

1st Quarter 2009 Report



***Prepared by TIAA-CREF Education Savings Products
Business Analysis & Corporate Reporting***



I. Executive Summary

Executive Summary

The highlights from the 1st Quarter 2009 Connecticut Higher Education Trust College Savings Program Report include:

Asset & Account Growth

- During the 1st quarter of 2009, the Connecticut Higher Education Trust College Savings Program added 1,688 net accounts with new account contributions of \$9.3 million. Contributions to existing accounts were \$37.4 million, bringing total 1st quarter contributions to \$46.7 million. The 1st quarter 2009 total contributions decreased by 28% from 1st quarter 2008 contributions.
- Net contributions (after redemptions) for the quarter were \$32.9 million versus \$51.3 million for the same time period last year. This represents a 36.7% decrease in net contributions from 1st quarter 2008, mainly due to the drop in contributions to new accounts (\$5.3 million).
- Average account size in the Connecticut Higher Education Trust College Savings Program declined slightly; the average account size at the end of March was \$11,078, down from \$11,472 as of last quarter. Average new account contribution amount for the 1st quarter decreased from \$3,351 (Q1 2008) to \$2,534. At the end of the quarter, total program accounts were 85,373; up by 2% from 4th quarter 2008 (83,685) and by 10% from last year's 1st quarter results (77,387).
- The quarter ended with program assets of \$946 million, a 1% decrease from last quarter's assets of \$960 million.
- On-line enrollment made up 62% of total new accounts opened during the 1st quarter.
- Of the \$46.7 million in year to date contributions at the end of the 1st quarter, 72% of those contributions were via check, 23% via automatic contribution (ACH), and 5% via payroll deduction; however, 75% of the number of accounts associated with a contribution was ACH or payroll deduction.
- The 1st quarter closed with 503 employers offering payroll deduction; with 1,239 employees enrolled and \$2.4 million in payroll deduction contributions.

Investment Performance

- In the 1st quarter of 2009, the Dow Jones Industrial Average fell just below 6500 on March 9 – its lowest level in 12 years and more than 54% lower than its all-time high of over 14,000 in October 2007. The Dow rebounded later in March but still lost 13% in the 1st quarter. For the month of March, the Russell 3000® Index, a broad measure of the U.S. stock market, gained over 8%, while the technology-heavy Nasdaq Composite Index rose by 11%, logging the highest gains for the month of March in Nasdaq history. However, for the quarter as a whole, the Russell 3000 declined nearly 11%. Small-cap stocks were particularly hard-hit, dropping nearly 15%, while mid-caps fell about 9%, and large-caps lost more than 10%. Value stocks took a much larger hit in the quarter than growth stocks, which were down 17% and 5%, respectively. (All size and style returns are based on Russell indexes.) The MSCI EAFE® Index fell nearly 14% in dollar terms. In contrast, the MSCI Emerging Markets Index posted a modest 1% gain in the quarter.
- The broad bond market gained 0.12% for the quarter. The Treasury sector, which lifted the market last year, posted a negative 1% return. Inflation-linked bonds (TIPS) and municipal bonds gained during the quarter, reflecting emerging concerns about possible inflation and improved state financial prospects (both of which were based on increased government spending and monetary stimulus). The most active part of the credit market was below-investment-grade bonds, which rose almost 6% during the quarter, in contrast to a steep decline in 2008.
- Home prices continued to sink albeit at a slower pace than in 2008. New home construction increased slightly but still remained at a historically abysmal level.
- Among the Investment Options in the program, the Fixed Income Option achieved the best absolute return of 1.06% due to the relatively better return from fixed income vs. equities in the quarter. The 0-3 Age Band in the Aggressive Managed Allocation Option registered the worst absolute return of -13.84% due to the combined all-equity allocation to the Equity Index Fund (70% weighting), the International Equity Index Fund (20% weighting) and the Real Estate Securities Fund (10% weighting). Among all investment options in the program, in terms of relative returns, the 8-11 Age Band in the Managed Allocation Option obtained the best relative return of 85 basis points above its blended benchmark. The 100% Fixed Income Option achieved the best absolute return in the program; however it also registered the worst relative return of 41 basis points below its blended benchmark due to underperformance of the Inflation-Linked Bond Fund in the quarter.

