Official Rules for NC 529 Lucky Three Drawing

Please read the rules carefully. After reading all rules, follow instructions listed on Rules and Entry page to enter.

OFFICIAL RULES

The "NC 529 Lucky Three Drawing" is a drawing in which three (3) entrants each will be awarded a $529 prize (the "Prize") through a random drawing (the "Drawing"). The Prizes will be awarded in the form of a $529 contribution to an existing NC 529 Plan Account owned by the entrants whose names are drawn ("NC 529 Account" or "Account"). Each entrant's name will be included in the Drawing for each time a completed (received and processed) contribution has been or will be made to his/her NC 529 Account(s) between January 1, 2016 and 12 midnight pm on December 31, 2016. For example, if contributions have been made to the entrant's NC 529 Account(s) on four occasions between January 1, 2016 and midnight on December 31, 2016, then the entrant's name will be submitted four times into the pool of names from which the Drawing will be made. A random drawing from the pool of all entrants' names will determine each of the winners of the three Prizes.

The Drawing is sponsored by College Foundation, Inc. ("CFI"), a North Carolina non-profit corporation which is tax exempt under Section 501(c)(3) of the Internal Revenue Code and is operating this Drawing pursuant to North Carolina General Statutes §14-309.15. The Prizes are funded by the North Carolina State Education Assistance Authority (the "Authority"). The NC 529 Plan is established and maintained by the Authority and administered by CFI. These entities are collectively referred to as "Drawing Parties."

Eligibility

Open to entrants who have NC 529 Account(s) and who are **not** employees, officers, directors or any other agents of Drawing Parties or any immediate family members (spouse, parents, children and siblings) of these employees, officers, directors or other agents of Drawing Parties.

To enter the " NC 529 Lucky Three Drawing," entrants click the Drawing announcement on the savings home page, NC529.org or CFNC.org/NC529 for more information on the rules and procedure to enter, and must be logged into one of their NC 529 Accounts to be verified as account owner and eligible to enter.

By participating in the Drawing, each entrant agrees to be bound by these Official Rules and the Drawing Parties' decisions.

To Enter

Entrants may enter the Drawing online at NC529.org/drawing after logging into one of their NC 529 Account(s). Entries will be accepted from September 1, 2016 through midnight on December 31, 2016 and must be received between these dates. An entrant only needs to enter the Drawing one time. After the Account owner enters the Drawing, the NC 529 Plan automatically multiplies the entry by the number (not the amount) of completed (received and processed) contributions made by

the owner to any existing NC 529 Account(s) between January 1, 2016 and midnight on December 31, 2016 and includes the entrant's name the equivalent number of times.

Selection

The random drawings will be held January 4, 2017. A winner for each prize and 3 alternates will be drawn. Winners will be notified using the contact information provided in their NC 529 Accounts on January 4, 2017 and announced on January 11, 2017. Upon notification, winners will have:

- Two (2) days to respond to CFI by email, phone or regular mail to accept the Prize.
- If a winner does not respond to CFI within the two (2) days after notification of winning, then the alternate will be awarded the Prize. The alternate winner will be notified by CFI on January 9, 2017 and will have two (2) days to respond to CFI to accept the Prize.
- If neither the winner nor the alternate for a Prize respond within the time requested, a new drawing will be held for that Prize at a later date.

Before a Prize can be awarded, its winner must:

- Have an existing NC 529 Account with a designated Beneficiary for whom the Prize will be used for higher education and have provided direction to the Program Administrator on allocating the Prize to Investment Options selected by the Account owner.
- Sign a full and complete release and indemnity agreement enabling the Drawing Parties to reprint, distribute and/or use the winner's name and other information related to his or her eligibility, educational plans for the NC 529 Plan Beneficiary or other relevant personal information provided by the winner in any press releases, on the CFNC.org website, and in advertisements, promotions and promotional materials without any recourse against such Drawing Parties, and each winner must agree to hold such Drawing Parties harmless for such use.

Names of winners of the Drawing will be posted on the NC 529 savings home page at NC529.org (also accessible at CFNC.org/NC529), and on the NC 529 Plan Facebook page on or after January 11, 2017. To obtain the winner's names in print, you may send a self-addressed, stamped envelope marked "Attn: NC 529 Lucky Three Drawing" to NC 529 Plan, P.O. Box 40877, Raleigh, NC 27629-0877.

Prizes

A $529 Prize will be awarded to three entrants through a random drawing, and will be deposited into the NC 529 Account(s) of each winner. The odds of winning depend on the total number of names entered in the Drawing.

- Prizes will be awarded in the form of a $529 contribution to an existing NC 529 Account owned by the entrant whose name is drawn. If the winner owns more than one NC 529 Account, then the winner may specify how to divide the $529 contribution among his/her Accounts.
- NC 529 Accounts and the funds therein are governed by the Program Description and the accompanying Enrollment and Participation Agreement. NC 529 Accounts themselves are not bank or credit union deposits and are not insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration. Neither the Contributions nor the

earnings thereon invested in Accounts are backed by the full faith and credit of the State of North Carolina or guaranteed by the State Education Assistance Authority, College Foundation, Inc., State Employees' Credit Union, or The Vanguard Group, Inc. Notwithstanding the foregoing, contributions and interest earned thereon invested in the Federally-Insured Deposit Account Investment Option are guaranteed by State Employees' Credit Union and insured by the National Credit Union Administration, which is backed by the full faith and credit of the United States Government. The value of a Participant's Account will fluctuate depending on market conditions and the performance of the Investment Options selected. Account owners could lose money, including the Prize money, by investing in the NC 529 Plan.

- Each winner's Prize will be deposited to his or her existing NC 529 Account and allocated according to his or her current Investment Option allocation instructions on file.
- After deposit of the $529 Prize into an existing NC 529 Account, further contributions to that Account are the Account owner's personal decision and responsibility. Funds withdrawn from the NC 529 Account that are used for the Beneficiary's tuition and fees associated with qualified higher education expenses at an eligible institution will be considered qualified withdrawals.
- The earnings portion of a non-qualified withdrawal is subject to the additional federal income tax of 10% and, potentially, state income tax. The Program Administrator also may impose a $50 transaction fee on Non-Qualified Withdrawals.
- The Prize may be considered income to the winner, and any taxes resulting from the receipt of the Prize are the responsibility of the winner. Winners are fully responsible for all applicable federal and state taxes and any other fees that may occur. Winners are advised to consult with an attorney or tax advisor regarding tax or personal financial implications of accepting the Prize.

Limitations of Liability and Release

Neither Drawing Parties nor their respective employees, officers, directors or other agents shall be liable for any injury, damage, or loss related to or resulting from entering or winning the NC 529 Lucky Three Drawing. By entering the Drawing, entrants release and hold Drawing Parties and their respective employees, officers, directors or other agents harmless from any and all damages and claims of any kind in connection with the Drawing or resulting from acceptance, possession or use of any prize. By participating in the NC 529 Lucky Three Drawing, entrant releases Drawing Parties from any and all claims, damages or liabilities arising from or relating to such entrant's participation in the Drawing. By accepting the Prize in the Drawing, winners agree that Drawing Parties shall not be liable for any injury, damage, or loss resulting from participation in the Drawing, acceptance, or use of the prize.

General

Drawing Parties reserve the right at their sole discretion to cancel, terminate, modify or suspend the Drawing for financial or other business reasons without prior notice. The Drawing is subject to all applicable federal, state and local laws and regulations. This offer is void where prohibited by law.

Go back to Rules and Entry page to enter.