



West Virginia College Prepaid Tuition and Savings Program

A Program of the State of West Virginia

Quarterly Status Report Period Ending March 31, 2016

Board Members

Ex Officio Members:

- WV State Treasurer - Chairman, John D. Perdue
- WV Higher Education Policy Commission - Colleges & Universities, Brian Weingart
- Secretary of Department of Education and the Arts, Kay Goodwin
- WV Higher Education Policy Commission - Community and Technical Colleges, Dr. Jo Harris

Appointed Members:

- Interests of private institutions of higher education – Terri Underhill
- Private Citizen (2) – Robert Galloway and Phyllis Arnold
- General Public (2) – Jamie Dickenson and Chuck Smith

Administered by the Office of the West Virginia State Treasurer



Information contained herein is provided by The Hartford, the West Virginia Investment Management Board, Intuition Systems and WVFIMS and has not been audited by an independent certified public accounting firm.

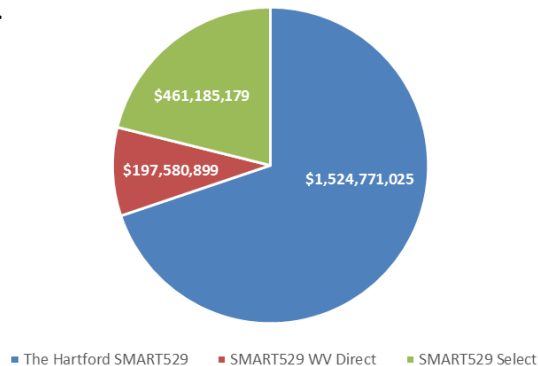


West Virginia College Prepaid Tuition and Savings Program Quarterly Status Report Ending March 31, 2016

Per W. Va. Code §18-30-10 the West Virginia College Prepaid Tuition and Savings Program is herewith submitting a quarterly report on the status of the program, including the trust funds and the administrative account, to the West Virginia Legislative Librarian in compliance with S.B. 477 which amended W. Va. Code §4-1-23.

Savings Plan Trust Fund

During the quarter, the SMART529 Savings Plan added 1,495 new accounts and received \$50,238,043 in contributions. The total of SMART529 Savings Plan assets at the end of the quarter was \$2,183,537,104.



Of the 120,764 nationwide accounts, 36,840 are West Virginia resident accounts with a value of \$416,887,170.

Prepaid Tuition Trust Fund

The West Virginia Legislature enacted House Bill 2953 on March 8, 2003 which continued the Prepaid Tuition Plan, but closed it to new enrollments.

The West Virginia Prepaid Tuition Plan ended this period with 3,546 active accounts with assets valued at \$57,292,135. During the quarter, there were \$1,289,733 in qualified tuition benefit distributions, and contract installment payments of \$46,482 were received. Prepaid Tuition Trust Fund investments gained \$798,531 during the quarter.

Prepaid Tuition Trust Fund Escrow Account

H.B. 2953 also created the Prepaid Tuition Trust Escrow Account "to guarantee payment of Prepaid Tuition Plan Contracts." The Escrow Account will receive transfers of up to one million dollars from the Unclaimed Property Trust Fund each year there is an actuarially determined unfunded liability in the Prepaid Tuition Trust Fund.

| | Quarter Ended December 31, 2015 | Quarter Ended March 31, 2016 | Fiscal Year to Date |
|-----------------------------------|------------------------------------|---------------------------------|---------------------|
| Market Value | \$19,548,607 | \$19,678,607 | \$19,678,607 |
| Change from previous quarter/year | \$(24,026) | \$130,000 | \$1,141,522 |

Administrative Account

The Administrative Account established in the State Treasurer's Office is used for the purpose of implementing, operating, and maintaining the Trust Funds and the Program. It may receive funds from a variety of sources including fees, charges, and penalties collected by the Board.

| | |
|-------------------------------------------------------------|------------------|
| Beginning balance | \$2,138,080 |
| Administrative charges to the Prepaid Tuition Trust Fund | - |
| Receipts from Savings Plan Trust (WV Administrative Charge) | 307,969 |
| Disbursements to pay expenses | <u>(249,144)</u> |
| Ending Balance | \$2,196,905 |

Community Outreach

In January, Treasurer Perdue kicked off the 9th annual *When I Grow Up* essay contest at Maxwell Hill Elementary in Beckley.

The *Bright Babies* Grant Program digital marketing and direct mail to new mothers continued.

In March, *Tax Day* digital ads began running to encourage investing tax refunds into college savings accounts.

Additional outreach included sponsorship of the WV Gazette-Mail Regional Spelling Bee in Charleston.