- The Managed and the Aggressively Managed Allocation Options produced absolute losses ranging from -13.84% (8bps above blended benchmark) for the youngest beneficiaries ages 0-3 to -1.91% (28bps above blended benchmark) for beneficiaries ages 18 and over. The age bands that produced the best relative returns are ages 8–11 and ages 4-7. The underlying funds in these options registered absolute returns ranging from -32.65% (the Real Estate Securities Fund, 120bps above benchmark) to 4.09% (the Inflation-Linked Bond Fund, 143bps below benchmark).
- The 100% Equity Index Option registered a loss of -11.78%, 35 basis points below its blended benchmark. The below-benchmark performance was mostly due to the program fee and the underperformance of the International Equity Index Fund (20% weighting), which trailed the MSCI EAFE Index by 106 basis points.
- The Social Choice Option declined by -10.29%, 51 basis points above its benchmark, due to the outperformance of the Social Choice Equity Fund.
- The High Equity Option declined by -8.60% during the quarter, 41 basis points above its blended benchmark. The above-blended-benchmark performance was primarily due to the outperformance of the Mid Cap Value Fund and the Mid Cap Growth Fund. These funds' above-index returns were partly offset by the underperformance of the International Equity Index Fund and the Inflation-Linked Bond Fund.
- The 100% Fixed Income Option generated a return of 1.06%, 41 basis points below its blended benchmark. The below-blended-benchmark performance was due to the underperformance from the Inflation-Linked Bond Fund (143bps below index, 25% weighting) and the program fee.
- The Money Market Option which produced a 0.20% return for the quarter, 10 basis points above its benchmark.
- The Principal Plus Interest Option generated a return of 0.83% during the 1st quarter. The annual interest rate of 3.55% is guaranteed until June 30, 2009.

Operational Performance

- Overall 1st quarter processing was modestly lower than last quarter, with decreases in new accounts and purchases. However, there was an overall increase in withdrawals and maintenance requests received and processed by BFDS.
- Overall transaction processing accuracy for 1st quarter 2009 approached 98%, as measured by BFDS' Quality Assurance Team (QAT), and performed at the industry average, as measured by National Quality Review (NQR). Incremental improvements are being made by the centralized processing teams with a continued emphasis on accuracy in transaction processing.
- BFDS successfully cross trained employees in the Kansas City, MO and Rockland, ME locations to handle calls. This means that calls can be serviced in at least two BFDS locations, creating a dynamic call center environment and allowing BFDS to effectively utilize skilled representatives in each location.
- Overall call volume remained virtually unchanged from 4th quarter 2008 but significantly declined from the same period last year.
- All statements and confirmations were mailed on time.

Customer Contact Summary

- Call volume for the 1st quarter of 2009 was 22.8% lower than the same period last year.
- The service level for the 1st quarter of 2009 was 92.7%, which was well ahead of target and over 4% higher than the same period last year. The abandonment rate for the 1st quarter was 1.3%, well under our 5% target and 1.3% lower than the same period as last year. Service level and abandonment rate performance has continued its positive results since the launching of the BFDS Call Center in December of 2007. We expect the same positive impact on our service level and abandonment rate in the quarters to follow.
- We continuously monitor call volumes to ensure adequate resources are allocated, which allows us to continue providing CHET customers with a superior sales and service experience.

Marketing Activity

- The 1st quarter (Q1) marketing initiatives for the Connecticut Higher Education Trust (CHET) program included a series of integrated direct marketing, community outreach and public relations activities.
- The primary marketing initiatives for CHET during Q1, 2009 were the Tax Time campaign and the CHET Dream Big! campaign.
- Q1 initiatives leveraged a multi-channel approach including off-line (direct mail), on-line (search, banners, e-mail, etc.), community outreach and public relations to stimulate account growth and generate leads.
- On-going Account Owner communications included distribution of the quarterly e-newsletter, statement inserts, and beneficiary birthday card mailings.
- Follow-up email and direct mail communication were sent on an on-going basis to inquirers (individuals who requested information about the program).
- General quarter highlights include:
 - More than 2.3 million outbound marketing messages were delivered across all channels to prospects and Account Owners during the quarter.
 - Over 11,000 inbound inquiries (inbound calls, business reply cards, and web clicks) directly linked to marketing initiatives were generated during the quarter.

