase plans can be purchased for beneficiaries newborn to 3 years old.

If any individual listed on the Contract Signature Page has a Jr., Sr., I, II, etc. designation, write the designation after the last name.

1. Enter the name and address of the Beneficiary (the child who will receive the educational benefits) with last name first, first name and middle initial. Do not use abbreviations (e.g., St., Dr., Ln., Cr., N., S., etc.).

   The Beneficiary must be a Michigan resident at the time the Contract is signed. Michigan residents who are living outside the State of Michigan due to military assignment remain Michigan residents until they indicate an intent to abandon their domicile in Michigan.

2. Enter the Beneficiary’s Social Security Number and phone number. If the Beneficiary does not have a Social Security number, proof of application for a Social Security Number must accompany the Contract Signature Page. You may obtain an application for a Social Security Number through a Social Security Administration office. When the Purchaser receives the Social Security Number, he or she must notify the MET office in writing.

3. Enter the Beneficiary’s date of birth.

4. Enter the age of the Beneficiary as of December 1, 2019.

5. Enter the Beneficiary’s grade in school as of September 2019. If the Beneficiary has not started school or is in preschool or pre-kindergarten, leave blank. If the Beneficiary is in 12th grade or older, enter 12th.

6. Enter the name of the Contract Purchaser (one person only). This is the individual responsible for payment and entitled to the State income tax deduction. Once the Contract is accepted by MET, the Purchaser cannot be changed.

7a. This Item must be completed. MET will not accept this Contract unless the Purchaser is age 18 or older, a designated custodian under the Michigan Uniform Transfers to Minors Act (UTMA), formerly UGMA, or a minor under UTMA.

7b. If a minor under UTMA is named as the Purchaser, the designated custodian must sign the Contract Signature Page.

8. Check Yes or No. If Yes, the address does not need to be entered. If No, enter the Purchaser’s address. Do not use abbreviations e.g., St., Dr., Ln., Cr., N., S., etc.

9. Enter the Purchaser’s work telephone number and home telephone (if different).

10. Enter the Purchaser’s Social Security Number or Federal Employer Identification Number (FEIN) if the Purchaser is an organization or trust. If the Contract is purchased under UTMA, the Beneficiary’s Social Security Number must be used.
11. **Naming an Appointee is Optional**: Enter the name and address (do not use abbreviations e.g., St., Dr., Ln., Cr., N., S., etc.) of an Appointee only if an individual other than the Purchaser or Beneficiary is being named to receive a refund (Item 16), to become the Purchaser in the event of the Contract Purchaser’s death, or to receive contract specific information whether via phone, written communication, e-mail, online access or any other means of communication with the MET office. MET will provide only general program information to all inquiries to persons not listed on the contract as Beneficiary, Purchaser or Appointee.

12. Check the Purchaser’s relationship to the Beneficiary. **Check one box only.**

13. Enter the Appointee’s Social Security Number and telephone number. If a trust or organization is named as the Appointee, enter the Federal Employer Identification Number (FEIN) of the trust or organization.

14. Check the type of contract you wish to purchase. **Check one box only.**

15. Check the number of semesters of Tuition you wish to purchase. Check one box only. If purchasing a Community College Contract, number of semesters cannot exceed four. Two semesters are equivalent to one year of tuition.

16. Check who shall receive the refund upon Termination of the Contract if it is not directed to a Higher Education Institution. **Check one box only.**

   **NOTE:** If the Beneficiary is selected as the Person to receive the refund, the Purchaser may not change this designation once the contract has been accepted by MET. If the contract is purchased with funds under UGMA or UTMA, the Beneficiary must be named as the Person to receive the refund.

17. Check who should receive ongoing correspondence regarding the MET program. **Check one box only.**

18. Check the method of payment. **Check one box only.**

19. Check the duration you wish to make monthly purchases, 4, 7, 10, or 15. The term of monthly purchases must end before the Beneficiary is expected to enter college.