Operating Report

For the Quarter Ending March 31, 2016

| Cash & Investments | | Rates of Return | |
|-----------------------------------|------------------|--------------------------------------|-------|
| Prepaid Tuition Trust Fund | \$ 57,292,135 | Prepaid Tuition Trust Fund | |
| Savings Plan Trust Fund | \$ 2,183,537,104 | Ending Quarter | 1.51% |
| Administrative Account | \$ 2,196,135 | FY2015 To Date | 0.33% |
| | | Annualized since investing July 1999 | 6.43% |

Note: See Quarterly Investment Performance Review for detail. Rates are not annualized unless otherwise noted.

| Program Operating Activities | | | |
|--------------------------------------|----------------------------|-------------------------|------------------------|
| | Prepaid Tuition Trust Fund | Savings Plan Trust Fund | Administrative Account |
| Receipts | \$ 46,482 | \$50,238,043 | \$ - |
| Investment earnings (loss) | 798,531 | 14,999,208 | - |
| Legislative appropriations | - | - | - |
| Treasurer's subsidy | - | - | - |
| Savings Plan admin. fees | - | - | 307,969 |
| Total Receipts | 845,013 | 65,237,251 | 307,969 |
| Expenses/Fees | - | (5,850,744) | (249,144) |
| Cancellations/Rollovers | (572,471) | (9,573,258) | - |
| Expirations | (582,248) | - | - |
| Regular distributions | (1,289,733) | (29,110,174) | - |
| Total Disbursements | (2,444,452) | (44,534,176) | (249,144) |
| Net change | (1,599,439) | 20,703,075 | 58,825 |
| Beginning cash & investments | 58,891,574 | \$ 2,162,834,028 | 2,138,080 |
| Ending cash & investments | \$ 57,292,135 | \$ 2,183,537,104 | \$ 2,196,905 |

Note: Quarterly Report is based upon unaudited numbers and may reflect rounding.

Fiscal Year 2016 Budget to Actual Comparison For the Nine Months Ended March 31, 2016

| | | YTD | | OVER | % OF |
|-----------------------------------------|---------------------------------|-------------------|---------------------|---------------------|--------------|
| | | DISBURSEMENT | BUDGET | (UNDER) | BUDGET |
| | | | | BUDGET | SPENT |
| | | | | | (YTD) |
| Payroll & Benefits | Payroll and Benefits | \$ 291,176 | \$ 459,777 | \$ (168,601) | 63.3% |
| | Payroll and Benefits TEMP | 80,387 | 110,008 | (29,621) | 73.1% |
| | Annual Increment | 5,100 | 6,160 | (1,060) | 82.8% |
| | PEIA/Personnel Fees | - | 400 | (400) | 0.0% |
| | Social Security Matching | 27,851 | 44,526 | (16,675) | 62.5% |
| | PEIA | 19,549 | 65,717 | (46,168) | 29.7% |
| | Workers' Comp | 567 | 4,090 | (3,523) | 13.9% |
| | Pension & Retirement | 42,106 | 62,901 | (20,795) | 66.9% |
| | WV OPEB | 9,646 | 15,648 | (6,002) | 61.6% |
| PAYROLL & BENEFITS TOTAL: | | 476,382 | 769,227 | (292,845) | 61.9% |
| Unclassified | Miscellaneous | - | 5,350 | (5,350) | 0.0% |
| | Postage | - | 3,000 | (3,000) | 0.0% |
| | Freight | 16 | - | 16 | * |
| | 1% PEIA Transfer | - | 5,650 | (5,650) | 0.0% |
| UNCLASSIFIED TOTAL: | | 16 | 14,000 | (13,984) | 0.1% |
| Current Expenses | Office Expenses | 1,604 | 6,000 | (4,396) | 26.7% |
| | Printing & Binding | 1,280 | - | 1,280 | * |
| | Rent | 13,990 | 18,650 | (4,660) | 75.0% |
| | Utilities | 114 | 600 | (486) | 19.0% |
| | Telecommunications | 6,547 | 2,000 | 4,547 | 327.4% |
| | Internet Service | 87 | - | 87 | * |
| | Contractual Services | 123,465 | 225,000 | (101,535) | 54.9% |
| | Professional Services | 71,500 | - | 71,500 | * |
| | Consultants & Consulting Fees | 134,708 | 210,000 | (75,292) | 64.1% |
| | Security Service | 404 | - | 404 | * |
| | Travel - Employee | 20,215 | 20,000 | 215 | 101.1% |
| | Travel - Non-Employee | - | 5,000 | (5,000) | 0.0% |
| | Computer Services Internal | 1,431 | - | 1,431 | * |
| | Computer Services External | 55 | 3,000 | (2,945) | 1.8% |
| | Vehicle Rental | 139 | - | 139 | * |
| | Rental (machine) | 1,184 | 1,000 | 184 | 118.4% |
| | Association Dues | 4,870 | 4,785 | 85 | 101.8% |
| | Food products | 1,171 | 500 | 671 | 234.2% |
| | Supplies-Household | 267 | - | 267 | * |
| | Advertising & Promotional | 3,002 | 23,000 | (19,998) | 13.1% |
| | Vehicle Operating Expense | 141 | - | 141 | * |
| | Routine Maint. Contracts | - | 4,000 | (4,000) | 0.0% |
| | Cellular | 675 | 750 | (75) | 90.0% |
| | Hospitality | 1,114 | 3,000 | (1,886) | 37.1% |
| | Energy Expense Utilities | 1,349 | 2,400 | (1,051) | 56.2% |
| | Miscellaneous | 46 | - | 46 | * |
| | Training & Dev'p (in state) | 419 | 5,000 | (4,581) | 8.4% |
| | Training & Dev'p (out of state) | - | 7,000 | (7,000) | 0.0% |
| | Postal | 2,501 | 3,000 | (499) | 83.4% |
| | Freight | 144 | - | 144 | * |
| | Computer Supplies | 4,708 | 5,000 | (292) | 94.2% |
| | Software License | 1,827 | 15,000 | (13,173) | 12.2% |
| Computer Equipment | - | 10,000 | (10,000) | 0.0% | |
| Attorney Legal Services | - | 50,719 | (50,719) | 0.0% | |
| Misc Equip Purchases | 181 | - | 181 | * | |
| CURRENT EXPENSES TOTAL: | | 399,138 | 625,404 | (226,266) | 63.8% |
| General Rev. | Contractual Services | 13,967 | 73,207 | 13,967 | 19.1% |
| Appropriation | Consultants & Consulting Fees | - | - | - | * |
| GENERAL REV. APPROPRIATION TOTAL | | 13,967 | 73,207 | 13,967 | 19.1% |
| TOTAL | | \$ 889,503 | \$ 1,481,838 | \$ (519,128) | 60.0% |