Particular Channel Highlights:

- Search is exhibiting the capability of capturing new accounts (149 openings directly linked to search) and deepening Account Owner relationships (308 total transactions including deposits and automatic payment plan sign-ups).
- Banners generated over 750 clicks for more detailed CHET 529 plan information.
- E-mail has proven to be an efficient means to communicate and stimulate interest among past inquirers (an 8.4% inquiry rate for e-mails to this segment was the highest among all channel and audience combinations).
- The direct mail channel generated over 100 inquiries (clicks and calls) from prospects and over 550 inquiries (clicks and calls) from account owners during Q1, 2009.

Statistical & Demographic Information

- For the 1st quarter, CHET had 65,779 accounts with 39,084 account owners and 63,114 beneficiaries and over \$945 million in total program assets. Note, that in this section of the report, an account is defined as inclusive of all investment options associated with the account. In other sections of this report, each investment option is considered to comprise a separate account.
- Account Owners in their forties comprised the largest group of college savers within the Program, making up 39% of Program participants and accounting for 40% of Program assets.
- Account Owners of age fifty and above, many of whom are grandparents, made up 30% of total program participants and accounted for 39% of program assets due to a higher average amount of assets per account owner.
- Beneficiaries 11 years old and younger account for the majority of accounts (60%) and assets (45%). Beneficiaries ages 12-19 accounted for 50% of program assets with a higher amount of average assets per beneficiary.

Service Concerns

- TFI documented 33 customer service concerns during the quarter out of 7,047 calls handled by the Education Savings call centers. Transaction processing decreased 2.6% to 128,175 transactions (vs. 131,532 transactions last quarter). These documented service concerns represent a customer-reported error ratio of less than ½ of 1% of all transactions.
- All documented service concerns were generally completed within the 7-business day service standard; otherwise Account Owners would have been notified if additional time was needed.

II. Asset & Account Growth

Connecticut Higher Education Trust Contributions, Redemptions, and New Accounts Summary

January through March 2009

Contributions & Redemptions (\$000's)	Year 2008	Jan	Feb	Mar	1st Qtr	YTD	% of 2008
Contributions							
New Account Contributions	\$ 73,069	\$ 2,969	\$ 2,864	\$ 3,490	\$ 9,324	\$ 9,324	13%
Contributions to Existing Accounts	136,076	17,099	9,990	10,295	37,384	37,384	27%
Adjustment*	(65)	143	2	(163)	(19)	(19)	n/a
Total Contributions	209,079	20,211	12,856	13,622	46,689	46,689	22%
Redemptions							
Qualified Withdrawals	\$ (67,425)	\$ (6,973)	\$ (2,360)	\$ (1,553)	\$ (10,886)	\$ (10,886)	16%
Non-Qualified Withdrawals	(3,796)	(693)	(437)	(540)	(1,670)	(1,670)	44%
Death, Disability, Scholarship	(181)	(36)	(33)	(18)	(87)	(87)	48%
Rollover Out of Program	(8,023)	(351)	(281)	(480)	(1,113)	(1,113)	14%
Adjustment*	(5)	5	1	0	6	6	n/a
Total Redemptions	(79,430)	(8,048)	(3,112)	(2,591)	(13,751)	(13,751)	17%
Net Contributions	\$ 129,649	\$ 12,163	\$ 9,745	\$ 11,030	\$ 32,938	\$ 32,938	

