

# **Connecticut Higher Education Trust Program Advisor Plan**

**Financial Statements as of and for the  
Year Ended June 30, 2018, and  
Independent Auditors' Report**

# Connecticut Higher Education Trust Program Advisor Plan

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# Connecticut Higher Education Trust Program Advisor Plan

## *Independent Auditors' Report*

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To the State Treasurer as Trustee of the Connecticut Higher Education Trust  
Hartford, Connecticut

### **Report on Financial Statements**

We have audited the accompanying statement of fiduciary net position of the Connecticut Higher Education Trust Program Advisor Plan (the "Plan"), a Plan of the State of Connecticut, as of and for the year ended June 30, 2018, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan, as of June 30, 2018, and the related changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 and 4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial

# Connecticut Higher Education Trust Program Advisor Plan

## *Independent Auditors' Report*

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statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements of fiduciary net position, the combining statements of changes in fiduciary net position, and financial highlights, as listed in the table of contents, on pages 12 through 26 are supplemental schedules presented for purposes of additional analysis and are not a required part of the basic financial statements.

These supplemental schedules are the responsibility of the Plan's management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2018 on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Plan's internal control over financial reporting and compliance.

*Deloitte & Touche LLP*

Philadelphia, Pennsylvania  
September 13, 2018

# Connecticut Higher Education Trust Program Advisor Plan

## *Management's Discussion and Analysis*

The Connecticut Higher Education Trust ("CHET" or the "Trust") Program (the "Program") was formed on July 1, 1997, by Connecticut law, to help people save for the costs of education after high school. The Program is administered by the Treasurer of the State of Connecticut, as trustee (the "Trustee") of the Trust. The Trustee has the authority to enter into contracts for program management services, adopt regulations for the administration of the Program, and establish investment policies for the Program. The Program consists of two components – CHET Direct Plan, which is offered directly by the state, and an advisor plan which began on September 30, 2010 ("CHET Advisor Plan" or "Plan"). Hartford Life Insurance Company ("Hartford Life") and the Trust entered into a management agreement under which Hartford Life served as a plan manager until May 31, 2018. Effective May 31, 2018, Hartford Funds Management Company, LLC ("HFMC"), an affiliate of Hartford Life, assumed the management agreement and commenced serving as plan manager. The Hartford Financial Services Group, Inc. ("The Hartford"), HFMC's ultimate parent company, has provided insurance and other financial management services for its clients since 1810. As plan manager, HFMC provides readers of the financial statements of the Plan this discussion and analysis of the financial performance as of and for the fiscal year ended June 30, 2018. The following should be considered in conjunction with the Plan's financial statements and notes to financial statements, which follow this section.

These financial statements are intended for use in connection with an account opened in the CHET Advisor Plan only, and are not intended to include information relevant to the CHET Direct Plan, which is described in a separate report, and offers investment options different from those offered under the CHET Advisor Plan. For more information on the CHET Direct Plan, you may call 1-888-799-2438 or go to [www.aboutchet.com](http://www.aboutchet.com).

### **Financial Highlights**

The following financial highlights occurred during the year ended June 30, 2018:

- The Plan had contributions of \$92.4 million and withdrawals of \$42.9 million during the year;
- At June 30, 2018, the Plan's Fiduciary Net Position totaled \$564.8 million, an increase of \$83.3 million, or 17% since June 30, 2017;
- The Plan earned \$10.2 million from investment income, \$16.5 million from capital gain distributions, \$(5.8) million from net change in depreciation in fair value of investments, and recognized gain on the sale of investments of \$15.9 million during the year. The Plan incurred \$3.0 million for operating expenses net of waivers during the year.

### **Overview of the Financial Statements**

The Plan's financial statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

This annual report consists of two sections: Management's discussion and analysis (this section) and the basic financial statements. The basic financial statements include the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position and the Notes to Financial Statements. The statements are prepared using the accrual basis of accounting. Contributions and withdrawals are recognized on trade date; expenses and liabilities are recognized when services are provided, regardless of when cash is disbursed.

The Statement of Fiduciary Net Position presents information on all of the Plan's assets and liabilities, with the difference reported as net position.

The Statement of Changes in Fiduciary Net Position reports the additions and deductions to the Plan for the fiscal year.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

This report presents the operating results and financial status of the Plan and represents assets held for benefit of parties outside the governmental entity.

## Financial Analysis

*Fiduciary Net Position:* The following is a condensed Statement of Fiduciary Net Position for the Plan as of June 30, 2018 and June 30, 2017.

	<u>2018</u>	<u>2017</u>
<b>Assets:</b>		
Investments	\$ 564,898,086	\$ 481,777,681
Receivables and other	789,851	465,940
Total assets	<u>565,687,937</u>	<u>482,243,621</u>
<b>Liabilities:</b>		
Payables and other liabilities	758,209	455,765
Accrued expenses	107,491	270,002
Total liabilities	<u>865,700</u>	<u>725,767</u>
<b>Fiduciary Net Position</b>	<u>\$ 564,822,237</u>	<u>\$ 481,517,854</u>

Total Fiduciary Net Position represent cumulative contributions from participants since the Plan's inception, plus net increases and decreases from investment operations less withdrawals and expenses.

Investments make up 100% of total Fiduciary Net Position, and consist of 26 investment options, each of which is invested in underlying mutual funds, except the CHET Advisor Stable Value 529 Portfolio. Receivables include receivables for investments sold, receivables for sale of units and receivables for accrued income. Liabilities consist of payables for investments purchased, payables for units redeemed, and payables for accrued expenses for management, distribution and administrative services.

*Changes in Net Position:* The following is a condensed Statement of Changes in Fiduciary Net Position (excluding transfers) for the Plan for the years ended June 30, 2018 and June 30, 2017.

	<u>2018</u>	<u>2017</u>
<b>Additions:</b>		
Contributions	\$ 92,357,649	\$ 83,480,921
Increase from investment operations	36,838,551	51,259,382
Total additions	<u>129,196,200</u>	<u>134,740,303</u>
<b>Deductions:</b>		
Withdrawals	42,861,040	36,163,377
Expenses after fees waivers	3,030,777	2,932,425
Total deductions	<u>45,891,817</u>	<u>39,095,802</u>
Change in net position	<u>83,304,383</u>	<u>95,644,501</u>
Fiduciary net position, beginning of year	<u>481,517,854</u>	<u>385,873,353</u>
<b>Fiduciary Net Position, end of year</b>	<u>\$ 564,822,237</u>	<u>\$ 481,517,854</u>

# Connecticut Higher Education Trust Program Advisor Plan

## *Statement of Fiduciary Net Position* *June 30, 2018*

<b>Assets:</b>	
Investments in underlying funds at fair value (cost \$469,671,673)	\$ 476,179,721
Fully benefit-responsive investment contracts at contract value (Cost \$87,742,329) (See Note 7)	88,718,365
Receivables:	
Investments sold	81,210
Sale of units	528,466
Dividends	180,175
Total assets	<u>565,687,937</u>
<b>Liabilities:</b>	
Payables:	
Investments purchased	571,612
Units redeemed	186,597
Accrued distribution fees	28,010
Accrued plan manager fees	74,804
Accrued administrative fees	4,677
Total liabilities	<u>865,700</u>
<b>Fiduciary Net Position</b>	<u>\$ 564,822,237</u>

See Notes to Financial Statements.

## Connecticut Higher Education Trust Program Advisor Plan

### *Statement of Changes in Fiduciary Net Position For the Year Ended June 30, 2018*

**Additions:**

Contributions from account holders	\$ 92,357,649
Transfers in	372,671,214
Increase from investment operations:	
Dividends and other income	10,191,758
Capital gain distributions received from underlying funds	16,489,838
Net realized gain on sale of underlying fund shares	15,929,481
Net change in unrealized depreciation on underlying fund shares	<u>(5,772,526)</u>
Net increase from investment operations	<u>36,838,551</u>
Total additions	<u>501,867,414</u>

**Deductions:**

Withdrawals by account holders	42,861,040
Transfers out	372,671,214
Expenses:	
Administrative fees	63,228
Plan manager fees	927,587
Distribution fees	<u>2,062,991</u>
Total expenses before waivers	<u>3,053,806</u>
Total waivers	<u>(23,029)</u>
Total expenses after fee waivers	<u>3,030,777</u>
Total deductions	<u>418,563,031</u>
Net increase in fiduciary net position	<u>83,304,383</u>
Beginning of year	<u>481,517,854</u>
End of year	<u>\$ 564,822,237</u>

See Notes to Financial Statements.



# Connecticut Higher Education Trust Program Advisor Plan

## Notes to Financial Statements

### Note 1 — Organization

The CHET Advisor Plan is a qualified tuition program offered by the Trust. Prior to May 31, 2018, Hartford Life served as plan manager and managed the Plan under the direction of the Trustee. Effective May 31, 2018, an affiliate of Hartford Life, HFMC serves as plan manager. The Plan is intended to meet the requirements of the qualified tuition program under Section 529 of the Internal Revenue Code and was established pursuant to the Connecticut General Statutes Section 3-22f to 3-22o. Investment options and allocations, as adopted by the Trustee, are described in the current Disclosure Booklet for the Program.

The Plan offers Age-Based Investment Options tailored to the length of time until the designated beneficiary reaches college age, Static Investment Options that allow investing in fixed allocations of underlying investments or Individual Investment Options (collectively, “Investment Options”). The CHET Advisor Plan consists of 26 portfolios that make up the Investment Options in which plan participants can direct their contributions. Effective September 15, 2017, there was a change in the age-based portfolios from five age-bands to nine age-bands. These Investment Options are as follows:

#### Age Based Investment Options

CHET Advisor Age-Based Portfolio 0-3<sup>(1)</sup>  
CHET Advisor Age-Based Portfolio 4-6<sup>(2)</sup>  
CHET Advisor Age-Based Portfolio 7-9<sup>(1)</sup>  
CHET Advisor Age-Based Portfolio 10-11<sup>(3)</sup>  
CHET Advisor Age-Based Portfolio 12-13<sup>(1)</sup>  
CHET Advisor Age-Based Portfolio 14-15  
CHET Advisor Age-Based Portfolio 16<sup>(4)</sup>  
CHET Advisor Age-Based Portfolio 17<sup>(1)</sup>  
CHET Advisor Age-Based Portfolio 18+

#### Static Investment Options

CHET Advisor Aggressive Growth Portfolio  
CHET Advisor Balanced Portfolio  
CHET Advisor Checks & Balances Portfolio  
CHET Advisor Conservative Portfolio  
CHET Advisor Growth Portfolio

#### Individual Investment Options

Hartford Balanced Income 529 Portfolio<sup>(1)</sup>  
Hartford Core Equity 529 Portfolio<sup>(1)</sup>  
Hartford Dividend and Growth 529 Portfolio  
Hartford Equity Income 529 Portfolio  
Hartford Growth Opportunities 529 Portfolio  
Hartford Inflation Plus 529 Portfolio  
Hartford International Opportunities 529 Portfolio  
Hartford MidCap 529 Portfolio  
Hartford Small Cap Growth 529 Portfolio  
Hartford Total Return Bond 529 Portfolio  
Hartford World Bond 529 Portfolio  
CHET Advisor Stable Value 529 Portfolio<sup>(1)</sup>

- (1) The portfolio was added as a new investment option on September 15, 2017.
- (2) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 0-8 changed to CHET Advisor Age-Based Portfolio 4-6.
- (3) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 9-13 changed to CHET Advisor Age-Based Portfolio 10-11.
- (4) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 16-17 changed to CHET Advisor Age-Based Portfolio 16.