20. Check one payment option (i.e., Payroll, Coupon or ACH). If selecting payroll deduction, complete Form 2614, MET Payroll Deduction Authorization. If selecting ACH, complete Form 3695, MET ACH Authorization.

21. Enter the Monthly Purchase Amount calculated using the Contract Prices chart based on the number of semesters you wish to purchase. MET will notify the Purchaser of the date monthly purchases begin. (Monthly payments will begin either February 25, 2020, May 26, 2020, September 25, 2020 or October 26, 2020.) **Do not** enter an amount if you are purchasing a lump sum contract.

22. Using the Price/Academic Year chart, enter the year the Beneficiary is expected to enter college based on the age as of December 1, 2019, or grade as of September 2019.

23. If you consider this information confidential (applies to media distribution only), check Yes, otherwise check No.

24. If part of your payment is a rollover from MESP, another Sec. 529 plan, Coverdell ESA or U.S. Savings Bonds, check the appropriate box and provide the principal and earnings amount. Also, complete Form 3953, Rollover of Account Funds and submit to the other 529 program. If rollover is a withdrawal, checks can be made payable to MET or to the Purchaser and endorsed over to MET.

25. If purchasing a Lump Sum Contract enter the appropriate prepaid tuition amount using the contract price chart based on the type of contract you intend to purchase. If purchasing a Pay-As-You-Go contract, enter your initial payment amount based on the contract price chart for the type of contract you are purchasing. If purchasing a monthly purchase contract, enter zero.

26. The Processing Fee is $60, and is noted on the form. This processing fee is required with each Contract Signature Page submitted. This fee is non-refundable.

27. Add the Prepaid Tuition Amount (Item 25) and the Processing Fee (Item 26) and enter the sum as the Total Contract Price. Payment may be made by check (certified, cashier’s or personal) or money order made payable to Michigan Education Trust.

**Purchaser’s Signature**

The individual named in Item 6 must sign and date the Contract Signature Page. If the individual named in Item 6 is a minor under UTMA, the custodian must sign and date the Contract Signature Page. If the Purchaser is an organization, an authorized officer of the organization must sign and date the Contract Signature Page. If the Purchaser is a trust, the trustee must sign and date the Contract Signature Page.

**Change of Address**

A MET Contract is a legal document and requires any change of address (for the Purchaser, Beneficiary, or Appointee) be made **in writing** to MET.

**Change of Appointee and/or Refund Designee**

If the Purchaser wishes to change the Refund Designee in Item 16 or the Appointee in Item 11, he/she must submit a written notarized statement to MET. In the event the Purchaser is deceased and he/she is also named as the Refund Designee, MET requires legal documents such as a death certificate and an indemnification certification form from the personal representative.
Michigan Department of Treasury
3895 (Rev. 10-19)

Michigan Education Trust Automated Clearing House (ACH)
Authorization for the Purchase of a Contract
Issued under authority of Public Act 316 of 1986.

Instructions: Carefully read and complete the entire authorization form. If you have questions completing the form, call 1-800-MET-4-KID (1-800-638-4543) or 517-335-4767 in the greater Lansing area.

Is a change of address included on this form?
☐ Yes  ☐ No

Effective date (mm/yy) to begin the ACH withdrawals
Note: All withdrawals occur on the 25th of each month. MET must receive your request at least 5 business days prior to the effective date or the change will be effective for the following month.

TYPE OF APPLICATION (select one only)
☐ NEW - Select if establishing an Automated Clearing House (ACH) withdrawal.
☐ CHANGE - Select if changing financial institution, account number, type of account, etc. Do not close your old account until this change takes place.
☐ CANCEL - Select if you want to cancel an ongoing ACH. Purchasers may cancel this ACH authorization by completing and mailing this form to the address below.

PURCHASER INFORMATION
Name of Purchaser
Social Security Number
MET Contract Number
Name of Beneficiary
Street Address
City, State, ZIP Code
Daytime Telephone Number

FINANCIAL INSTITUTION INFORMATION
Name of Financial Institution
Account Ownership
☐ Personal  ☐ Business
Street Address
City, State, ZIP Code
Telephone Number
Account Number
Routing Transit Number (9 digits) *
Account Type
☐ Checking  ☐ Savings
Amount

* Contact your financial institution for the routing transit number, if not already known.