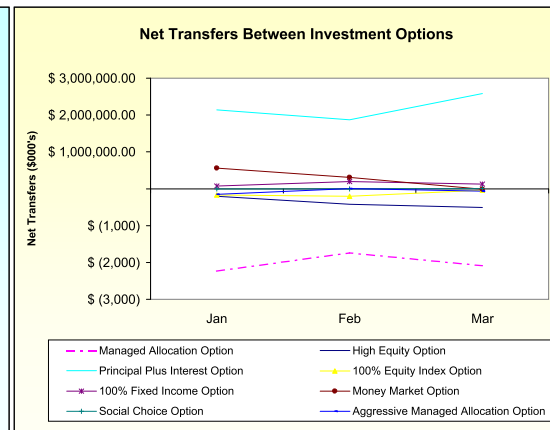
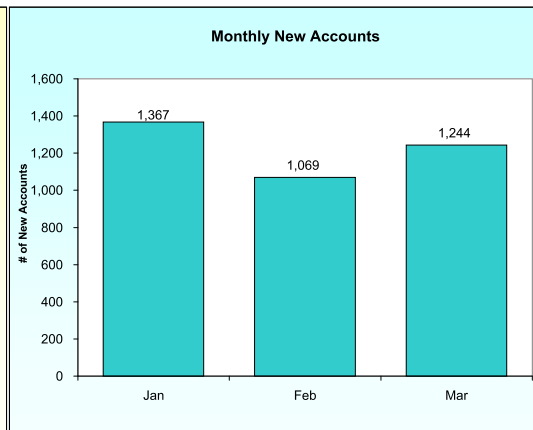
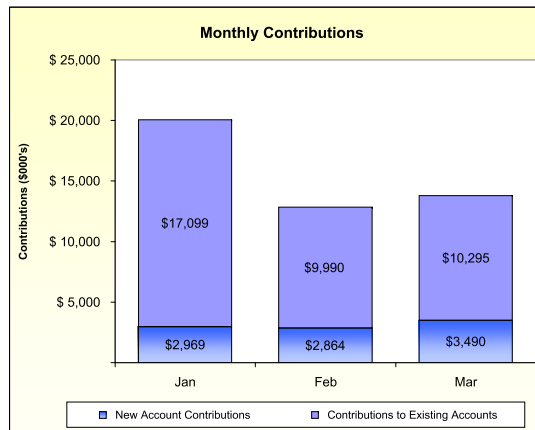
Total Program Assets (\$000's)	\$932,283	\$898,078	\$945,743
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Net Transfers Between Investment Options (\$000's)	Year 2008	Jan	Feb	Mar	1st Qtr	YTD
Managed Allocation Option	\$ (13,744)	\$ (2,240)	\$ (1,743)	\$ (2,087)	\$ (6,070)	\$ (6,070)
High Equity Option	(5,646)	(203)	(423)	(504)	(1,129)	(1,129)
Principal Plus Interest Option	13,778	2,139	1,867	2,579	6,586	6,586
100% Equity Index Option	95	(173)	(201)	(37)	(411)	(411)
100% Fixed Income Option	862	78	194	123	395	395
Money Market Option	1,957	556	309	(12)	853	853
Social Choice Option	9	(0)	(5)	0	(5)	(5)
Aggressive Managed Allocation Option	2,688	(156)	0	(63)	(219)	(219)

Account Activity	Year 2008	Jan	Feb	Mar	1st Qtr	YTD	% of 2008
New Accounts Opened	15,313	1,367	1,069	1,244	3,680	3,680	24%
Accounts Closed	(6,050)	(873)	(548)	(571)	(1,992)	(1,992)	33%
Net New Accounts	9,263	494	521	673	1,688	1,688	18%

Total Program Accounts	84,179	84,700	85,373
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	Year 2008	Jan	Feb	Mar	1st Qtr	YTD
YTD Average New Account Contribution Amount	\$ 4,772	\$ 2,172	\$ 2,395	\$ 2,534	\$ 2,534	\$ 2,534
Average Contributions to Existing Accounts^	\$ 1,828	\$ 204	\$ 119	\$ 123	\$ 447	\$ 447



*This report includes all non-account related adjustments necessary to agree to FY2009 audited financial statements.