The Investment Options are not mutual funds and have not been registered with the U.S. Securities and Exchange Commission. As of September 15, 2017, CHET Advisor Money Market 529 Portfolio, Hartford Capital Appreciation 529 Portfolio, and Hartford Global Real Asset 529 Portfolio ceased operations. The Investment Options invest their assets in Class F shares of underlying mutual funds of Hartford Mutual Funds (the “underlying mutual funds”) as well as Class I shares of the iShares Russell MidCap Index Fund and iShares Russell 1000 Large Cap Index Fund, mutual funds unaffiliated with Hartford Funds. In addition, certain Investment Options invest in a stable value fund, which is not a mutual fund, managed by Invesco Advisors, Inc. (“Invesco”) (the “CHET Advisor Stable Value Portfolio”, and together with the underlying mutual funds, the “Underlying Funds”).

Financial statements of the underlying mutual funds contain additional information about the expenses and investments of the underlying mutual funds and are available from the EDGAR database on the Securities and Exchange Commission website at <http://www.sec.gov>.

The Investment Options offer Class A Units, Class C Units and Class E Units. Each Class of Units has a different fee structure determined by the sales charge. The following Class A commission rates are for all investment options except the CHET Advisor Stable Value 529 Portfolio for which there is no front-end sales charge:

Breakpoint	Cumulative Contributions	Up-Front Sales Charge*	% Retained by Financial Advisory Firm
1	Less than \$99,999.99	2.50%	2.50%
2	\$100,000 – \$249,999.99	2.25%	2.25%
3	\$250,000 – \$499,999.99	1.75%	1.75%
4	\$500,000 – \$999,999.99	1.25%	1.25%
5	\$1,000,000 and greater	0.00%**	1.00%

\* The new Up-Front Sales Charge Schedule reflects a reduction for most CHET Advisor Plan Portfolios.

\*\* There is a contingent deferred sales charge of 1.00% for shares sold within 18 months.

Class C units are sold with a contingent deferred sales charge of up to 1% on shares redeemed within 12 months. Class C units convert to Class A units after four years. Class E units are sold without sales charges to certain eligible investors. All classes of units have identical withdrawal, dividend, liquidation, and other rights and the same terms and conditions, with the exception that each class may have different expenses, which may affect performance.

## Note 2 — Significant Accounting Policies

The following is a summary of significant accounting policies of the CHET Advisor Plan in the preparation of its financial statements, which are in accordance with the accounting principles generally accepted in the United States of America (“U.S. GAAP”), as defined by the Governmental Accounting Standards Board (“GASB”). The preparation of financial statements in accordance with U.S. GAAP may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of increases and decreases in fiduciary net position from operations during the reporting period. Actual results could differ from those estimates.

**Determination of Net Position Value (“NPV”)** – The NPV of each class of the Investment Option’s units is based on the value of all underlying investment holdings, determined as of the close of regular trading (normally 4:00 p.m. Eastern Time) (the “NYSE Close”) on each day that the New York Stock Exchange is open (“Valuation Date”). Information that becomes known to the Investment Option after the NPV has been calculated on a particular day will not generally be used to retroactively adjust the NPV determined earlier that day.

**Investment Valuation** – Investments in open-end mutual funds are valued at the Net Asset Value per share as determined as of the NYSE closing daily. The underlying assets in the CHET Advisor Stable Value Portfolio are marked to market daily and reported to the Plan. In addition, wrap contracts with respect to the underlying assets in the CHET Advisor Stable Value Portfolio seek to provide for minimal fluctuation in principal values. The wrap contracts are valued by Invesco and reported to the Plan Manager monthly at contract value (also known as book value).

**Fair Value Measurements** – The Investment Options’ investments valuation process is based on several considerations and may use multiple inputs to determine the fair value of the investments held by the Investment Option. In conformity with accounting principles generally accepted in the United States of America, the inputs used to determine a valuation are classified into three broad levels.

- Level 1 valuation inputs consist of unadjusted quoted prices in an active market for identical assets and liabilities.
- Level 2 valuation inputs consist of direct or indirect observable market data (including quoted prices for comparable investments, evaluations of subsequent market events, interest rates, prepayment speeds, credit risk, etc.).
- Level 3 valuation inputs consist of unobservable data (including the plan manager’s own assumptions).

The level classification is based on the lowest level input that is significant to the fair valuation measurement. The valuation inputs are not necessarily an indication of the risks associated with investing in these Underlying Funds or other financial instruments. There were no significant transfers between levels during the year.

As of year end, the Investment Options’ Underlying Mutual Funds were classified as Level 1.

**Security Transactions and Investment Income** – Underlying Fund transactions are recorded as of the trade date (the date the order to buy or sell is executed) for financial reporting purposes. Realized gains and losses are determined on the basis of specific identified cost.

Income, realized and unrealized gains and losses of each class are allocated daily based on the relative fiduciary net position of each class of units of the Investment Option.

Income and capital gain distributions from Underlying Funds are recorded on the ex-dividend date.

**Units** – Contributions by a participant are evidenced through the issuance of units in the particular Investment Option according to the investment elections made by the participant. Contributions and withdrawals are subject to terms and limitations defined in the participation agreement between the participant and the CHET Advisor Plan. Contributions are invested in units of the assigned Investment Option on the same day as the credit of the contribution to the participant’s account. Withdrawals are based on the unit value calculated for such Investment Option on the day that the withdrawal request is accepted. The earnings portion of non-qualified withdrawals, in addition to applicable federal and state income taxes, may be subject to a 10% non-qualified withdrawal penalty to be withheld from the amount withdrawn.

**Receivables** – Receivables for Underlying Funds sold and receivables from the sale of units to participants of the CHET Advisor Plan represent the sales of the Underlying Funds held by the Investment Options and the contributions of the participants that have not settled as of the reporting date, respectively.

**Payables** – Payables for Underlying Funds purchased and payables from units redeemed from participants of the CHET Advisor Plan represent the purchases of the Underlying Funds held by the Investment Options and the withdrawals of the participants that have not settled as of the reporting date, respectively.

**Expenses** – Expenses are recorded on the accrual basis of accounting. Under this method of accounting, expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

### Note 3 — Investment Risks

The CHET Advisor Plan’s investments represent shares of the Underlying Funds, rather than individual securities and therefore, are not subject to classification by custodial credit risk or disclosure of concentration of credit risk under GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. The Underlying Funds are not rated by any nationally recognized statistical rating organization.

An Investment Option is exposed to the risks of the Underlying Funds in direct proportion to the amount of assets the Investment Option allocates to each Underlying Fund.

**Interest Rate Risks** – Certain Underlying Funds invest in debt securities, including bonds, and are subject to interest rate risk. Declining interest rates generally increase the value of existing debt instruments, and rising interest rates generally decrease the value of existing debt instruments. The exposure to interest rate risk is greater with Underlying Funds with longer average effective maturity and average effective duration.

Certain Underlying Funds listed below have investments with exposure to interest rate risk. As of June 30, 2018, the average effective maturity and the average effective duration measured in years are as follows:

	<u>Average Effective Maturity</u>	<u>Average Effective Duration</u>
The Hartford Balanced Income Fund	5.46	3.47
The Hartford Inflation Plus Fund	6.69	4.76
The Hartford Strategic Income Fund	11.33	4.12
The Hartford Total Return Bond Fund	11.10	5.23
The Hartford World Bond Fund	4.96	3.56
CHET Advisor Stable Value Portfolio	6.91	3.24

**Market Risks** – In the normal course of business, the Underlying Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk). The market values of Underlying Funds may decline due to general market conditions, which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The market value of equity securities may also decline due to factors, which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

**Foreign Currency Risks** – Certain Underlying Funds invest in foreign securities. Certain additional risks are involved when investing in foreign securities that are not inherent with investments in domestic securities. These risks may involve foreign exchange rate fluctuations, adverse political and economic developments and the possible prevention of currency exchange or other foreign governmental laws or restrictions. In addition, the liquidity of foreign securities may be more limited than that of domestic securities.

**Credit Risks** – Certain Underlying Funds invest in fixed-income securities and are subject to credit risks. Generally credit risk is the risk that an issuer (issuer credit risk) or other counterparty (counterparty credit risk) to an investment will not fulfill its obligation to the holder of the investment.

Financial assets, which potentially expose the Underlying Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Underlying Funds' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value as recorded in the Underlying Funds' Statements of Assets and Liabilities. Refer to the prospectuses and financial statements of the Underlying Funds for information on the respective underlying fund's investment strategy.

#### **Note 4 — Federal and State Income Tax**

The Program has been designated to comply with the requirements for treatment as a qualified state tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax. Therefore, no provision for income tax is required.

#### **Note 5 — Plan Management and Other Fees**

Allocable expenses incurred by the CHET Advisor Plan are allocated to each Investment Option and allocated to classes within the Investment Option in proportion to the average daily fiduciary net position of the Investment Option and each class, except where otherwise noted.

**Plan Manager Fee** – The Program Manager has entered into a Plan Management Agreement with the Trust which provides for the payment of a Plan Manager Fee for services performed on behalf of the Trust. Currently, the Plan Manager Fee is 0.16% and is accrued daily and paid monthly to HFMC. The Plan Manager Fee was 0.24% until September 15, 2017 at which time it was reduced to 0.16%. In addition, HFMC receives investment management fees from the underlying Hartford mutual funds.

The Plan offered the CHET Advisor Money Market 529 Portfolio until September 15, 2017. As of September 15, 2017, the amount of the waiver was \$7,162.

**Portfolio Fee** – The CHET Advisor Stable Value Portfolio charged a fee of 0.34% which includes investment management related fees and other fees, but not the wrap fee, until May 31, 2018. Effective May 31, 2018, the fee was reduced to 0.23%.

**Administrative Fee** – The Administrative Fee of 0.01%, is charged to pay the Trust's expenses related to the overall operation of the Connecticut Higher Education Trust. This fee is accrued and deducted daily as a percentage of average daily fiduciary net position of the Investment Options and paid monthly. The Administrative Fee was 0.02% until September 15, 2017 at which time it was reduced to 0.01%.

The Plan offered the CHET Advisor Money Market 529 Portfolio until September 15, 2017. As of June 30, 2018, the amount of administrative fees waiver was \$597.

**Annual Distribution Fee** – The CHET Advisor Plan is authorized to charge an annual distribution fee to compensate Hartford Funds Distributors, LLC ("HFD"), an affiliate of HFMC, for activities intended to result in the sale and distribution of Classes A and C units and for providing services for shareholders. The fee is accrued and deducted daily as a percentage of average fiduciary net position in the Investment Options and paid monthly. From its receipt of the annual distribution fee, HFD may compensate other entities for distributing units of the CHET Advisor Plan. As of June 30, 2018, the amount of distribution fees paid was \$2,062,991. The schedule below reflects the fees effective as of June 30, 2018:

<u>Class of Units</u>	<u>Annual</u>
Class A	0.25%
Class C	1.00%

The Plan offered the CHET Advisor Money Market 529 Portfolio until September 15, 2017. As of September 15, 2017, the amount of distribution fees waiver was \$15,270.