AUTHORIZATION
I authorize the State of Michigan, Michigan Education Trust (MET) to make withdrawals by electronic transfer from the designated financial institution and account identified above. The withdrawal will take place beginning the 25th day of the month I specified above until the contract is paid in full or until I cancel my authorization. If the 25th is a State holiday or weekend the withdrawal will take place on the next business day.

I authorize MET to return money that was withdrawn from my account in error by electronically adjusting my account. I understand I will be notified by MET if adjustments are made.

It is my responsibility to complete a new Automated Clearing House Authorization form and mail it to the address below if I change financial institutions or account numbers or wish to cancel my authorization. I will not close my old account until payments have been successfully withdrawn from the new account. I understand I may cancel my authorization at any time. I must allow a minimum of 5 business days for the change or cancellation to take effect.

I agree to comply with National Automated Clearing House Rules and Regulations about electronic transfers as they exist on the date of my signature on this form or as subsequently adopted, amended, or repealed. Michigan law governs electronic fund transactions authorized by this agreement in all respects except as otherwise superseded by federal law.

Please note that you are ineligible to pay by ACH if the bank account identified above is funded or otherwise associated with a foreign bank account to the extent that the payment transaction would qualify as an International ACH Transaction (IAT) under the NACHA rules. Money market accounts are not eligible for ACH withdrawals.

Printed Name of Purchaser  Signature of Purchaser  Date

If you have any questions, call 800-MET-4-KID or e-mail TreasMET@Michigan.gov.

MAIL COMPLETED FORM TO:
Michigan Education Trust
P.O. Box 30198
Lansing, MI 48909

Fax: 517-763-0124
E-mail to: TreasMET@Michigan.gov
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# Michigan Education Trust Payroll Deduction Authorization

Complete this form if your employer is willing to process payroll deductions to the Michigan Education Trust.

(Use one form for each MET contract)

<table>
<thead>
<tr>
<th>New Payroll Deduction Request</th>
<th>Change Deduction Request</th>
<th>Stop Deduction Request</th>
<th>Contract Number (if known)</th>
</tr>
</thead>
</table>

**GENERAL INFORMATION**

<table>
<thead>
<tr>
<th>Employee Name (Last, First, M.I.)</th>
<th>Employee Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Home Address</td>
<td></td>
</tr>
<tr>
<td>Home Telephone Number</td>
<td>Business Telephone Number</td>
</tr>
<tr>
<td>Beneficiary Name (First, Last, M.I.)</td>
<td>Beneficiary Social Security Number</td>
</tr>
</tbody>
</table>

**EMPLOYER INFORMATION**

<table>
<thead>
<tr>
<th>Company/Employer Name</th>
<th>Employee I.D. Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer Address</td>
<td></td>
</tr>
<tr>
<td>Name of Human Resources Contact Person</td>
<td>Telephone Number of Human Resources Contact Person</td>
</tr>
</tbody>
</table>

**CALCULATING YOUR PAYROLL DEDUCTION AMOUNT** (Monthly Purchase Contracts Only)

1. Enter the monthly purchase amount: ..............................................................

2. Multiply the monthly purchase amount on line 1 above X 12: ............................................................

3. Determine the number of paydays you have annually.

<table>
<thead>
<tr>
<th>Pay Frequency</th>
<th>Number of Annual Paydays</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly</td>
<td>52</td>
</tr>
<tr>
<td>BiWeekly</td>
<td>26</td>
</tr>
<tr>
<td>SemiWeekly (twice each month)</td>
<td>24</td>
</tr>
<tr>
<td>Monthly (once every month)</td>
<td>12</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

Enter the number of annual paydays: ..............................................................