* No budget

Program Active Accounts - Summary

| Activity | Prepaid Tuition Plan | | | Savings Plan | | |
|-------------------|----------------------|--------------|-------|----------------|----------------|----------|
| | Last Quarter | This Quarter | FYTD | Last Quarter | This Quarter | ITD |
| Beginning | 3,985 | 3,731 | | 120,671 | 120,764 | |
| New/Redefined | - | - | - | 1,464 | 1,495 | 176,037 |
| Full Distribution | (142) | (67) | (275) | (810) | (823) | (22,222) |
| Cancelled | (37) | (52) | (179) | (270) | (272) | (14,990) |
| Expired | (75) | (66) | (141) | - | - | |
| External Rollover | - | - | - | (291) | (335) | (15,859) |
| Ending | 3,731 | 3,546 | | 120,764 | 120,829 | |

Prepaid Tuition Plan – Account Status Detail

| Status | Last Quarter | This Quarter |
|-----------------------------------------|--------------|--------------|
| Mature, not in payout | 478 | 823 |
| Mature, payout in process | 1,859 | 1,715 |
| Not mature yet | 1,394 | 1,008 |
| Active Accounts Sub-Total | 3,731 | 3,546 |
| Depleted | 3,260 | 3,327 |
| Cancelled / rolled over | 2,671 | 2,723 |
| Expired | 75 | 141 |
| Closed Accounts Sub-Total | 6,006 | 6,191 |
| Total Accounts (since inception) | 9,737 | 9,737 |

Savings Plan Detail

| Quarterly Numbers Summary – Management Basis | | | | |
|-----------------------------------------------------|---------------------|---------------------|----------------------------|------------------------|
| Activity | Last Quarter | This Quarter | FY 2016 To Date | Since Inception |
| Beginning Active Accounts | 120,671 | 120,671 | 121,317 | |
| New accounts | 1,464 | 1,495 | 4,021 | 175,873 |
| Closed | (1,371) | (1,430) | (4,509) | (55,044) |
| Ending Active Accounts | 120,764 | 120,829 | 120,829 | |

| | | | | |
|-----------------------------------|-------------------------|-------------------------|-------------------------|----------------------|
| Beginning Balance | \$ 2,102,253,683 | \$ 2,162,834,028 | \$ 2,262,844,759 | |
| Contributions | 51,544,318 | 50,238,043 | 143,789,002 | \$ 2,627,928,208 |
| Distributions: | | | | |
| Cancellations/Rollovers | 10,336,078 | 9,573,258 | 28,050,166 | |
| Regular Distributions | 38,431,928 | 29,110,174 | 125,454,082 | |
| Total Distributions | 48,768,006 | 38,683,432 | 153,504,248 | 1,185,678,098 |
| Fees & Charges: | | | | |
| Up-Front Sales Charge | 667,655 | 619,071 | 1,870,978 | 44,091,595 |
| Deferred Sales Charge | 31,810 | 20,742 | 89,269 | 1,399,270 |
| Broker Distribution Charge | 1,454,756 | 1,366,846 | 4,304,119 | 54,386,372 |
| Annual Maintenance Fee | 1,092,428 | 22,550 | 1,148,563 | 13,287,795 |
| Investment Mgmt Charges | 2,383,883 | 2,283,151 | 7,011,752 | 82,111,193 |
| Hartford Administrative Fee | 1,260,504 | 1,201,020 | 3,731,703 | 35,817,228 |
| WV Administrative Fee | 324,765 | 308,125 | 961,753 | 11,142,027 |
| Cancellation Fee | 12,090 | 29,240 | 54,120 | 1,164,071 |
| Total Fees & Charges | 7,227,890 | 5,850,744 | 19,172,257 | 242,329,674 |
| Change in Investment Value | \$ 65,031,924 | \$ 14,999,208 | \$ (50,420,152) | \$ 983,616,668 |
| Ending Balance | \$ 2,162,834,028 | \$ 2,183,537,104 | \$ 2,183,537,104 | |