## Note 6 — Affiliate Holdings

As of June 30, 2018, affiliates of The Program Manager had ownership in certain Investment Options in order to create startup capital. As of June 30, 2018, affiliates of The Hartford owned 6.33% of the units outstanding of Hartford Balanced Income 529 Portfolio.

## Note 7 — Investments

HFMC manages the Plan's investments in 26 different portfolios. Each portfolio invests in underlying mutual funds, other than the CHET Advisor Stable Value Portfolio which is not a mutual fund. The CHET Advisor Stable Value Portfolio investment objectives are to preserve principal and interest income, to maintain liquidity for inter-fund transfers and withdrawals, and to provide for a portfolio book value crediting rate that moves generally in the direction of prevailing market rates. The CHET Advisor Stable Value Portfolio seeks to maximize current income while preserving principal and delivering stable investment returns. Except for the CHET Advisor Stable Value Portfolio, investments are reported at fair value, which is the same as the value of the pool shares, and are accounted for by the Plan accordingly, with changes in the fair value included in investment earnings. The CHET Advisor Stable Value Portfolio is a synthetic guaranteed investment contract, which is a form of derivative instrument as defined by GASB, and accordingly is reported at contract value in accordance with GASB standards. Changes in contract value are included in investment earnings. The fair value and the contract value of the CHET Advisor Stable Value Portfolio as of June 30, 2018 are as follows:

	<u>Fair Value</u>	<u>Contract Value</u>
Underlying Investments	\$86,888,300	\$88,718,365
Wrap Contract	-	-
Total CHET Advisor Stable Value Portfolio	<u>\$86,888,300</u>	<u>\$88,718,365</u>

The following table represents a calculation of the net change in investments during the year ended June 30, 2018:

Investments at fair value, end of year*	\$ 564,898,086
Less cost of investments purchased during year	(416,914,697)
Plus proceeds from investments sold during year	328,021,766
Less investments at beginning of year	(481,777,681)
Net depreciation of investments during year	<u>\$ (5,772,526)</u>

\* Includes Contract Value of CHET Advisor Stable Value Portfolio

Investments on the Combining Statements of Fiduciary Net Position consist of the following as of June 30, 2018:

<b>CHET Advisor Plan</b>	<b>Shares</b>	<b>Cost</b>	<b>Market Value</b>
CHET Advisor Stable Value Portfolio*	8,758,785	\$ 87,742,329	\$ 88,718,365
iShares Russell 1000 Large-Cap Index Fund, Class I	717,712	12,212,184	13,033,657
iShares Russell Midcap Index Fund, Class I	952,700	10,523,577	9,946,185
Hartford Core Equity Fund, Class F	1,988,544	55,427,137	59,596,651
Hartford Schroders Emerging Markets Equity Fund, Class F	906,503	14,496,020	14,150,512
The Hartford Balanced Income Fund, Class F	19,070	275,581	266,411
The Hartford Capital Appreciation Fund, Class F	70,674	2,716,337	2,797,974
The Hartford Dividend and Growth Fund, Class F	2,704,386	69,235,047	68,366,874
The Hartford Equity Income Fund, Class F	2,644,234	51,763,462	51,403,913
The Hartford Growth Opportunities Fund, Class F	309,444	13,135,433	15,843,519
The Hartford Inflation Plus Fund, Class F	3,523,165	38,864,528	37,592,169
The Hartford International Opportunities Fund, Class F	2,891,621	46,472,786	47,046,676
The Hartford International Value Fund, Class F	1,730,401	29,023,885	28,326,655
The Hartford MidCap Fund, Class F	383,606	10,721,115	12,724,201
The Hartford Small Cap Growth Fund, Class F	313,567	16,971,521	19,692,014
The Hartford Strategic Income Fund, Class F	3,695,261	33,025,190	31,594,480
The Hartford Total Return Bond Fund, Class F	4,471,795	46,489,766	44,986,259
The Hartford World Bond Fund, Class F	1,758,091	18,318,104	18,811,571
		<u>\$557,414,002</u>	<u>\$564,898,086</u>

\* Contract Value

## Note 8 — Subsequent Event

Subsequent events have been evaluated through September 13, 2018, which is the date the financial statements were available to be issued. There were no subsequent events identified related to the CHET Advisor Plan that could have a material impact on the CHET Advisor Plan's financial statements.

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information Combining Statements of Fiduciary Net Position June 30, 2018

	CHET Advisor Age-Based Portfolio 0-3	CHET Advisor Age-Based Portfolio 4-6 <sup>(1)</sup>	CHET Advisor Age-Based Portfolio 7-9
<b>Assets:</b>			
Investments in underlying funds, at fair value *			
iShares Russell 1000 Large-Cap Index Fund, Class I	1,135,697	1,952,314	2,092,783
iShares Russell Midcap Index Fund, Class I	944,333	1,563,824	1,575,603
Hartford Core Equity Fund, Class F	3,401,282	6,650,667	7,318,730
Hartford Schroders Emerging Markets Equity Fund, Class F	1,336,129	1,952,295	2,594,543
The Hartford Balanced Income Fund, Class F	—	—	—
The Hartford Capital Appreciation Fund, Class F	—	—	—
The Hartford Dividend and Growth Fund, Class F	3,218,320	5,069,505	5,485,972
The Hartford Equity Income Fund, Class F	2,867,572	5,509,353	6,794,448
The Hartford Growth Opportunities Fund, Class F	—	—	—
The Hartford Inflation Plus Fund, Class F	—	2,392,792	3,745,151
The Hartford International Opportunities Fund, Class F	2,466,097	4,270,406	5,157,429
The Hartford International Value Fund, Class F	2,654,241	3,871,721	4,115,581
The Hartford MidCap Fund, Class F	—	—	—
The Hartford Small Cap Growth Fund, Class F	943,207	1,559,332	1,833,622
The Hartford Strategic Income Fund, Class F	—	2,383,000	4,778,793
The Hartford Total Return Bond Fund, Class F	—	—	4,270,325
The Hartford World Bond Fund, Class F	—	1,989,241	2,669,735
	<u>\$ 18,966,878</u>	<u>\$ 39,164,450</u>	<u>\$ 52,432,715</u>
Fully benefit-responsive investment contracts, at contract value			
CHET Advisor Stable Value Portfolio #	—	—	—
Receivables for investments sold	—	—	—
Receivables for units sold	7,599	55,903	106,714
Dividends receivable	4,996	8,589	20,822
Total assets	<u>18,979,473</u>	<u>39,228,942</u>	<u>52,560,251</u>
<b>Liabilities:</b>			
Payables for investments purchased	10,746	50,940	126,359
Payables for units redeemed	—	12,577	—
Accrued distribution fees	920	1,898	2,204
Accrued plan manager fees	2,530	5,193	6,935
Accrued administrative fees	158	325	433
Total liabilities	<u>14,354</u>	<u>70,933</u>	<u>135,931</u>
Fiduciary Net Position	<u>\$ 18,965,119</u>	<u>\$ 39,158,009</u>	<u>\$ 52,424,320</u>
<b>Fiduciary Net Position Consists of:</b>			
Class A			
Net Position	\$ 14,265,977	\$ 28,977,861	\$ 40,891,086
Units outstanding	1,351,689	1,512,514	3,936,973
Net Position Value	<u>\$ 10.55</u>	<u>\$ 19.16</u>	<u>\$ 10.39</u>
Class C			
Net Position	\$ 3,170,497	\$ 6,652,731	\$ 5,931,321
Units outstanding	302,149	367,963	574,340
Net Position Value	<u>\$ 10.49</u>	<u>\$ 18.08</u>	<u>\$ 10.33</u>
Class E			
Net Position	\$ 1,528,645	\$ 3,527,417	\$ 5,601,913
Units outstanding	144,552	180,636	538,286
Net Position Value	<u>\$ 10.58</u>	<u>\$ 19.53</u>	<u>\$ 10.41</u>
* Identified Cost, investments in underlying funds	<u>\$ 19,259,940</u>	<u>\$ 38,388,213</u>	<u>\$ 53,292,762</u>
# Identified Cost, fully benefit-responsive investment contracts	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

(1) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 0-8 changed to CHET Advisor Age-Based Portfolio 4-6.

(2) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 9-13 changed to CHET Advisor Age-Based Portfolio 10-11.

(3) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 16-17 changed to CHET Advisor Age-Based Portfolio 16.