4. Divide the amount in line 2 by line 3. Enter the exact amount including cents (round up if necessary).

   This is your payroll deduction amount (enter here and in Authorization section below): ......................

**PAYROLL DEDUCTION AMOUNT FOR PAY-AS-YOU-GO CONTRACTS**

1. Enter the payroll deduction amount (enter here and in Authorization section below): ......................

**CHANGE OR STOP PAYROLL DEDUCTION**

I hereby request and authorize my employer to

<table>
<thead>
<tr>
<th>Change Deduction</th>
<th>Stop Deduction</th>
</tr>
</thead>
</table>

from my earnings each pay period for my Michigan Education Trust Contract.

Current Deduction $.........................................................

New Amount $.........................................................

Signature .................................................................

Date .................................................................

**AUTHORIZATION**

I hereby request and authorize my employer to deduct $ ......................................................... from my earnings each pay period for transmittal to the Michigan Education Trust. This authorization is revocable by me upon written notice to my employer or upon completion of my MET monthly purchase contract. I also authorize MET to correct and notify me of any error in the calculation made on this form.

Signature .................................................................

Date .................................................................

If you have any questions, call 800-MET-4-KID or e-mail TreasMET@michigan.gov.

MAIL TO: Michigan Education Trust, P.O. Box 30198, Lansing, MI 48909

Fax: 517-763-0124

E-mail to: TreasMET@michigan.gov
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**Michigan Education Trust (MET) Rollover of Account Funds**

Before completing this form, read the MET Contract and the “Important Information” on the next page. Fill out the form using blue or black ink. Make sure the form is signed and mail it to your current Qualified Tuition Program (QTP). If you are making a direct rollover to MET, your current QTP may require a medallion signature guarantee on this form, or it may have additional requirements before releasing your funds. To avoid delays, call your current program for instructions before mailing this form. If you are making an indirect rollover to MET, complete Parts 1, 2, 3 and 4, sign and submit this form with a check to MET.

### PART 1: TYPE OF ROLLOVER (Check only one box.)

- [ ] From the Michigan Education Savings Program (MESP)  
  (Mail form to MESP, PO Box 219303, Kansas City MO 64121-9303).
- [ ] Michigan Advisor Plan (MAP)  
  (Mail form to MI 529 Advisor Plan, PO Box 219295, Kansas City, MO 64121-9295).
- [ ] From another state’s QTP  
  (Mail form to the QTP).
- [ ] From the redemption of a Qualified U.S. Savings Bond
- [ ] From the redemption of a Coverdell Education Savings Account  
  (Mail form to the Coverdell Program).

Is there a change in Beneficiary?  
[ ] Yes  
[ ] No

Is this a direct rollover from another QTP?  
[ ] Yes. Complete parts 2, 3, 4, and 5 or 6 and mail form to your current QTP.

Is this an indirect rollover from another QTP?  
[ ] Yes. Complete parts 2, 3, and 4 and mail form and a check to MET.

Is this deposit within 60 days of the withdrawal?  
[ ] Yes  
[ ] No

### PART 2: ROLLOVER FROM

<table>
<thead>
<tr>
<th>Account Owner’s First Name and Middle Initial</th>
<th>Account Owner’s Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiary’s First Name and Middle Initial</td>
<td>Beneficiary’s Last Name</td>
</tr>
<tr>
<td>Account Owner’s Social Security Number or Taxpayer ID Number</td>
<td>Account Number (MESP or at another state’s QTP)</td>
</tr>
<tr>
<td>Name of Current QTP (MESP or other state’s program)</td>
<td>Total Rollover Amount</td>
</tr>
<tr>
<td>Cost</td>
<td>Earnings</td>
</tr>
</tbody>
</table>

### PART 3: RECEIVING ROLLOVER

<table>
<thead>
<tr>
<th>MET Contract Purchaser’s First Name and Middle Initial</th>
<th>MET Contract Purchaser’s Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiary’s First Name and Middle Initial</td>
<td>Beneficiary’s Last Name</td>
</tr>
<tr>
<td>Purchaser’s Social Security Number or Taxpayer ID Number</td>
<td>Purchaser’s Daytime Telephone Number</td>
</tr>
</tbody>
</table>

### PART 4: PURCHASER’S AUTHORIZATION

By signing below, I certify that all the information provided in this form and in any attached documents is true, complete and accurate. I certify that the new Beneficiary is a “member of the family” of the current Beneficiary, or that the rollover is between QTP without a Beneficiary change and I have not requested a rollover for the same Beneficiary within the last 12 months. If applicable, I certify that the rollover is within 60 days of the withdrawal from the QTP named in Part 2.