Totals may reflect rounding differences

Savings Trust Assets by Investment Plan & Option

| | The Hartford SMART529 | SMART529 WV Direct | SMART529 Select | Totals |
|-----------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| Age-Based Portfolios | | | | |
| 0-8 | \$ 132,878,295 | \$ 25,489,590 | \$ - | \$ 158,367,885 |
| 9-13 | 268,982,741 | 36,104,689 | - | 305,087,430 |
| 14-15 | 134,518,514 | 14,524,789 | - | 149,043,303 |
| 16-17 | 128,315,723 | 14,563,935 | - | 142,879,658 |
| 18+ | 141,060,407 | 17,898,647 | - | 158,959,054 |
| DFA 0-3 | - | - | 14,083,531 | 14,083,531 |
| DFA 4-6 | - | - | 30,172,358 | 30,172,358 |
| DFA 7-9 | - | - | 48,926,361 | 48,926,361 |
| DFA 10-12 | - | - | 51,930,691 | 51,930,691 |
| DFA 13-15 | - | - | 52,081,157 | 52,081,157 |
| DFA 16-18 | - | - | 38,653,428 | 38,653,428 |
| DFA 19+ | - | - | 21,018,442 | 21,018,442 |
| TOTAL | \$ 805,755,680 | \$108,581,650 | \$ 256,865,968 | \$ 1,171,203,298 |
| Static Portfolios | | | | |
| Static Agg Growth | \$ 66,471,341 | \$ 26,985,143 | \$ - | \$ 93,456,485 |
| Static Growth | 88,965,385 | 18,027,563 | - | 106,992,948 |
| Static Balanced | 54,390,756 | 11,822,861 | - | 66,213,617 |
| Static Cnsv Balanced | 9,223,803 | 4,538,728 | - | 13,762,531 |
| Static Cnsv Bond | - | 3,191,977 | - | 3,191,977 |
| Static Checks & Bal | 38,090,919 | - | - | 38,090,919 |
| All Equity DFA | - | - | 81,985,887 | |
| Agg Growth DFA | - | - | 27,179,232 | |
| Moderate Agg DFA | - | - | 11,693,852 | |
| Growth DFA | - | - | 25,220,153 | |
| Moderate Grw DFA | - | - | 16,205,564 | |
| Balanced DFA | - | - | 10,709,290 | |
| Conservative DFA | - | - | 6,252,195 | |
| Moderate Cnsv DFA | - | - | 4,726,666 | |
| Fixed Income DFA | - | - | 14,036,424 | |
| 1-Year Fixed DFA | - | - | 6,309,947 | |
| TOTAL | \$ 257,142,205 | \$ 64,566,273 | \$ 204,319,211 | \$ 526,027,688 |

Chart continued on next page.

Savings Trust Assets by Investment Plan & Option - Continued

| | The Hartford SMART529 | SMART529 WV Direct | SMART529 Select | Totals |
|------------------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| Individual 529 Funds | | | | |
| Hartford Balanced Income | \$ 15,015,782 | \$ - | \$ - | \$ 15,015,782 |
| Hartford Capital Appreciation | - | - | - | - |
| Hartford Dividend & Growth | 199,711,069 | - | - | 199,711,069 |
| Hartford Equity Income | 28,910,511 | - | - | 28,910,511 |
| Hartford Global All Asset | 1,641,222 | - | - | 1,641,222 |
| Hartford Growth Opportunities Fund | 19,018,971 | - | - | 19,018,971 |
| Hartford High Yield | 7,146,273 | - | - | 7,146,273 |
| Hartford Inflation Plus | 6,377,500 | - | - | 6,377,500 |
| Hartford Intl Opportunities Fund | 14,042,465 | - | - | 14,042,465 |
| Hartford MidCap | 59,436,559 | - | - | 59,436,559 |
| Hartford MidCap Value | 11,008,969 | - | - | 11,008,969 |
| Hartford Small Company Fund | 6,907,510 | - | - | 6,907,510 |
| Hartford Total Return Bond | 21,201,679 | - | - | 21,201,679 |
| MFS Global Equity Fund | 14,020,535 | - | - | 14,020,535 |
| SMART529 500 Index Fund | - | 12,113,121 | - | 12,113,121 |
| TOTALS | \$ 404,439,044 | \$ 12,113,121 | \$ - | \$ 416,552,165 |
| Stable Value Funds | | | | |
| SMART529 Stable Value | \$ 57,434,097 | \$ 12,319,856 | | |
| TOTALS | \$ 57,434,097 | \$ 12,319,856 | | \$ 69,753,953 |
| GRAND TOTALS | \$ 1,524,771,025 | \$ 197,580,899 | \$ 461,185,179 | \$ 2,183,537,104 |

Totals may reflect rounding differences

Savings Trust Assets by Share Class

| Share Class | The Hartford SMART529 | SMART529 WV Direct | SMART529 Select | % of Assets |
|--------------|--------------------------|-----------------------|-----------------------|----------------|
| A Shares | \$ 1,096,750,696 | \$ - | \$ - | 50% |
| B Shares | \$ 79,963,754 | - | - | 4% |
| C Shares | \$ 234,229,014 | - | - | 11% |
| D Shares | | \$ 197,580,899 | \$ 461,185,179 | 30% |
| E Shares | \$ 113,827,562 | - | - | 5% |
| Total | \$ 1,524,771,025 | \$ 197,580,899 | \$ 461,185,179 | 100% |