^Contributions to Existing Accts / 2008 Ending Accounts

Connecticut Higher Education Trust Asset & Account Growth Summary

January through March 2009

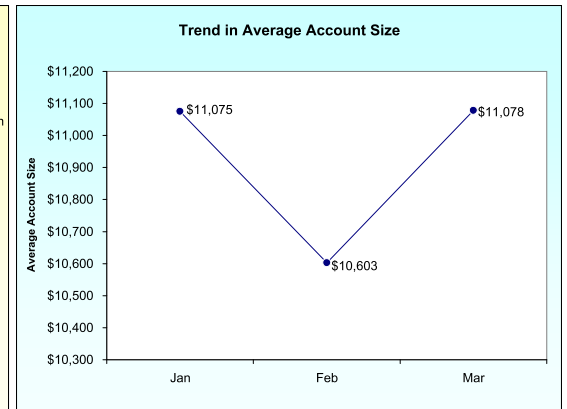
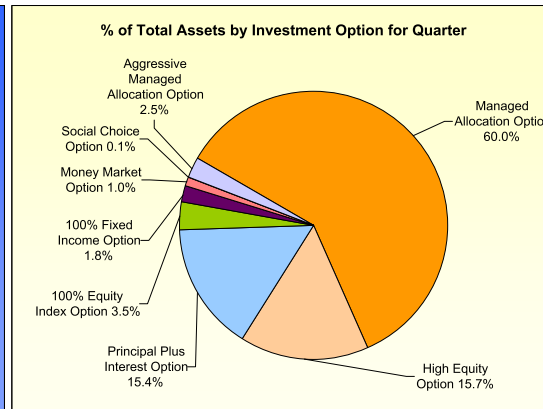
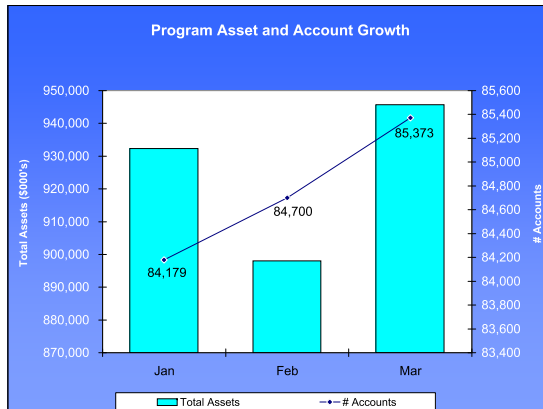
# Accounts	Year 2008	Jan	Feb	Mar	% of Ttl	% of Inc/Dec of 2008
Managed Allocation Option	42,707	42,703	42,783	42,830	50.2%	0%
High Equity Option	17,031	17,002	16,955	16,940	19.8%	-1%
Principal Plus Interest Option	9,676	9,891	10,110	10,430	12.2%	8%
100% Equity Index Option	6,108	6,153	6,171	6,202	7.3%	2%
100% Fixed Income Option	2,572	2,629	2,686	2,758	3.2%	7%
Money Market Option	860	926	1,003	1,075	1.3%	25%
Social Choice Option	378	382	388	404	0.5%	7%
Aggressive Managed Allocation Option	4,353	4,493	4,604	4,734	5.5%	9%
Total Program Accounts	83,685	84,179	84,700	85,373	100%	2%

Assets (\$000's)	Year 2008	Jan	Feb	Mar	% of Ttl	% of Inc/Dec of 2008
Managed Allocation Option	\$591,457	\$569,526	\$544,288	\$567,114	60.0%	-4%
High Equity Option	158,280	149,484	138,606	148,530	15.7%	-6%
Principal Plus Interest Option	130,639	134,749	138,968	145,924	15.4%	12%
100% Equity Index Option	33,806	31,982	29,275	32,634	3.5%	-3%
100% Fixed Income Option	15,145	15,308	16,005	17,409	1.8%	15%
Money Market Option	7,228	8,200	9,012	9,742	1.0%	35%
Social Choice Option	867	857	791	906	0.1%	5%
Aggressive Managed Allocation Option	22,598	22,176	21,132	23,483	2.5%	4%
Adjustments*	0	0	0	0	0.0%	
Total Program Assets	960,020	932,283	898,078	945,743	100%	-1%

Periodic Change in Assets (\$000's)	Year 2008	Jan	Feb	Mar	1st Qtr
Beginning Assets	\$1,034,649	\$960,020	\$932,283	\$898,078	\$960,020
Plus: Contributions/Rollovers In	209,079	20,211	12,856	13,622	46,689
Less: Redemptions/Rollovers Out	(79,430)	(8,048)	(3,112)	(2,591)	(13,751)
Plus/Minus: Incr/Decr from Operations	(204,279)	(39,901)	(43,949)	36,634	(47,216)
Ending Assets	\$960,020	932,283	898,078	945,743	\$945,743

Average Account Size
Managed Allocation Option
High Equity Option
Principal Plus Interest Option
100% Equity Index Option
100% Fixed Income Option
Money Market Option
Social Choice Option
Aggressive Managed Allocation Option
Total