Signature of Contract Purchaser or Custodian if Contract Purchaser is a Minor  
Date

### FOR MESP/QTP/COVERDELL USE ONLY

The Michigan Education Trust (MET) is a prepaid Qualified Tuition Plan (QTP) under Section 529 of the Internal Revenue Code. By signing below, MET hereby agrees to accept the rollover requested on this form and upon receipt of funds will deposit into a MET Contract established on behalf of the Contract Purchaser named in this form. Please redeem the Account as instructed on the following page and send a check payable to the Michigan Education Trust (MET). Be sure to include the Contract Purchaser’s social security number or taxpayer identification number on the check and enclose a statement that shows the contribution and earnings portions of the rollover amount.

Authorized Signature of MET  
Date

Mail check and statement to MET at P.O. Box 30198 Lansing, MI 48909.  
For overnight mail, send to: MET, c/o Receipts Processing, Operations Center,  
7285 Parsons Drive, Dimondale, MI 48821.

Questions?  
Call (800) MET-4-KID  
E-mail TreasMET@Michigan.gov
### PART 5: INSTRUCTIONS TO MESP (leave blank if you do not have a MESP account)

Redeem MESP funds as indicated below and remit a rollover check to the Michigan Education Trust (MET).

- [ ] Rollover the ENTIRE balance in my account. (Estimate Amount $ ______________). OR
- [ ] Rollover a PARTIAL balance in my account, as indicated below.

<table>
<thead>
<tr>
<th>Investment Options</th>
<th>Indicate “ALL” or write $ amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservative Age Based Allocation Option</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Moderate Age Based Allocation Option</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Aggressive Age Based Allocation Option</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Global Equity Index Option (1933)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Principal Plus Interest Option (1934)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>Balanced Option (2190)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>100 % Fixed Income Option (2191)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>U.S. Equity Index Option (2337)</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>International Equity Index Option (2338)</td>
<td>$ 0.00</td>
</tr>
</tbody>
</table>

**TOTAL OUTGOING ROLLOVER AMOUNT**

$ 0.00

### PART 6: INSTRUCTIONS TO MAP OR YOUR QTP (leave blank if you do not have an account with another program)

Redeem funds as indicated below and remit a rollover check to the Michigan Education Trust (MET).

- [ ] Rollover the ENTIRE balance in my account. (Estimate Amount $ ______________). OR
- [ ] Rollover a PARTIAL balance in my account, as indicated below.

<table>
<thead>
<tr>
<th>Investment Option(s)</th>
<th>Indicate “ALL” or write $ amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>2.</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>3.</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>4.</td>
<td>$ 0.00</td>
</tr>
<tr>
<td>5.</td>
<td>$ 0.00</td>
</tr>
</tbody>
</table>

**TOTAL OUTGOING ROLLOVER AMOUNT**

$ 0.00

---

**Important Information for Form 3953, MET Rollover of Account Funds**

**Rollovers with Beneficiary Changes** - Rollovers from another QTP with a Beneficiary change may occur without state or federal income tax only if the Beneficiary of the receiving account is a “member of the family” of the Beneficiary of the original account, and the rollover is completed within 60 days. A “member of the family” as defined by Section 529 of the Internal Revenue Code is: (1) a son or daughter, or a descendant of either; (2) a stepson or stepdaughter; (3) a brother, sister, stepbrother or stepsister; (4) the father or mother, or an ancestor of either; (5) a stepfather or stepmother; (6) a son or daughter of a brother or sister; (7) a brother or sister of the father or mother; (8) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law; (9) the spouse of the Beneficiary or of any of the other foregoing individuals, or (10) a first cousin. (A child includes a legally adopted child and a brother or sister includes a brother or sister by the half blood.)