Contributions & Accounts by Channel

| Channel | Total Contributions | | New Accounts | |
|--------------|----------------------|-------------------------|--------------|----------------------|
| | Quarter | Inception To Date | Quarter | Inception To Date |
| Advisor | \$ 31,833,177 | \$ 1,938,788,367 | 640 | 143,714 |
| Direct | 18,404,866 | 687,046,285 | 855 | 32,159 |
| Total | \$ 50,238,043 | \$ 2,625,834,652 | 1,495 | 175,873 |

New Account Activity By Channel WV Owner or Beneficiary

| Quarter | Contributions by Channel | | | Accounts by Channel | | |
|------------|--------------------------|------------|------------|---------------------|--------|-------|
| | Advisor | Direct | Total | Advisor | Direct | Total |
| 2014 March | 5,338,667 | 7,029,195 | 12,367,862 | 344 | 588 | 932 |
| 2014 June | 4,878,691 | 5,602,281 | 10,480,971 | 395 | 324 | 719 |
| 2014 Sept | 5,318,829 | 5,847,158 | 11,165,987 | 396 | 366 | 762 |
| 2014 Dec | 7,615,107 | 10,099,288 | 17,714,395 | 510 | 478 | 988 |
| 2015 March | 5,848,589 | 6,873,172 | 12,721,761 | 417 | 526 | 943 |
| 2015 June | 4,671,163 | 5,072,121 | 9,743,284 | 358 | 292 | 650 |
| 2015 Sept | 4,977,507 | 5,710,028 | 10,687,536 | 313 | 292 | 605 |
| 2015 Dec | 7,099,327 | 9,018,928 | 16,118,255 | 343 | 497 | 840 |
| 2016 March | 5,229,446 | 7,136,933 | 12,366,379 | 263 | 534 | 797 |

Top 10 Investing Firms – West Virginia

WV Owner or Beneficiary

| Firm Ordered by "New Accounts" for quarter | Quarter | | Since Inception | |
|-----------------------------------------------|---------------|--------------|---------------------|----------|
| | Investment \$ | New Accounts | Total Investment \$ | Accounts |
| Edward Jones | 777,689 | 69 | 32,213,812 | 5,585 |
| BB&T Investment Services, Inc. | 419,265 | 17 | 1,571,322 | 1,005 |
| United Brokerage Services, Inc | 136,666 | 13 | 500,628 | 330 |
| Morgan Stanley | 448,527 | 12 | 25,379,325 | 1,824 |
| First Clearing Corporation | 476,730 | 8 | 1,399,169 | 526 |
| Raymond James Financial Services | 214,878 | 9 | 4,846,584 | 614 |
| Cetera Investment Services Llc | 78,123 | 8 | 187,228 | 84 |
| J.P. Morgan Securities | 210,408 | 7 | 9,794,115 | 1,616 |
| LPL Financial Llc | 177,367 | 7 | 5,837,277 | 1,038 |
| Wesbanco Securities, Inc. | 71,088 | 7 | 274,116 | 171 |

Top 10 Investing Firms – Nationwide

| Firm Ordered by "New Accounts" for quarter | Quarter | | Since Inception | |
|-----------------------------------------------|---------------|--------------|---------------------|----------|
| | Investment \$ | New Accounts | Total Investment \$ | Accounts |
| Edward Jones | \$11,998,261 | 590 | \$27,505,918 | 13,617 |
| LPL Financial Llc | \$1,619,624 | 44 | \$4,527,540 | 2,502 |
| First Clearing Corporation | \$2,278,673 | 35 | \$6,447,024 | 2,440 |
| Raymond James & Associates, Inc. | \$1,543,424 | 55 | \$3,967,324 | 1,848 |
| Morgan Stanley | \$1,831,431 | 26 | \$4,106,458 | 1,037 |
| Woodbury Financial Services, Inc. | \$777,260 | 18 | \$2,015,597 | 1,581 |
| Bb&T Investment Services, Inc. | \$616,617 | 18 | \$2,162,453 | 1,571 |
| J.P. Morgan Securities | \$418,414 | 13 | \$1,056,415 | 716 |
| United Brokerage Services, Inc | \$139,621 | 13 | \$515,648 | 351 |
| J.J.B. Hilliard, W.L. Lyons, Llc | \$145,132 | 13 | \$529,744 | 234 |

Top 10 Investing States

| State By residence of account owner | Quarter | | Since Inception | |
|----------------------------------------|---------------|---------|-----------------|---------|
| | Investment \$ | Percent | Investment \$ | Percent |
| WV | 12,247,934 | 24.38% | 496,648,483 | 18.85% |
| <i>Direct-sold</i> | 7,102,296 | 57.99% | 245,725,643 | 49.48% |
| <i>Broker-sold</i> | 5,145,638 | 42.01% | 250,922,840 | 50.52% |
| TX | 5,087,803 | 10.13% | 217,987,507 | 8.27% |
| CA | 5,031,129 | 10.01% | 292,138,704 | 11.09% |
| MO | 4,342,079 | 8.64% | 55,074,847 | 2.09% |
| WA | 2,621,898 | 5.22% | 68,753,457 | 2.61% |
| PA | 2,130,476 | 4.24% | 98,429,835 | 3.74% |
| FL | 1,916,630 | 3.82% | 101,508,603 | 3.85% |
| NC | 1,587,541 | 3.16% | 132,796,682 | 5.04% |
| TN | 1,240,212 | 2.47% | 81,389,147 | 3.09% |
| OH | 1,185,587 | 2.36% | 57,366,375 | 2.18% |