# Connecticut Higher Education Trust Program Advisor Plan

**Supplemental Information**  
**Combining Statements of Fiduciary Net Position**  
**June 30, 2018**

CHET Advisor Age-Based Portfolio 10-11 <sup>(2)</sup>	CHET Advisor Age-Based Portfolio 12-13	CHET Advisor Age-Based Portfolio 14-15	CHET Advisor Age-Based Portfolio 16 <sup>(3)</sup>	CHET Advisor Age-Based Portfolio 17	CHET Advisor Age-Based Portfolio 18+	CHET Advisor Aggressive Growth Portfolio	CHET Advisor Balanced Portfolio	CHET Advisor Checks & Balances Portfolio
1,150,946	1,139,215	966,348	451,229	—	—	1,466,330	785,027	—
959,275	910,517	724,046	—	—	—	1,217,751	654,625	—
4,985,401	3,868,719	3,378,589	1,354,222	950,714	417,438	4,386,273	3,398,010	—
1,517,383	1,330,579	948,416	—	—	—	1,706,092	1,030,331	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	2,797,974
3,257,016	3,602,551	3,376,927	1,129,802	955,350	1,253,501	4,135,983	2,207,234	2,792,758
4,039,675	3,601,293	3,632,236	1,361,359	1,205,069	1,263,291	3,673,627	2,721,549	—
—	—	—	—	—	—	—	—	—
2,931,320	5,498,198	5,373,083	2,068,592	2,175,129	3,784,225	—	1,966,669	—
3,579,338	3,746,868	3,772,192	1,551,715	1,433,480	1,231,209	3,149,057	2,436,069	—
2,643,942	2,858,981	2,367,699	891,143	—	—	3,381,011	1,797,255	—
—	—	—	—	—	—	—	—	—
1,144,055	1,150,910	957,149	—	—	—	1,200,696	780,670	—
3,881,753	5,026,368	6,817,172	685,722	966,976	2,105,764	—	2,623,860	—
3,314,143	5,729,339	7,331,035	2,983,155	3,150,778	4,636,849	—	2,232,487	2,828,153
1,948,782	2,284,541	2,926,958	—	—	—	—	1,308,656	—
<b>\$ 35,353,029</b>	<b>\$ 40,748,079</b>	<b>\$ 42,571,850</b>	<b>\$ 12,476,939</b>	<b>\$ 10,837,496</b>	<b>\$ 14,692,277</b>	<b>\$ 24,316,820</b>	<b>\$ 23,942,442</b>	<b>\$ 8,418,885</b>
3,110,304	4,566,522	5,853,525	10,295,880	13,294,704	27,342,952	—	2,095,718	—
—	—	—	—	—	15,553	—	14,739	—
11,562	35,615	9,455	530	7,036	36,167	73,657	12,595	36,089
14,090	20,616	24,238	10,102	8,661	12,755	6,451	9,548	7,700
<b>38,488,985</b>	<b>45,370,832</b>	<b>48,459,068</b>	<b>22,783,451</b>	<b>24,147,897</b>	<b>42,099,704</b>	<b>24,396,928</b>	<b>26,075,042</b>	<b>8,462,674</b>
24,019	56,231	32,571	10,632	9,914	12,755	80,011	9,548	43,649
—	—	—	—	783	51,721	—	17,500	—
1,651	2,084	2,370	1,181	1,222	2,379	984	1,451	456
5,103	5,984	6,405	3,002	3,204	5,575	3,237	3,439	1,112
319	374	400	187	200	348	202	215	70
<b>31,092</b>	<b>64,673</b>	<b>41,746</b>	<b>15,002</b>	<b>15,323</b>	<b>72,778</b>	<b>84,434</b>	<b>32,153</b>	<b>45,287</b>
<b>\$ 38,457,893</b>	<b>\$ 45,306,159</b>	<b>\$ 48,417,322</b>	<b>\$ 22,768,449</b>	<b>\$ 24,132,574</b>	<b>\$ 42,026,926</b>	<b>\$ 24,312,494</b>	<b>\$ 26,042,889</b>	<b>\$ 8,417,387</b>
<b>\$ 30,332,310</b>	<b>\$ 34,770,260</b>	<b>\$ 35,790,966</b>	<b>\$ 16,345,591</b>	<b>\$ 17,849,891</b>	<b>\$ 26,993,078</b>	<b>\$ 14,248,756</b>	<b>\$ 17,483,469</b>	<b>\$ 5,914,570</b>
<b>1,782,742</b>	<b>3,392,627</b>	<b>2,289,777</b>	<b>1,214,348</b>	<b>1,763,266</b>	<b>2,303,545</b>	<b>664,378</b>	<b>1,066,528</b>	<b>307,644</b>
<b>\$ 17.01</b>	<b>\$ 10.25</b>	<b>\$ 15.63</b>	<b>\$ 13.46</b>	<b>\$ 10.12</b>	<b>\$ 11.72</b>	<b>\$ 21.45</b>	<b>\$ 16.39</b>	<b>\$ 19.23</b>
<b>\$ 4,500,628</b>	<b>\$ 6,579,215</b>	<b>\$ 8,382,271</b>	<b>\$ 4,544,204</b>	<b>\$ 4,469,132</b>	<b>\$ 10,550,034</b>	<b>\$ 3,692,381</b>	<b>\$ 6,246,642</b>	<b>\$ 1,852,432</b>
<b>280,290</b>	<b>645,816</b>	<b>568,153</b>	<b>358,035</b>	<b>444,037</b>	<b>954,417</b>	<b>182,422</b>	<b>403,727</b>	<b>102,111</b>
<b>\$ 16.06</b>	<b>\$ 10.19</b>	<b>\$ 14.75</b>	<b>\$ 12.69</b>	<b>\$ 10.06</b>	<b>\$ 11.05</b>	<b>\$ 20.24</b>	<b>\$ 15.47</b>	<b>\$ 18.14</b>
<b>\$ 3,624,955</b>	<b>\$ 3,956,684</b>	<b>\$ 4,244,085</b>	<b>\$ 1,878,654</b>	<b>\$ 1,813,551</b>	<b>\$ 4,483,814</b>	<b>\$ 6,371,357</b>	<b>\$ 2,312,778</b>	<b>\$ 650,385</b>
<b>209,018</b>	<b>385,299</b>	<b>266,161</b>	<b>136,858</b>	<b>178,803</b>	<b>375,527</b>	<b>291,449</b>	<b>138,403</b>	<b>33,179</b>
<b>\$ 17.34</b>	<b>\$ 10.27</b>	<b>\$ 15.95</b>	<b>\$ 13.73</b>	<b>\$ 10.14</b>	<b>\$ 11.94</b>	<b>\$ 21.86</b>	<b>\$ 16.71</b>	<b>\$ 19.60</b>
<b>\$ 34,887,678</b>	<b>\$ 41,713,641</b>	<b>\$ 42,621,168</b>	<b>\$ 12,605,003</b>	<b>\$ 11,160,907</b>	<b>\$ 15,088,740</b>	<b>\$ 23,839,679</b>	<b>\$ 23,701,525</b>	<b>\$ 8,418,800</b>
<b>\$ 3,072,840</b>	<b>\$ 4,511,798</b>	<b>\$ 5,784,366</b>	<b>\$ 10,171,496</b>	<b>\$ 13,148,297</b>	<b>\$ 27,055,274</b>	<b>\$ —</b>	<b>\$ 2,071,121</b>	<b>\$ —</b>

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information Combining Statements of Fiduciary Net Position June 30, 2018

	<b>CHET Advisor Conservative Portfolio</b>	<b>CHET Advisor Growth Portfolio</b>	<b>CHET Advisor Stable Value 529 Portfolio</b>
<b>Assets:</b>			
Investments in underlying funds, at fair value *			
iShares Russell 1000 Large-Cap Index Fund, Class I	151,933	1,741,835	—
iShares Russell Midcap Index Fund, Class I	—	1,396,211	—
Hartford Core Equity Fund, Class F	455,114	5,934,772	—
Hartford Schroders Emerging Markets Equity Fund, Class F	—	1,734,744	—
The Hartford Balanced Income Fund, Class F	—	—	—
The Hartford Capital Appreciation Fund, Class F	—	—	—
The Hartford Dividend and Growth Fund, Class F	379,852	4,520,904	—
The Hartford Equity Income Fund, Class F	459,760	4,887,808	—
The Hartford Growth Opportunities Fund, Class F	—	—	—
The Hartford Inflation Plus Fund, Class F	689,418	2,103,577	—
The Hartford International Opportunities Fund, Class F	531,583	3,794,637	—
The Hartford International Value Fund, Class F	304,604	3,440,477	—
The Hartford MidCap Fund, Class F	—	—	—
The Hartford Small Cap Growth Fund, Class F	—	1,370,908	—
The Hartford Strategic Income Fund, Class F	230,129	2,094,943	—
The Hartford Total Return Bond Fund, Class F	998,207	—	—
The Hartford World Bond Fund, Class F	—	1,748,795	—
	\$ 4,200,600	\$ 34,769,611	\$ —
Fully benefit-responsive investment contracts, at contract value			
CHET Advisor Stable Value Portfolio #	3,449,131	—	18,709,629
Receivables for investments sold	—	—	3,271
Receivables for units sold	2,027	64,180	27,381
Dividends receivable	3,401	7,663	—
Total assets	7,655,159	34,841,454	18,740,281
<b>Liabilities:</b>			
Payables for investments purchased	5,428	71,393	—
Payables for units redeemed	—	—	30,627
Accrued distribution fees	480	1,674	1,012
Accrued plan manager fees	1,010	4,623	2,432
Accrued administrative fees	64	289	152
Total liabilities	6,982	77,979	34,223
Fiduciary Net Position	\$ 7,648,177	\$ 34,763,475	\$ 18,706,058
<b>Fiduciary Net Position Consists of:</b>			
Class A			
Net Position	\$ 4,814,651	\$ 25,569,327	\$ 11,019,835
Units outstanding	356,740	1,335,932	1,091,415
Net Position Value	\$ 13.50	\$ 19.14	\$ 10.10
Class C			
Net Position	\$ 2,299,144	\$ 5,913,185	\$ 4,658,706
Units outstanding	180,434	327,283	464,032
Net Position Value	\$ 12.74	\$ 18.07	\$ 10.04
Class E			
Net Position	\$ 534,382	\$ 3,280,963	\$ 3,027,517
Units outstanding	38,838	168,090	299,238
Net Position Value	\$ 13.76	\$ 19.52	\$ 10.12
* Identified Cost, investments in underlying funds	\$ 4,249,540	\$ 34,157,792	\$ —
# Identified Cost, fully benefit-responsive investment contracts	\$ 3,408,441	\$ —	\$ 18,518,696



# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information

### Combining Statements of Fiduciary Net Position

June 30, 2018

Hartford Balanced Income 529 Portfolio	Hartford Core Equity 529 Portfolio	Hartford Dividend and Growth 529 Portfolio	Hartford Equity Income 529 Portfolio	Hartford Growth Opportunities 529 Portfolio	Hartford Inflation Plus 529 Portfolio	Hartford International Opportunities 529 Portfolio	Hartford MidCap 529 Portfolio	Hartford SmallCap Growth 529 Portfolio
—	—	—	—	—	—	—	—	—
—	13,096,720	—	—	—	—	—	—	—
266,411	—	—	—	—	—	—	—	—
—	—	26,981,199	—	—	—	—	—	—
—	—	—	9,386,873	—	—	—	—	—
—	—	—	—	15,843,519	—	—	—	—
—	—	—	—	—	4,864,015	—	—	—
—	—	—	—	—	—	9,926,596	—	—
—	—	—	—	—	—	—	12,724,201	—
—	—	—	—	—	—	—	—	8,751,465
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
<u>\$ 266,411</u>	<u>\$ 13,096,720</u>	<u>\$ 26,981,199</u>	<u>\$ 9,386,873</u>	<u>\$ 15,843,519</u>	<u>\$ 4,864,015</u>	<u>\$ 9,926,596</u>	<u>\$ 12,724,201</u>	<u>\$ 8,751,465</u>
—	—	—	—	—	—	—	—	—
—	2,534	12,763	2,800	—	7,158	3,857	—	—
—	4,687	2,103	7,787	3,231	379	9,817	5,825	1,169
<u>266,411</u>	<u>13,103,941</u>	<u>26,996,065</u>	<u>9,397,460</u>	<u>15,846,750</u>	<u>4,871,552</u>	<u>9,940,270</u>	<u>12,730,026</u>	<u>8,752,634</u>
—	—	—	—	329	—	—	5,571	973
—	3,566	14,475	10,538	2,292	7,537	9,627	—	—
11	593	1,766	477	764	300	466	568	355
30	1,727	3,587	1,240	2,105	633	1,323	1,712	1,159
2	108	224	77	132	41	83	107	73
<u>43</u>	<u>5,994</u>	<u>20,052</u>	<u>12,332</u>	<u>5,622</u>	<u>8,511</u>	<u>11,499</u>	<u>7,958</u>	<u>2,560</u>
<u>\$ 266,368</u>	<u>\$ 13,097,947</u>	<u>\$ 26,976,013</u>	<u>\$ 9,385,128</u>	<u>\$ 15,841,128</u>	<u>\$ 4,863,041</u>	<u>\$ 9,928,771</u>	<u>\$ 12,722,068</u>	<u>\$ 8,750,074</u>
<u>\$ 220,400</u>	<u>\$ 8,044,610</u>	<u>\$ 14,512,602</u>	<u>\$ 6,074,935</u>	<u>\$ 10,695,662</u>	<u>\$ 2,920,965</u>	<u>\$ 6,327,635</u>	<u>\$ 8,033,870</u>	<u>\$ 5,989,808</u>
21,935	717,469	604,799	260,535	332,554	261,530	412,638	285,012	217,881
<u>\$ 10.05</u>	<u>\$ 11.21</u>	<u>\$ 24.00</u>	<u>\$ 23.32</u>	<u>\$ 32.16</u>	<u>\$ 11.17</u>	<u>\$ 15.33</u>	<u>\$ 28.19</u>	<u>\$ 27.49</u>
\$ 27,484	\$ 2,323,170	\$ 9,265,076	\$ 1,976,158	\$ 2,903,691	\$ 1,464,412	\$ 1,843,783	\$ 2,140,897	\$ 1,088,107
2,751	208,396	409,294	89,788	95,655	138,930	127,495	80,463	41,963
<u>\$ 9.99</u>	<u>\$ 11.15</u>	<u>\$ 22.64</u>	<u>\$ 22.01</u>	<u>\$ 30.36</u>	<u>\$ 10.54</u>	<u>\$ 14.46</u>	<u>\$ 26.61</u>	<u>\$ 25.93</u>
\$ 18,484	\$ 2,730,167	\$ 3,198,335	\$ 1,334,035	\$ 2,241,775	\$ 477,664	\$ 1,757,353	\$ 2,547,301	\$ 1,672,159
1,836	243,022	130,824	56,116	68,353	41,965	112,445	88,658	59,677
<u>\$ 10.07</u>	<u>\$ 11.23</u>	<u>\$ 24.45</u>	<u>\$ 23.77</u>	<u>\$ 32.80</u>	<u>\$ 11.38</u>	<u>\$ 15.63</u>	<u>\$ 28.73</u>	<u>\$ 28.02</u>
<u>\$ 275,581</u>	<u>\$ 12,200,586</u>	<u>\$ 27,051,626</u>	<u>\$ 9,291,807</u>	<u>\$ 13,135,433</u>	<u>\$ 4,988,621</u>	<u>\$ 9,639,102</u>	<u>\$ 10,721,115</u>	<u>\$ 7,470,603</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information Combining Statements of Fiduciary Net Position June 30, 2018