**Rollovers without Beneficiary Changes** - Rollovers from another QTP without a Beneficiary change may occur without federal or state income tax if it does not occur more than once within any given 12 month period.

**Maximum Account Balance Limit** - You may not rollover funds to another Account for a new Beneficiary if such rollover would result in an amount in excess of the Maximum Account Balance Limit for the new Beneficiary. For rollovers into MET, you will be notified if the intended change would cause this limit to be exceeded.

**Documentation Requirements** - You must attach the following documents to this Form, as applicable:

- Rollover from a Coverdell Education Savings Account. An account statement issued by the financial institution that acted as trustee or custodian of the Education Savings account showing the contribution (basis) and earnings portions of the withdrawal.
- Rollover from the Redemption of Qualified U.S. Savings Bonds. An account statement or Form 1099-INT issued by the financial institution that redeemed the Qualified U.S. Savings Bonds showing the bond interest received upon redemption.
- Rollover from another QTP. An account statement issued by your former Qualified Tuition Program showing the contribution or prepaid tuition amount (basis) and earnings portions of the withdrawal.
- Rollover of Funds Already Withdrawn from a QTP. If you are depositing funds into MET that were previously withdrawn from another QTP, the deposit must occur within 60 days of the original withdrawal to avoid being taxed by the federal government. In such cases, you must enclose a statement from your former QTP. The statement must include a breakdown of the contribution (basis) and earnings portion of the withdrawal, the Beneficiary’s name on the account and the date of the withdrawal. This Form, along with the required statement, must be received by MET within 60 days of the original withdrawal.
MET Contract Acceptance Locations

Department of Treasury Field Offices

Completed Michigan Education Trust contracts can be delivered in person to any of the following offices. Field office hours vary, refer to times listed below.

DETROIT
Cadillac Place, Suite L-380
3060 W. Grand Boulevard
Detroit, MI 48202-6060
313-456-4340
(Closed 12:30 p.m. - 1 p.m. for lunch)

GRAND RAPIDS
State Office Building, 2nd Floor
350 Ottawa Ave., NW-Unit 17
Grand Rapids, MI 49503-2340
616-356-0300
(Open 9 a.m. - 12 p.m. only)

TRaverse CITY
701 S. Elmwood Ave., 4th Floor
Traverse City, MI 49684
231-922-5244
(Open 8 a.m.-12 p.m. only)

EScanABA
State Office Building, 2nd Floor
305 Ludington St.
Escanaba, MI 49829
906-786-6339
(Mon-Wed-Fri, 8 a.m. - 12 p.m. only)

LANSING AREA
Office of Financial Services
Operations Center
7285 Parsons Drive
Dimondale, MI 48821
517-636-5265
(Open 8 a.m. - 4:45 p.m.)

FLINT
State Office Building, 7th Floor
125 E. Union St.
Flint, MI 48502
810-760-2782
(Open 9 a.m. - 12 p.m. only)

STERLING HEIGHTS
41300 Dequindre Rd, Suite 200
Sterling Heights, MI 48314
586-997-0801
(Closed 12:30 -1 p.m. for lunch)

800-MET-4-KID
www.SETwithMET.com

For the hearing/speech impaired TTY through the Michigan Relay Center dial 711 for assistance.

MET Privacy Policy

MET collects nonpublic personal information about contract Purchasers, Appointees and Beneficiaries from the following sources:

• Information received from applications or other forms.
• Information about your transactions with MET.

MET does not disclose any nonpublic personal information to anyone except companies that perform marketing or administrative services on our behalf, the Michigan Education Savings Program or as required by law.

MET restricts access to your personal and account information to those employees who need to know that information to provide products or services to you. MET maintains physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.