Assets in Underlying Funds by Product Line

| Mutual Fund Name | The Hartford SMART529 | SMART529 Select | Total | Equivalent Shares |
|-------------------------------|--------------------------|-----------------------|-------------------------|----------------------|
| | SMART529 WV Direct | | | |
| Hartford Small Cap Growth | \$ 24,668,330 | - | \$ 24,668,330 | 526,024.350 |
| Hartford Growth Opps | 18,991,700 | - | 18,991,700 | 465,549.670 |
| Hartford Small Co | 6,922,514 | - | 6,922,514 | 384,449.270 |
| Hartford High Yield | 7,143,890 | - | 7,143,890 | 1,060,006.961 |
| Hartford Capital Apprec | 88,745,934 | - | 88,745,934 | 2,288,066.741 |
| Hartford MidCap | 59,384,724 | - | 59,384,724 | 2,172,114.675 |
| Hartford Total Return Bond | 33,848,458 | - | 33,848,458 | 3,218,986.530 |
| Hartford Dividend Growth | 285,579,981 | - | 285,579,981 | 12,538,876.369 |
| Hartford International Opps | 166,914,347 | - | 166,914,347 | 11,225,681.041 |
| Hartford International Growth | 8,991,474 | - | 8,991,474 | 728,466.311 |
| Hartford MidCap Value | 43,558,335 | - | 43,558,335 | 3,000,942.203 |
| Hartford Intl Small Company | 40,271,678 | - | 40,271,678 | 2,815,568.900 |
| Hartford Balanced Income | 15,065,706 | - | 15,065,706 | 1,077,291.996 |
| Hartford Inflation Plus | 37,435,171 | - | 37,435,171 | 3,469,205.863 |
| Hartford Unconstrained Bond | 14,797,521 | - | 14,797,521 | 1,585,131.046 |
| Hartford Equity Income | 98,565,318 | - | 98,565,318 | 5,729,602.872 |
| Hartford Strategic | 50,697,156 | - | 50,697,156 | 6,153,198.034 |
| Hartford World Bond | 29,884,482 | - | 29,884,482 | 3,028,687.767 |
| Hartford Emerging Mark Res | 34,700,398 | - | 34,700,398 | 5,388,660.241 |
| Hartford Global All Asset | 1,618,809 | - | 1,618,809 | 180,311.573 |
| Hartford Gobal Real Asset | 76,551,508 | - | 76,551,508 | 10,297,968.143 |
| Hartford Real Total Return | 76,340,355 | - | 76,340,355 | 8,414,862.489 |
| MFS Global Equity | 14,091,008 | - | 14,091,008 | 407,860.651 |
| Vanguard Total Intl Stock | 32,146,304 | - | 32,146,304 | 324,346.910 |
| Vanguard Inflation Protected | 11,584,590 | - | 11,584,590 | 1,102,509.708 |
| Vanguard Total Bond Mkt II | 21,388,188 | - | 21,388,188 | 1,976,266.410 |
| Vanguard Inst Index | 12,111,372 | - | 12,111,372 | 59,997.910 |
| Vanguard Total Stock | 74,938,778 | - | 74,938,778 | 1,441,288.763 |
| Stable Value | 336,374,101 | - | 336,374,101 | 20,879,314.566 |
| DFA Inflationary Protection | - | 11,100,627 | 11,100,627 | 939,311.399 |
| DFA International Core Equity | - | 84,110,283 | 84,110,283 | 7,187,130.009 |
| DFA US Core Equity 2 | - | 189,198,142 | 189,198,142 | 11,243,129.077 |
| DFA Emerging Markets Core | - | 27,536,764 | 27,536,764 | 1,690,154.247 |
| DFA One Year Fixed Income | - | 43,147,317 | 43,147,317 | 4,027,447.665 |
| DFA Five Yr Global Bond | - | 34,766,975 | 34,766,975 | 3,054,744.510 |
| DFA Investment Grade | - | 40,680,354 | 40,680,354 | 3,686,305.011 |
| DFA St Ext Qual | - | 12,354,783 | 12,354,783 | 1,104,802.766 |
| DFA Global Real | - | 9,312,016 | 9,312,016 | 878,957.989 |
| DFA Short Duration Inflation | - | 9,066,283 | 9,066,283 | 900,847.378 |
| Total Market Value | \$ 1,723,312,128 | \$ 461,273,544 | \$ 2,184,585,672 | |

| | |
|--------------------------------------------|------------------|
| Cash & Investments | \$ 2,183,537,104 |
| Assets in Underlying Funds | \$ 2,184,585,672 |
| Difference due to market timing/seed money | \$ (1,048,569) |