	<u>Hartford Total Return Bond 529 Portfolio</u>	<u>Hartford World Bond 529 Portfolio</u>	<u>Total Combining Statements of Fiduciary Net Positions</u>
<b>Assets:</b>			
Investments in underlying funds, at fair value *			
iShares Russell 1000 Large-Cap Index Fund, Class I	—	—	13,033,657
iShares Russell Midcap Index Fund, Class I	—	—	9,946,185
Hartford Core Equity Fund, Class F	—	—	59,596,651
Hartford Schrodgers Emerging Markets Equity Fund, Class F	—	—	14,150,512
The Hartford Balanced Income Fund, Class F	—	—	266,411
The Hartford Capital Appreciation Fund, Class F	—	—	2,797,974
The Hartford Dividend and Growth Fund, Class F	—	—	68,366,874
The Hartford Equity Income Fund, Class F	—	—	51,403,913
The Hartford Growth Opportunities Fund, Class F	—	—	15,843,519
The Hartford Inflation Plus Fund, Class F	—	—	37,592,169
The Hartford International Opportunities Fund, Class F	—	—	47,046,676
The Hartford International Value Fund, Class F	—	—	28,326,655
The Hartford MidCap Fund, Class F	—	—	12,724,201
The Hartford Small Cap Growth Fund, Class F	—	—	19,692,014
The Hartford Strategic Income Fund, Class F	—	—	31,594,480
The Hartford Total Return Bond Fund, Class F	7,511,788	—	44,986,259
The Hartford World Bond Fund, Class F	—	3,934,863	18,811,571
	\$ 7,511,788	\$ 3,934,863	\$ 476,179,721
Fully benefit-responsive investment contracts, at contract value			
CHET Advisor Stable Value Portfolio #	—	—	88,718,365
Receivables for investments sold	8,401	10,134	81,210
Receivables for units sold	3,032	3,926	528,466
Dividends receivable	20,543	—	180,175
Total assets	7,543,764	3,948,923	565,687,937
<b>Liabilities:</b>			
Payables for investments purchased	20,543	—	571,612
Payables for units redeemed	11,293	14,061	186,597
Accrued distribution fees	387	357	28,010
Accrued plan manager fees	990	514	74,804
Accrued administrative fees	62	32	4,677
Total liabilities	33,275	14,964	865,700
Fiduciary Net Position	\$ 7,510,489	\$ 3,933,959	\$ 564,822,237
<b>Fiduciary Net Position Consists of:</b>			
Class A			
Net Position	\$ 4,912,323	\$ 1,040,166	
Units outstanding	401,767	95,945	
Net Position Value	\$ 12.23	\$ 10.84	
Class C			
Net Position	\$ 1,597,624	\$ 2,345,829	
Units outstanding	138,581	224,497	
Net Position Value	\$ 11.53	\$ 10.45	
Class E			
Net Position	\$ 1,000,542	\$ 547,964	
Units outstanding	80,300	49,958	
Net Position Value	\$ 12.46	\$ 10.97	
* Identified Cost, investments in underlying funds	\$ 7,696,029	\$ 3,815,782	\$ 469,671,673
# Identified Cost, fully benefit-responsive investment contracts	\$ —	\$ —	\$ 87,742,329

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# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information Combining Statements of Changes in Fiduciary Net Position For the Year Ended June 30, 2018

	CHET Advisor Age-Based Portfolio 0-3 <sup>(1)</sup>	CHET Advisor Age-Based Portfolio 4-6 <sup>(2)(5)</sup>	CHET Advisor Age-Based Portfolio 7-9 <sup>(1)</sup>	CHET Advisor Age-Based Portfolio 10-11 <sup>(3)(6)</sup>
<b>Investment Income:</b>				
Dividends	\$ 356,195	\$ 834,233	\$ 1,148,219	\$ 923,477
Other income	226	110	83	63
Total investment income	<u>356,421</u>	<u>834,343</u>	<u>1,148,302</u>	<u>923,540</u>
<b>Expenses:</b>				
Administrative fees	1,541	6,619	3,908	7,021
Plan manager fees	24,653	91,557	62,527	96,560
Distribution fees				
Class A	27,843	85,674	73,963	93,423
Class C	29,846	94,729	54,082	85,125
Total expenses before waivers	<u>83,883</u>	<u>278,579</u>	<u>194,480</u>	<u>282,129</u>
Total waivers	—	—	—	—
Total expenses after fee waivers	<u>83,883</u>	<u>278,579</u>	<u>194,480</u>	<u>282,129</u>
Net Investment Income (Loss)	<u>272,538</u>	<u>555,764</u>	<u>953,822</u>	<u>641,411</u>
<b>Net Realized and Unrealized Gain (Loss):</b>				
Capital gain distributions received from underlying funds	904,419	1,465,512	1,547,489	1,073,753
Net realized gain (loss) on sale of underlying fund shares	101,753	4,676,722	35,679	4,322,679
Net change in unrealized appreciation (depreciation) on underlying fund shares	(293,062)	(2,167,706)	(860,047)	(1,939,462)
Net Realized and Unrealized Gain (Loss)	<u>713,110</u>	<u>3,974,528</u>	<u>723,121</u>	<u>3,456,970</u>
Net Increase (Decrease) in Fiduciary Net Position Resulting from Operations	<u>985,648</u>	<u>4,530,292</u>	<u>1,676,943</u>	<u>4,098,381</u>
<b>Unit Transactions:</b>				
<b>Contributions</b>				
Class A	5,559,725	7,072,750	5,241,062	5,808,953
Class C	870,001	1,400,006	896,434	1,323,885
Class E	645,257	1,069,401	567,587	437,847
Net proceeds from sale of units to account holders	<u>7,074,983</u>	<u>9,542,157</u>	<u>6,705,083</u>	<u>7,570,685</u>
<b>Transfers in</b>				
Class A	12,850,222	8,714,102	43,802,277	15,062,065
Class C	3,921,692	1,782,464	10,779,908	2,812,642
Class E	1,621,633	934,609	5,994,270	1,576,820
Total transfers in	<u>18,393,547</u>	<u>11,431,175</u>	<u>60,576,455</u>	<u>19,451,527</u>
<b>Transfers out</b>				
Class A	(4,646,949)	(45,392,397)	(8,852,971)	(54,385,743)
Class C	(1,772,267)	(16,161,819)	(5,810,149)	(20,480,639)
Class E	(819,673)	(6,614,273)	(1,122,317)	(6,949,497)
Total transfers out	<u>(7,238,889)</u>	<u>(68,168,489)</u>	<u>(15,785,437)</u>	<u>(81,815,879)</u>
<b>Withdrawals</b>				
Class A	(200,572)	(368,751)	(519,081)	(353,700)
Class C	(44,251)	(160,278)	(208,166)	(77,766)
Class E	(5,347)	(42,247)	(21,477)	(41,251)
Total cost of units redeemed by account holders	<u>(250,170)</u>	<u>(571,276)</u>	<u>(748,724)</u>	<u>(472,717)</u>
Net Increase (Decrease) in Fiduciary Net Position Derived from Unit Transactions	<u>17,979,471</u>	<u>(47,766,433)</u>	<u>50,747,377</u>	<u>(55,266,384)</u>
<b>Fiduciary Net Position:</b>				
Net Increase (Decrease) in Fiduciary Net Position	18,965,119	(43,236,141)	52,424,320	(51,168,003)
Beginning of year	—	82,394,150	—	89,625,896
End of year	<u>\$ 18,965,119</u>	<u>\$ 39,158,009</u>	<u>\$ 52,424,320</u>	<u>\$ 38,457,893</u>

(1) From September 15, 2017 (commencement of operations), through June 30, 2018.

(2) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 0-8 changed to CHET Advisor Age-Based Portfolio 4-6.

(3) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 9-13 changed to CHET Advisor Age-Based Portfolio 10-11.

(4) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 16-17 changed to CHET Advisor Age-Based Portfolio 16.

(5) CHET Advisor Age-Based Portfolio 4-6 continued the performance of CHET Advisor Age-Based Portfolio 0-8.

(6) CHET Advisor Age-Based Portfolio 10-11 continued the performance of CHET Advisor Age-Based Portfolio 9-13.

(7) CHET Advisor Age-Based Portfolio 16 continued the performance of CHET Advisor Age-Based Portfolio 16-17.