West Virginia Resident versus Non West Virginia Resident

| | WV | | | | Non WV | | | | Total of All | |
|---------------------------|----------------------|-------------|---------------|-------------|------------------------|-------------|---------------|-------------|------------------------|----------------|
| | \$ | % | # | % | \$ | % | # | % | \$ | # |
| Owner Type | | | | | | | | | | |
| Regular | 413,196,525 | 99% | 29,943 | 99% | 1,735,126,097 | 98% | 88,601 | 98% | 2,148,322,622 | 118,544 |
| Custodial (UGMA/UTMA) | 3,688,431 | 1% | 306 | 1% | 32,058,185 | 2% | 1,979 | 2% | 35,746,615 | 2,285 |
| Total | 416,884,956 | 100% | 30,249 | 100% | 1,767,184,282 | 100% | 90,580 | 100% | 2,184,069,238 | 120,829 |
| Account Balance | | | | | | | | | | |
| \$0-\$500 | \$749,662 | 0% | 3,434 | 11% | \$1,207,508 | 0% | 5,310 | 6% | \$1,957,171 | 8,744 |
| \$500-\$1,000 | \$1,689,143 | 0% | 2,331 | 8% | \$3,245,810 | 0% | 4,304 | 5% | \$4,934,953 | 6,635 |
| \$1,000-\$2,500 | \$8,078,987 | 2% | 4,854 | 16% | \$18,105,397 | 1% | 10,732 | 12% | \$26,184,384 | 15,586 |
| \$2,500-\$5,000 | \$16,207,854 | 4% | 4,444 | 15% | \$44,160,117 | 2% | 12,004 | 13% | \$60,367,971 | 16,448 |
| \$5,000-\$10,000 | \$36,773,752 | 9% | 5,132 | 17% | \$120,694,835 | 7% | 16,425 | 18% | \$157,468,587 | 21,557 |
| \$10,000-\$25,000 | \$88,773,860 | 21% | 5,662 | 19% | \$348,855,893 | 20% | 21,864 | 24% | \$437,629,753 | 27,526 |
| \$25,000-\$50,000 | \$87,456,263 | 21% | 2,516 | 8% | \$378,187,059 | 21% | 10,840 | 12% | \$465,643,322 | 13,356 |
| \$50,000-\$100,000 | \$88,783,412 | 21% | 1,300 | 4% | \$442,656,861 | 25% | 6,361 | 7% | \$531,440,273 | 7,661 |
| \$100,000-\$200,000 | \$62,257,618 | 15% | 474 | 2% | \$317,371,683 | 18% | 2,365 | 3% | \$379,629,301 | 2,839 |
| \$200,000+ | \$26,114,405 | 6% | 102 | 0% | \$92,699,119 | 5% | 375 | 0% | \$118,813,524 | 477 |
| Total | 416,884,956 | 100% | 30,249 | 100% | 1,767,184,282 | 100% | 90,580 | 100% | 2,184,069,238 | 120,829 |
| Age of Beneficiary | | | | | | | | | | |
| <1 | \$1,239,516 | 0% | 504 | 2% | \$2,654,762 | 0% | 533 | 1% | \$3,894,278 | 1,037 |
| 1 | \$4,583,412 | 1% | 971 | 3% | \$7,875,516 | 0% | 1,213 | 1% | \$12,458,929 | 2,184 |
| 2 | \$4,934,682 | 1% | 1,089 | 4% | \$13,325,179 | 1% | 1,606 | 2% | \$18,259,861 | 2,695 |
| 3 | \$7,467,023 | 2% | 1,254 | 4% | \$19,417,726 | 1% | 1,914 | 2% | \$26,884,750 | 3,168 |
| 4 | \$10,100,036 | 2% | 1,248 | 4% | \$26,065,317 | 1% | 2,130 | 2% | \$36,165,352 | 3,378 |
| 5 | \$10,183,628 | 2% | 1,230 | 4% | \$34,550,198 | 2% | 2,685 | 3% | \$44,733,826 | 3,915 |
| 6 | \$11,667,123 | 3% | 1,286 | 4% | \$46,089,210 | 3% | 3,070 | 3% | \$57,756,333 | 4,356 |
| 7 | \$14,737,225 | 4% | 1,413 | 5% | \$53,492,069 | 3% | 3,192 | 4% | \$68,229,294 | 4,605 |
| 8 | \$18,390,225 | 4% | 1,581 | 5% | \$66,029,289 | 4% | 3,887 | 4% | \$84,419,514 | 5,468 |
| 9 | \$21,575,625 | 5% | 1,682 | 6% | \$85,934,280 | 5% | 4,446 | 5% | \$107,509,905 | 6,128 |
| 10 | \$22,909,508 | 5% | 1,725 | 6% | \$95,971,967 | 5% | 5,075 | 6% | \$118,881,476 | 6,800 |
| 11 | \$26,193,199 | 6% | 1,692 | 6% | \$110,156,529 | 6% | 5,535 | 6% | \$136,349,729 | 7,227 |
| 12 | \$27,214,234 | 7% | 1,736 | 6% | \$128,794,356 | 7% | 6,213 | 7% | \$156,008,590 | 7,949 |
| 13 | \$29,318,317 | 7% | 1,663 | 5% | \$132,516,214 | 7% | 6,146 | 7% | \$161,834,530 | 7,809 |
| 14 | \$26,357,287 | 6% | 1,586 | 5% | \$137,131,589 | 8% | 5,998 | 7% | \$163,488,876 | 7,584 |
| 15 | \$28,857,269 | 7% | 1,501 | 5% | \$139,309,213 | 8% | 5,809 | 6% | \$168,166,482 | 7,310 |
| 16 | \$27,155,564 | 7% | 1,390 | 5% | \$132,351,395 | 7% | 5,506 | 6% | \$159,506,960 | 6,896 |
| 17 | \$25,559,047 | 6% | 1,244 | 4% | \$129,082,029 | 7% | 5,242 | 6% | \$154,641,076 | 6,486 |
| 18 | \$23,207,954 | 6% | 1,040 | 3% | \$117,175,126 | 7% | 4,618 | 5% | \$140,383,080 | 5,658 |
| 19 | \$19,792,385 | 5% | 991 | 3% | \$83,931,185 | 5% | 3,838 | 4% | \$103,723,570 | 4,829 |
| 20 | \$13,631,401 | 3% | 794 | 3% | \$61,106,924 | 3% | 3,248 | 4% | \$74,738,324 | 4,042 |
| 21 | \$11,190,439 | 3% | 670 | 2% | \$40,676,778 | 2% | 2,426 | 3% | \$51,867,217 | 3,096 |
| 22 | \$7,701,761 | 2% | 475 | 2% | \$28,047,812 | 2% | 1,683 | 2% | \$35,749,573 | 2,158 |
| 23+ | \$22,918,097 | 5% | 1,484 | 5% | \$75,499,617 | 4% | 4,567 | 5% | \$98,417,713 | 6,051 |
| Total | \$416,884,956 | 100% | 30,249 | 100% | \$1,767,184,282 | 100% | 90,580 | 100% | \$2,184,069,238 | 120,829 |