# Connecticut Higher Education Trust Program Advisor Plan

**Supplemental Information**  
**Combining Statements of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2018**

CHET Advisor Age-Based Portfolio 12-13 <sup>(1)</sup>	CHET Advisor Age-Based Portfolio 14-15	CHET Advisor Age-Based Portfolio 16 <sup>(4)(7)</sup>	CHET Advisor Age-Based Portfolio 17 <sup>(1)</sup>	CHET Advisor Age-Based Portfolio 18+	CHET Advisor Aggressive Growth Portfolio	CHET Advisor Balanced Portfolio	CHET Advisor Checks & Balances Portfolio
\$ 1,082,055 107	\$ 1,167,614 36	\$ 436,008 —	\$ 293,597 —	\$ 509,365 —	\$ 408,762 21	\$ 556,203 16	\$ 178,242 —
<u>1,082,162</u>	<u>1,167,650</u>	<u>436,008</u>	<u>293,597</u>	<u>509,365</u>	<u>408,783</u>	<u>556,219</u>	<u>178,242</u>
3,451 55,216	5,323 78,232	3,552 49,773	1,717 27,467	4,337 63,713	2,680 39,393	2,911 42,666	967 14,157
64,175 57,869	78,808 87,496	43,605 71,770	30,419 35,920	52,584 111,221	31,624 39,809	37,786 70,376	13,173 21,638
<u>180,711</u>	<u>249,859</u>	<u>168,700</u>	<u>95,523</u>	<u>231,855</u>	<u>113,506</u>	<u>153,739</u>	<u>49,935</u>
—	—	—	—	—	—	—	—
<u>180,711</u>	<u>249,859</u>	<u>168,700</u>	<u>95,523</u>	<u>231,855</u>	<u>113,506</u>	<u>153,739</u>	<u>49,935</u>
<u>901,451</u>	<u>917,791</u>	<u>267,308</u>	<u>198,074</u>	<u>277,510</u>	<u>295,277</u>	<u>402,480</u>	<u>128,307</u>
998,406 15,476 (910,838)	869,681 892,059 (797,907)	295,983 925,003 (441,318)	191,694 2,257 (177,004)	199,127 439,980 (282,707)	1,039,282 951,190 (363,852)	656,506 727,562 (347,876)	586,484 35,317 (209,422)
<u>103,044</u>	<u>963,833</u>	<u>779,668</u>	<u>16,947</u>	<u>356,400</u>	<u>1,626,620</u>	<u>1,036,192</u>	<u>412,379</u>
<u>1,004,495</u>	<u>1,881,624</u>	<u>1,046,976</u>	<u>215,021</u>	<u>633,910</u>	<u>1,921,897</u>	<u>1,438,672</u>	<u>540,686</u>
3,212,869 1,659,267 463,723	3,241,928 2,117,552 476,593	1,484,556 1,688,085 165,818	888,921 853,131 180,672	1,649,471 2,323,123 413,726	2,288,308 1,324,208 960,780	1,662,271 1,686,375 106,492	937,394 357,540 67,163
<u>5,335,859</u>	<u>5,836,073</u>	<u>3,338,459</u>	<u>1,922,724</u>	<u>4,386,320</u>	<u>4,573,296</u>	<u>3,455,138</u>	<u>1,362,097</u>
44,927,918 12,389,451 4,837,790	22,268,563 4,880,794 2,029,703	17,947,975 5,095,630 1,837,337	26,715,743 9,971,879 3,079,842	18,748,934 6,252,474 2,211,575	2,873,146 86,483 549,278	5,614,449 523,568 622,419	1,288,088 162,929 47,592
<u>62,155,159</u>	<u>29,179,060</u>	<u>24,880,942</u>	<u>39,767,464</u>	<u>27,212,983</u>	<u>3,508,907</u>	<u>6,760,436</u>	<u>1,498,609</u>
(13,748,649) (7,623,707) (1,419,297)	(15,639,409) (9,365,580) (2,142,783)	(26,614,674) (14,891,085) (3,968,019)	(9,496,178) (6,238,469) (1,418,685)	(1,472,190) (7,349,884) (511,082)	(944,290) (2,554,931) (561,842)	(1,299,621) (4,727,716) (56,723)	(389,600) (1,136,223) (30,717)
<u>(22,791,653)</u>	<u>(27,147,772)</u>	<u>(45,473,778)</u>	<u>(17,153,332)</u>	<u>(9,333,156)</u>	<u>(4,061,063)</u>	<u>(6,084,060)</u>	<u>(1,556,540)</u>
(350,213) (25,082) (22,406)	(282,471) (107,639) (41,204)	(592,786) (370,377) (34,742)	(415,995) (151,495) (51,813)	(8,016,769) (4,865,228) (1,489,027)	(708,070) (280,119) (279,269)	(1,233,874) (645,723) (156,107)	(472,055) (454,990) (57,551)
<u>(397,701)</u>	<u>(431,314)</u>	<u>(997,905)</u>	<u>(619,303)</u>	<u>(14,371,024)</u>	<u>(1,267,458)</u>	<u>(2,035,704)</u>	<u>(984,596)</u>
<u>44,301,664</u>	<u>7,436,047</u>	<u>(18,252,282)</u>	<u>23,917,553</u>	<u>7,895,123</u>	<u>2,753,682</u>	<u>2,095,810</u>	<u>319,570</u>
45,306,159 —	9,317,671 39,099,651	(17,205,306) 39,973,755	24,132,574 —	8,529,033 33,497,893	4,675,579 19,636,915	3,534,482 22,508,407	860,256 7,557,131
<u>\$ 45,306,159</u>	<u>\$ 48,417,322</u>	<u>\$ 22,768,449</u>	<u>\$ 24,132,574</u>	<u>\$ 42,026,926</u>	<u>\$ 24,312,494</u>	<u>\$ 26,042,889</u>	<u>\$ 8,417,387</u>

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information Combining Statements of Changes in Fiduciary Net Position For the Year Ended June 30, 2018

	CHET Advisor Conservative Portfolio	CHET Advisor Growth Portfolio	CHET Advisor Money Market 529 Portfolio <sup>(2)</sup>	CHET Advisor Stable Value 529 Portfolio <sup>(1)</sup>
<b>Investment Income:</b>				
Dividends	\$ 128,582	\$ 702,590	\$ 25,947	\$ 1,653
Other income	—	51	—	—
Total investment income	<u>128,582</u>	<u>702,641</u>	<u>25,947</u>	<u>1,653</u>
<b>Expenses:</b>				
Administrative fees	894	3,962	597	1,288
Plan manager fees	13,046	58,118	7,162	20,598
Distribution fees				
Class A	10,769	58,201	3,111	18,193
Class C	25,399	65,822	12,159	34,148
Total expenses before waivers	<u>50,108</u>	<u>186,103</u>	<u>23,029</u>	<u>74,227</u>
Total waivers	—	—	(23,029)	—
Total expenses after fee waivers	<u>50,108</u>	<u>186,103</u>	<u>—</u>	<u>74,227</u>
Net Investment Income (Loss)	<u>78,474</u>	<u>516,538</u>	<u>25,947</u>	<u>(72,574)</u>
<b>Net Realized and Unrealized Gain (Loss):</b>				
Capital gain distributions received from underlying funds	94,140	1,262,350	—	—
Net realized gain (loss) on sale of underlying fund shares	149,551	1,180,668	—	21,374
Net change in unrealized appreciation (depreciation) on underlying fund shares	(88,517)	(462,495)	—	190,933
Net Realized and Unrealized Gain (Loss)	<u>155,174</u>	<u>1,980,523</u>	<u>—</u>	<u>212,307</u>
Net Increase (Decrease) in Fiduciary Net Position Resulting from Operations	<u>233,648</u>	<u>2,497,061</u>	<u>25,947</u>	<u>139,733</u>
<b>Unit Transactions:</b>				
<b>Contributions</b>				
Class A	531,585	3,245,497	477,003	3,353,905
Class C	504,494	1,535,732	434,393	1,864,965
Class E	82,062	430,844	98,417	432,181
Net proceeds from sale of units to account holders	<u>1,118,141</u>	<u>5,212,073</u>	<u>1,009,813</u>	<u>5,651,051</u>
<b>Transfers in</b>				
Class A	1,932,207	4,865,488	493,727	12,199,119
Class C	482,970	134,909	223,227	7,086,649
Class E	133,316	144,752	137,538	3,843,524
Total transfers in	<u>2,548,493</u>	<u>5,145,149</u>	<u>854,492</u>	<u>23,129,292</u>
<b>Transfers out</b>				
Class A	(757,396)	(2,424,804)	(5,879,838)	(2,269,468)
Class C	(1,113,499)	(3,521,447)	(5,567,086)	(2,878,675)
Class E	(77,272)	(335,837)	(2,497,768)	(864,880)
Total transfers out	<u>(1,948,167)</u>	<u>(6,282,088)</u>	<u>(13,944,692)</u>	<u>(6,013,023)</u>
<b>Withdrawals</b>				
Class A	(639,903)	(1,331,494)	(1,057,124)	(2,354,433)
Class C	(863,401)	(313,049)	(1,138,502)	(1,430,815)
Class E	(135,740)	(161,827)	(237,854)	(415,747)
Total cost of units redeemed by account holders	<u>(1,639,044)</u>	<u>(1,806,370)</u>	<u>(2,433,480)</u>	<u>(4,200,995)</u>
Net Increase (Decrease) in Fiduciary Net Position Derived from Unit Transactions	<u>79,423</u>	<u>2,268,764</u>	<u>(14,513,867)</u>	<u>18,566,325</u>
<b>Fiduciary Net Position:</b>				
Net Increase (Decrease) in Fiduciary Net Position	313,071	4,765,825	(14,487,920)	18,706,058
Beginning of year	7,335,106	29,997,650	14,487,920	—
End of year	<u>\$ 7,648,177</u>	<u>\$ 34,763,475</u>	<u>\$ —</u>	<u>\$ 18,706,058</u>

(1) From September 15, 2017 (commencement of operations), through June 30, 2018.

(2) Represents operations from July 1, 2017 through September 15, 2017, the date that the fund ceased operations.

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information Combining Statements of Changes in Fiduciary Net Position For the Year Ended June 30, 2018

Hartford Balanced Income 529 Portfolio <sup>(1)</sup>	Hartford Capital Appreciation 529 Portfolio <sup>(2)</sup>	Hartford Core Equity 529 Portfolio <sup>(1)</sup>	Hartford Dividend and Growth 529 Portfolio	Hartford Equity Income 529 Portfolio	Hartford Global Real Asset 529 Portfolio <sup>(2)</sup>	Hartford Growth Opportunities 529 Portfolio	Hartford Inflation Plus 529 Portfolio
\$ 4,007	\$ —	\$ 144,322	\$ 471,835	\$ 194,580	\$ —	\$ —	\$ 188,390
<u>4,007</u>	<u>—</u>	<u>144,322</u>	<u>471,835</u>	<u>194,580</u>	<u>—</u>	<u>—</u>	<u>188,390</u>
9	488	969	3,122	1,098	23	1,548	517
151	5,861	15,498	45,721	16,077	277	22,808	7,574
169	2,897	13,986	31,798	13,852	123	21,092	6,182
130	7,398	19,898	101,525	22,178	393	27,539	13,759
459	16,644	50,351	182,166	53,205	816	72,987	28,032
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
459	16,644	50,351	182,166	53,205	816	72,987	28,032
3,548	(16,644)	93,971	289,669	141,375	(816)	(72,987)	160,358
3,260	—	302,966	2,430,641	452,469	—	990,560	—
(680)	800,847	69,357	117,337	47,285	15,256	156,253	(19,519)
(9,170)	(566,391)	896,134	(631,365)	(92,396)	13,846	2,008,155	(106,023)
(6,590)	234,456	1,268,457	1,916,613	407,358	29,102	3,154,968	(125,542)
(3,042)	217,812	1,362,428	2,206,282	548,733	28,286	3,081,981	34,816
57,670	71,581	909,000	1,129,852	554,951	6,673	1,495,171	543,764
9,975	112,607	517,025	2,723,689	565,807	5,024	700,193	782,076
5,533	39,228	182,381	330,145	162,153	12,464	358,904	71,950
<u>73,178</u>	<u>223,416</u>	<u>1,608,406</u>	<u>4,183,686</u>	<u>1,282,911</u>	<u>24,161</u>	<u>2,554,268</u>	<u>1,397,790</u>
185,376	28,198	7,173,182	5,232,419	1,299,442	200	2,233,149	1,032,392
23,471	60,594	3,509,977	451,516	267,097	200	285,186	208,246
19,815	32,236	2,736,585	338,983	44,217	2,127	230,117	145,127
<u>228,662</u>	<u>121,028</u>	<u>13,419,744</u>	<u>6,022,918</u>	<u>1,610,756</u>	<u>2,527</u>	<u>2,748,452</u>	<u>1,385,765</u>
(6,253)	(5,434,286)	(426,244)	(1,581,797)	(591,775)	(236,510)	(1,203,867)	(283,656)
(5,255)	(3,465,232)	(1,700,645)	(5,138,602)	(1,146,247)	(200,508)	(1,277,381)	(1,011,506)
(5,270)	(2,585,578)	(320,949)	(385,378)	(213,724)	(138,366)	(156,071)	(62,087)
(16,778)	(11,485,096)	(2,447,838)	(7,105,777)	(1,951,746)	(575,384)	(2,637,319)	(1,357,249)
(14,144)	(94,428)	(360,619)	(930,895)	(193,027)	(921)	(579,046)	(344,312)
—	(254,487)	(303,293)	(1,676,539)	(303,312)	(1,931)	(145,287)	(315,507)
(1,508)	(7,094)	(180,881)	(245,071)	(74,863)	(1,651)	(116,496)	(57,196)
(15,652)	(356,009)	(844,793)	(2,852,505)	(571,202)	(4,503)	(840,829)	(717,015)
<u>269,410</u>	<u>(11,496,661)</u>	<u>11,735,519</u>	<u>248,322</u>	<u>370,719</u>	<u>(553,199)</u>	<u>1,824,572</u>	<u>709,291</u>
266,368	(11,278,849)	13,097,947	2,454,604	919,452	(524,913)	4,906,553	744,107
<u>—</u>	<u>11,278,849</u>	<u>—</u>	<u>24,521,409</u>	<u>8,465,676</u>	<u>524,913</u>	<u>10,934,575</u>	<u>4,118,934</u>
\$ 266,368	\$ —	\$ 13,097,947	\$ 26,976,013	\$ 9,385,128	\$ —	\$ 15,841,128	\$ 4,863,041

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information

### Combining Statements of Changes in Fiduciary Net Position

For the Year Ended June 30, 2018

	Hartford International Opportunities 529 Portfolio	Hartford MidCap 529 Portfolio	Hartford SmallCap Growth 529 Portfolio	Hartford Total Return Bond 529 Portfolio
<b>Investment Income:</b>				
Dividends	\$ 153,344	\$ —	\$ —	\$ 280,588
Other income	—	—	—	—
Total investment income	153,344	—	—	280,588
<b>Expenses:</b>				
Administrative fees	1,101	1,315	884	909
Plan manager fees	16,223	19,364	13,001	13,257
Distribution fees				
Class A	13,479	16,092	11,944	11,124
Class C	21,960	23,625	12,225	20,735
Total expenses before waivers	52,763	60,396	38,054	46,025
Total waivers	—	—	—	—
Total expenses after fee waivers	52,763	60,396	38,054	46,025
Net Investment Income (Loss)	100,581	(60,396)	(38,054)	234,563
<b>Net Realized and Unrealized Gain (Loss):</b>				
Capital gain distributions received from underlying funds	318,811	475,994	330,311	—
Net realized gain (loss) on sale of underlying fund shares	63,513	127,632	57,635	550
Net change in unrealized appreciation (depreciation) on underlying fund shares	(183,763)	1,329,658	896,196	(267,435)
Net Realized and Unrealized Gain (Loss)	198,561	1,933,284	1,284,142	(266,885)
Net Increase (Decrease) in Fiduciary Net Position Resulting from Operations	299,142	1,872,888	1,246,088	(32,322)
<b>Unit Transactions:</b>				
<b>Contributions</b>				
Class A	1,185,934	942,355	713,464	622,085
Class C	571,315	601,549	211,806	400,354
Class E	328,717	292,320	207,529	165,921
Net proceeds from sale of units to account holders	2,085,966	1,836,224	1,132,799	1,188,360
<b>Transfers in</b>				
Class A	2,051,794	2,319,102	1,210,293	1,860,932
Class C	290,569	176,815	113,696	440,546
Class E	415,652	318,719	265,148	146,082
Total transfers in	2,758,015	2,814,636	1,589,137	2,447,560
<b>Transfers out</b>				
Class A	(554,585)	(735,428)	(246,959)	(780,255)
Class C	(1,430,843)	(1,683,353)	(898,832)	(1,854,408)
Class E	(346,573)	(296,165)	(219,347)	(174,746)
Total transfers out	(2,332,001)	(2,714,946)	(1,365,138)	(2,809,409)
<b>Withdrawals</b>				
Class A	(227,306)	(250,505)	(235,893)	(455,612)
Class C	(190,492)	(287,257)	(113,149)	(342,531)
Class E	(98,915)	(162,066)	(73,182)	(46,204)
Total cost of units redeemed by account holders	(516,713)	(699,828)	(422,224)	(844,347)
Net Increase (Decrease) in Fiduciary Net Position Derived from Unit Transactions	1,995,267	1,236,086	934,574	(17,836)
<b>Fiduciary Net Position:</b>				
Net Increase (Decrease) in Fiduciary Net Position	2,294,409	3,108,974	2,180,662	(50,158)
Beginning of year	7,634,362	9,613,094	6,569,412	7,560,647
End of year	\$ 9,928,771	\$ 12,722,068	\$ 8,750,074	\$ 7,510,489



# Connecticut Higher Education Trust Program Advisor Plan

**Supplemental Information**  
**Combining Statements of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2018**

Hartford World Bond 529 Portfolio	Total Combining Statements of Changes in Fiduciary Net Positions
\$ 1,237	\$ 10,191,045
—	713
1,237	10,191,758
477	63,228
6,937	927,587
1,924	868,013
26,204	1,194,978
35,542	3,053,806
—	(23,029)
35,542	3,030,777
(34,305)	7,160,981
—	16,489,838
16,745	15,929,481
91,308	(5,772,526)
108,053	26,646,793
73,748	33,807,774
91,549	54,980,247
507,160	28,547,771
73,823	8,829,631
672,532	92,357,649
587,775	265,518,277
248,179	72,663,761
192,370	34,489,176
1,028,324	372,671,214
(75,481)	(206,371,273)
(834,129)	(131,840,117)
(164,905)	(34,459,824)
(1,074,515)	(372,671,214)
(106,554)	(22,690,553)
(742,541)	(15,813,207)
(98,544)	(4,357,280)
(947,639)	(42,861,040)
(321,298)	49,496,609
(247,550)	83,304,383
4,181,509	481,517,854
\$ 3,933,959	\$ 564,822,237

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information

### Financial Highlights

For the Year Ended June 30, 2018

Class	— Selected Per-Share Data <sup>(1)</sup> —					— Ratios and Supplemental Data —				
	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Net Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Positions	Portfolio Turnover <sup>(2)</sup>
<b>CHET Advisor Age-Based Portfolio 0-3<sup>(3)</sup></b>										
Class A	\$ 10.00	\$ 0.16	\$ 0.39	\$ 0.55	\$ 10.55	5.50 <sup>(4)</sup> %	\$ 14,266	0.42 <sup>(5)</sup> %	1.89 <sup>(5)</sup> %	35%
Class C	10.00	0.10	0.39	0.49	10.49	4.90 <sup>(4)</sup>	3,170	1.17 <sup>(5)</sup>	1.20 <sup>(5)</sup>	35
Class E	10.00	0.17	0.41	0.58	10.58	5.80 <sup>(4)</sup>	1,529	0.17 <sup>(5)</sup>	2.02 <sup>(5)</sup>	35
<b>CHET Advisor Age-Based Portfolio 4-6<sup>(6)</sup></b>										
Class A	\$ 17.66	\$ 0.25	\$ 1.25	\$ 1.50	\$ 19.16	8.49 <sup>(7)</sup> %	\$ 28,978	0.45%	1.31%	45%
Class C	16.79	0.07	1.22	1.29	18.08	7.68 <sup>(7)</sup>	6,653	1.21	0.39	45
Class E	17.95	0.29	1.29	1.58	19.53	8.80 <sup>(7)</sup>	3,527	0.20	1.51	45
<b>CHET Advisor Age-Based Portfolio 7-9<sup>(3)</sup></b>										
Class A	\$ 10.00	\$ 0.20	\$ 0.19	\$ 0.39	\$ 10.39	3.90 <sup>(4)</sup> %	\$ 40,891	0.42 <sup>(5)</sup> %	2.50 <sup>(5)</sup> %	3%
Class C	10.00	0.15	0.18	0.33	10.33	3.30 <sup>(4)</sup>	5,931	1.17 <sup>(5)</sup>	1.82 <sup>(5)</sup>	3
Class E	10.00	0.23	0.18	0.41	10.41	4.10 <sup>(4)</sup>	5,602	0.17 <sup>(5)</sup>	2.81 <sup>(5)</sup>	3
<b>CHET Advisor Age-Based Portfolio 10-11<sup>(8)</sup></b>										
Class A	\$ 15.95	\$ 0.25	\$ 0.81	\$ 1.06	\$ 17.01	6.65 <sup>(9)</sup> %	\$ 30,332	0.45%	1.47%	43%
Class C	15.16	0.03	0.87	0.90	16.06	5.94 <sup>(9)</sup>	4,501	1.22	0.22	43
Class E	16.21	0.27	0.86	1.13	17.34	6.97 <sup>(9)</sup>	3,625	0.20	1.58	43
<b>CHET Advisor Age-Based Portfolio 12-13<sup>(3)</sup></b>										
Class A	\$ 10.00	\$ 0.22	\$ 0.03	\$ 0.25	\$ 10.25	2.50 <sup>(4)</sup> %	\$ 34,770	0.42 <sup>(5)</sup> %	2.71 <sup>(5)</sup> %	7%
Class C	10.00	0.16	0.03	0.19	10.19	1.90 <sup>(4)</sup>	6,579	1.17 <sup>(5)</sup>	1.99 <sup>(5)</sup>	7
Class E	10.00	0.24	0.03	0.27	10.27	2.70 <sup>(4)</sup>	3,957	0.17 <sup>(5)</sup>	2.95 <sup>(5)</sup>	7
<b>CHET Advisor Age-Based Portfolio 14-15</b>										
Class A	\$ 14.90	\$ 0.35	\$ 0.38	\$ 0.73	\$ 15.63	4.90%	\$ 35,791	0.44%	2.24%	44%
Class C	14.17	0.18	0.40	0.58	14.75	4.09	8,382	1.19	1.23	44
Class E	15.16	0.39	0.40	0.79	15.95	5.21	4,244	0.19	2.46	44
<b>CHET Advisor Age-Based Portfolio 16<sup>(10)</sup></b>										
Class A	\$ 13.01	\$ 0.16	\$ 0.29	\$ 0.45	\$ 13.46	3.46 <sup>(11)</sup> %	\$ 16,346	0.45%	1.22%	77%
Class C	12.36	0.04	0.29	0.33	12.69	2.67 <sup>(11)</sup>	4,544	1.21	0.34	77
Class E	13.23	0.19	0.31	0.50	13.73	3.78 <sup>(11)</sup>	1,879	0.20	1.44	77
<b>CHET Advisor Age-Based Portfolio 17<sup>(3)</sup></b>										
Class A	\$ 10.00	\$ 0.10	\$ 0.02	\$ 0.12	\$ 10.12	1.20 <sup>(4)</sup> %	\$ 17,850	0.42 <sup>(5)</sup> %	1.27 <sup>(5)</sup> %	13%
Class C	10.00	0.05	0.01	0.06	10.06	0.60 <sup>(4)</sup>	4,469	1.17 <sup>(5)</sup>	0.57 <sup>(5)</sup>	13
Class E	10.00	0.13	0.01	0.14	10.14	1.40 <sup>(4)</sup>	1,814	0.17 <sup>(5)</sup>	1.60 <sup>(5)</sup>	13
<b>CHET Advisor Age-Based Portfolio 18+</b>										
Class A	\$ 11.48	\$ 0.12	\$ 0.12	\$ 0.24	\$ 11.72	2.09%	\$ 26,993	0.43%	1.00%	103%
Class C	10.91	0.02	0.12	0.14	11.05	1.28	10,550	1.19	0.15	103
Class E	11.67	0.15	0.12	0.27	11.94	2.31	4,484	0.19	1.23	103