Continued on next page.

| West Virginia Resident versus Non West Virginia Resident cont | | | | | | | | | | |
|----------------------------------------------------------------------|----------------------|-------------|---------------|-------------|------------------------|-------------|----------------|-------------|------------------------|----------------|
| | WV | | | | Non WV | | | | Total of All | |
| | \$ | % | # | % | \$ | % | # | % | \$ | # |
| By Product | | | | | | | | | | |
| The Hartford | 199,769,151 | 48% | 15,502 | 51% | 1,325,534,008 | 75% | 78,317 | 86% | 1,525,303,159 | 93,819 |
| Select | 31,972,941 | 8% | 1,514 | 5% | 429,212,238 | 24% | 11,506 | 13% | 461,185,179 | 13,020 |
| WV Direct | 185,142,864 | 44% | 13,233 | 44% | 12,438,036 | 1% | 757 | 1% | 197,580,899 | 13,990 |
| Total | 416,884,956 | 100% | 30,249 | 100% | 1,767,184,282 | 100% | 90,580 | 100% | 2,184,069,238 | 120,829 |
| By Payment Method | | | | | | | | | | |
| Auto Invest | \$120,637,556 | 29% | 10,181 | 34% | \$411,514,121 | 23% | 22,524 | 25% | \$532,151,677 | 32,705 |
| Check | \$296,247,400 | 71% | 20,068 | 66% | \$1,355,670,160 | 77% | 68,056 | 75% | \$1,651,917,560 | 88,124 |
| Total | \$416,884,956 | 100% | 30,249 | 100% | \$1,767,184,282 | 100% | 90,580 | 100% | \$2,184,069,238 | 120,829 |
| By Portfolio* | | | | | | | | | | |
| Age Based Portfolio | \$242,695,986 | 58% | 22,556 | 61% | \$928,759,431 | 53% | 58,901 | 54% | \$1,171,455,416 | 81,457 |
| Individual Funds | \$56,566,614 | 14% | 4,882 | 13% | \$390,381,146 | 22% | 23,385 | 22% | \$446,947,759 | 28,267 |
| Static Portfolio | \$117,624,571 | 28% | 9,402 | 26% | \$448,314,943 | 25% | 25,996 | 24% | \$565,939,513 | 35,398 |
| Total | 416,887,170 | 100% | 36,840 | 100% | 1,767,455,519 | 100% | 108,282 | 100% | \$2,184,069,238 | 145,122 |

*An individual account owner may invest in more than one Portfolio category.

| New Account Activity | | | | | | |
|-----------------------------|------------|-------------|---------------|-------------|---------------------|-------------|
| | WV | | Non WV | | Grand Totals | |
| | # | % | # | % | # | % |
| By Application Type | | | | | | |
| Online | 211 | 26% | 258 | 37% | 469 | 31% |
| Paper | 586 | 74% | 440 | 63% | 1,026 | 69% |
| Total | 797 | 100% | 698 | 100% | 1,495 | 100% |
| By Channel | | | | | | |
| Advisor | 263 | 33% | 377 | 54% | 640 | 43% |
| Direct | 534 | 67% | 321 | 46% | 855 | 57% |
| Total | 797 | 100% | 698 | 100% | 1,495 | 100% |
| By Product | | | | | | |
| The Hartford | 263 | 33% | 377 | 54% | 640 | 43% |
| Select | 48 | 6% | 316 | 45% | 364 | 24% |
| WV Direct | 486 | 61% | 5 | 1% | 491 | 33% |
| Total | 797 | 100% | 698 | 100% | 1,495 | 100% |