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information

### Financial Highlights

For the Year Ended June 30, 2018

Class	— Selected Per-Share Data <sup>(1)</sup> —					— Ratios and Supplemental Data —				
	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Net Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Positions	Portfolio Turnover <sup>(2)</sup>
<b>CHET Advisor Aggressive Growth Portfolio</b>										
Class A	\$ 19.54	\$ 0.31	\$ 1.60	\$ 1.91	\$ 21.45	9.77%	\$ 14,249	0.44%	1.46%	51%
Class C	18.58	0.09	1.57	1.66	20.24	8.93	3,692	1.19	0.43	51
Class E	19.86	0.35	1.65	2.00	21.86	10.07	6,371	0.19	1.60	51
<b>CHET Advisor Balanced Portfolio</b>										
Class A	\$ 15.36	\$ 0.32	\$ 0.71	\$ 1.03	\$ 16.39	6.71%	\$ 17,483	0.44%	1.94%	53%
Class C	14.60	0.14	0.73	0.87	15.47	5.96	6,247	1.20	0.90	53
Class E	15.61	0.36	0.74	1.10	16.71	7.05	2,313	0.19	2.20	53
<b>CHET Advisor Checks &amp; Balances Portfolio</b>										
Class A	\$ 17.92	\$ 0.34	\$ 0.97	\$ 1.31	\$ 19.23	7.31%	\$ 5,915	0.44%	1.83%	12%
Class C	17.03	0.16	0.95	1.11	18.14	6.52	1,852	1.19	0.92	12
Class E	18.22	0.39	0.99	1.38	19.60	7.57	650	0.19	2.02	12
<b>CHET Advisor Conservative Portfolio</b>										
Class A	\$ 13.04	\$ 0.18	\$ 0.28	\$ 0.46	\$ 13.50	3.53%	\$ 4,815	0.44%	1.35%	93%
Class C	12.41	0.06	0.27	0.33	12.74	2.66	2,299	1.19	0.48	93
Class E	13.26	0.22	0.28	0.50	13.76	3.77	534	0.19	1.59	93
<b>CHET Advisor Growth Portfolio</b>										
Class A	\$ 17.64	\$ 0.33	\$ 1.17	\$ 1.50	\$ 19.14	8.50%	\$ 25,569	0.44%	1.73%	49%
Class C	16.77	0.14	1.16	1.30	18.07	7.75	5,913	1.19	0.81	49
Class E	17.94	0.37	1.21	1.58	19.52	8.81	3,281	0.19	1.90	49
<b>CHET Advisor Stable Value 529 Portfolio<sup>(3)</sup></b>										
Class A	\$ 10.00	\$ (0.03)	\$ 0.13	\$ 0.10	\$ 10.10	1.00 <sup>(4)</sup> %	\$ 11,020	0.42 <sup>(5)</sup> %	(0.41) <sup>(5)</sup> %	21%
Class C	10.00	(0.09)	0.13	0.04	10.04	0.40 <sup>(4)</sup>	4,659	1.17 <sup>(5)</sup>	(1.15) <sup>(5)</sup>	21
Class E	10.00	(0.01)	0.13	0.12	10.12	1.20 <sup>(4)</sup>	3,028	0.17 <sup>(5)</sup>	(0.16) <sup>(5)</sup>	21
<b>Hartford Balanced Income 529 Portfolio<sup>(3)</sup></b>										
Class A	\$ 10.00	\$ 0.33	\$ (0.28)	\$ 0.05	\$ 10.05	0.50 <sup>(4)</sup> %	\$ 220	0.42 <sup>(5)</sup> %	4.10 <sup>(5)</sup> %	12%
Class C	10.00	0.19	(0.20)	(0.01)	9.99	(0.10) <sup>(4)</sup>	27	1.17 <sup>(5)</sup>	2.46 <sup>(5)</sup>	12
Class E	10.00	0.27	(0.20)	0.07	10.07	0.70 <sup>(4)</sup>	18	0.17 <sup>(5)</sup>	3.37 <sup>(5)</sup>	12
<b>Hartford Core Equity 529 Portfolio<sup>(3)</sup></b>										
Class A	\$ 10.00	\$ 0.09	\$ 1.12	\$ 1.21	\$ 11.21	12.10 <sup>(4)</sup> %	\$ 8,045	0.42 <sup>(5)</sup> %	1.04 <sup>(5)</sup> %	9%
Class C	10.00	0.03	1.12	1.15	11.15	11.50 <sup>(4)</sup>	2,323	1.17 <sup>(5)</sup>	0.36 <sup>(5)</sup>	9
Class E	10.00	0.12	1.11	1.23	11.23	12.30 <sup>(4)</sup>	2,730	0.17 <sup>(5)</sup>	1.36 <sup>(5)</sup>	9
<b>Hartford Dividend and Growth 529 Portfolio</b>										
Class A	\$ 21.92	\$ 0.34	\$ 1.74	\$ 2.08	\$ 24.00	9.49%	\$ 14,513	0.43%	1.43%	11%
Class C	20.83	0.12	1.69	1.81	22.64	8.69	9,265	1.19	0.56	11
Class E	22.27	0.39	1.79	2.18	24.45	9.79	3,198	0.19	1.64	11
<b>Hartford Equity Income 529 Portfolio</b>										
Class A	\$ 21.86	\$ 0.40	\$ 1.06	\$ 1.46	\$ 23.32	6.68%	\$ 6,075	0.44%	1.73%	10%
Class C	20.79	0.19	1.03	1.22	22.01	5.87	1,976	1.19	0.88	10
Class E	22.23	0.45	1.09	1.54	23.77	6.93	1,334	0.19	1.90	10

# Connecticut Higher Education Trust Program Advisor Plan

## Supplemental Information

### Financial Highlights

For the Year Ended June 30, 2018

Class	— Selected Per-Share Data <sup>(1)</sup> —					— Ratios and Supplemental Data —				
	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Net Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Positions	Portfolio Turnover <sup>(2)</sup>
<b>Hartford Growth Opportunities 529 Portfolio</b>										
Class A	\$ 25.34	\$ (0.13)	\$ 6.95	\$ 6.82	\$ 32.16	26.91%	\$ 10,696	0.44%	(0.44)%	9%
Class C	24.10	(0.32)	6.58	6.26	30.36	25.98	2,904	1.19	(1.19)	9
Class E	25.78	(0.05)	7.07	7.02	32.80	27.23	2,242	0.19	(0.19)	9
<b>Hartford Inflation Plus 529 Portfolio</b>										
Class A	\$ 11.08	\$ 0.48	\$ (0.39)	\$ 0.09	\$ 11.17	0.81%	\$ 2,921	0.43%	4.32%	21%
Class C	10.53	0.26	(0.25)	0.01	10.54	0.09	1,464	1.19	2.47	21
Class E	11.26	0.50	(0.38)	0.12	11.38	1.07	478	0.19	4.40	21
<b>Hartford International Opportunities 529 Portfolio</b>										
Class A	\$ 14.63	\$ 0.20	\$ 0.50	\$ 0.70	\$ 15.33	4.78%	\$ 6,328	0.43%	1.27%	7%
Class C	13.90	0.05	0.51	0.56	14.46	4.03	1,844	1.19	0.31	7
Class E	14.87	0.24	0.52	0.76	15.63	5.11	1,757	0.19	1.49	7
<b>Hartford MidCap 529 Portfolio</b>										
Class A	\$ 23.71	\$ (0.11)	\$ 4.59	\$ 4.48	\$ 28.19	18.89%	\$ 8,034	0.43%	(0.43)%	8%
Class C	22.55	(0.29)	4.35	4.06	26.61	18.00	2,141	1.19	(1.19)	8
Class E	24.11	(0.05)	4.67	4.62	28.73	19.16	2,547	0.19	(0.19)	8
<b>Hartford SmallCap Growth 529 Portfolio</b>										
Class A	\$ 23.19	\$ (0.11)	\$ 4.41	\$ 4.30	\$ 27.49	18.54%	\$ 5,990	0.44%	(0.44)%	7%
Class C	22.04	(0.28)	4.17	3.89	25.93	17.65	1,088	1.19	(1.19)	7
Class E	23.58	(0.05)	4.49	4.44	28.02	18.83	1,672	0.19	(0.19)	7
<b>Hartford Total Return Bond 529 Portfolio</b>										
Class A	\$ 12.26	\$ 0.42	\$ (0.45)	\$ (0.03)	\$ 12.23	(0.24)%	\$ 4,912	0.44%	3.38%	18%
Class C	11.65	0.28	(0.40)	(0.12)	11.53	(1.03)	1,598	1.20	2.41	18
Class E	12.47	0.45	(0.46)	(0.01)	12.46	(0.08)	1,001	0.19	3.57	18
<b>Hartford World Bond 529 Portfolio</b>										
Class A	\$ 10.59	\$ (0.04)	\$ 0.29	\$ 0.25	\$ 10.84	2.36%	\$ 1,040	0.43%	(0.40)%	16%
Class C	10.28	(0.12)	0.29	0.17	10.45	1.65	2,346	1.19	(1.16)	16
Class E	10.69	(0.02)	0.30	0.28	10.97	2.62	548	0.19	(0.15)	16

(1) Information presented relates to a unit outstanding throughout the indicated period.

(2) Portfolio turnover rate is calculated on the basis of the portfolio as a whole without distinguishing between the class of shares issued.

(3) From September 15, 2017 (commencement of operations), through June 30, 2018.

(4) Periods less than one year are not annualized for total returns.

(5) Periods less than one year are annualized for ratio of expenses to average net assets and ratios of net investment income to average net assets.

(6) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 0-8 changed to CHET Advisor Age-Based Portfolio 4-6.

(7) CHET Advisor Age-Based Portfolio 4-6 continued the performance of CHET Advisor Age-Based Portfolio 0-8.

(8) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 9-13 changed to CHET Advisor Age-Based Portfolio 10-11.

(9) CHET Advisor Age-Based Portfolio 10-11 continued the performance of CHET Advisor Age-Based Portfolio 9-13.

(10) Effective September 15, 2017, the name of CHET Advisor Age-Based Portfolio 16-17 changed to CHET Advisor Age-Based Portfolio 16.

(11) CHET Advisor Age-Based Portfolio 16 continued the performance of CHET Advisor Age-Based Portfolio 16-17.