Jan	Feb	Mar
\$13,337	\$12,722	\$13,241
\$8,792	\$8,175	\$8,768
\$13,623	\$13,746	\$13,991
\$5,198	\$4,744	\$5,262
\$5,823	\$5,959	\$6,312
\$8,855	\$8,985	\$9,063
\$2,243	\$2,039	\$2,243
\$4,936	\$4,590	\$4,960
\$11,075	\$10,603	\$11,078



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Connecticut Higher Education Trust Enrollment Kit Requests, New Accounts, and Contributions Summary

January through March 2009

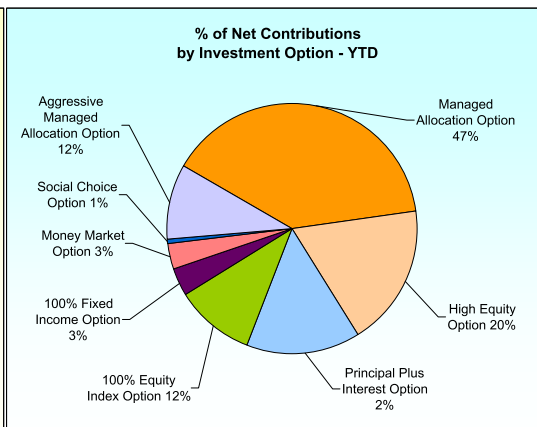
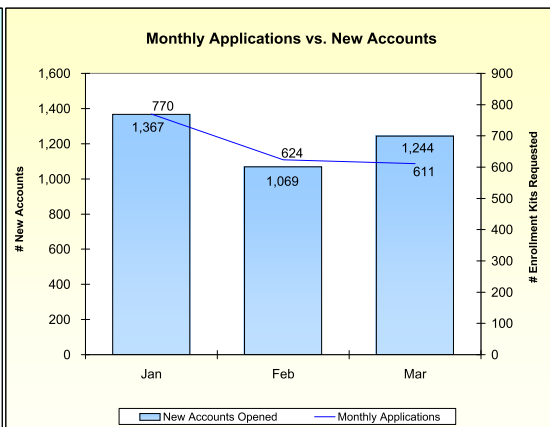
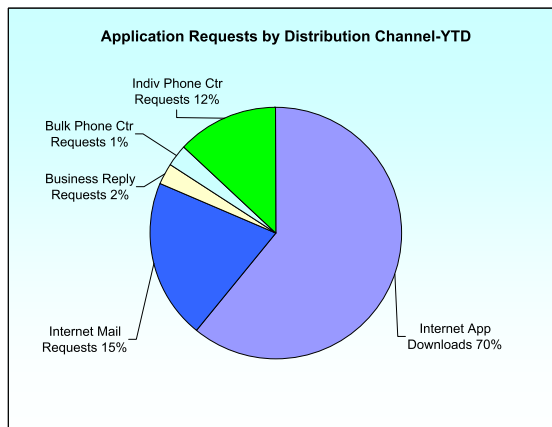
Enrollment Kit/Application Mailings	Year 2008	Jan	Feb	Mar	1st Qtr	YTD	% of 2008
Internet Applications Downloaded	8,588	475	381	361	1,217	1,217	14%
Internet Kit Requests - Mail	1,886	148	138	130	416	416	22%
Business Reply Requests	272	23	11	20	54	54	20%
Bulk Phone Center Requests	94	20	20	16	56	56	60%
Individual Phone Center Requests	1,430	104	74	84	262	262	18%
Total Enrollment Kit/Application Requests	12,270	770	624	611	2,005	2,005	16%

Number of Net New Accounts	Year 2008	Jan	Feb	Mar	1st Qtr	YTD	% of 2008
Managed Allocation Option	1,533	(4)	80	47	123	123	8%
High Equity Option	466	(29)	(47)	(15)	(91)	(91)	-20%
Principal Plus Interest Option	1,405	215	219	320	754	754	54%
100% Equity Index Option	1,045	45	18	31	94	94	9%
100% Fixed Income Option	774	57	57	72	186	186	24%
Money Market Option	860	66	77	72	215	215	25%
Social Choice Option	274	4	6	16	26	26	9%
Aggressive Managed Allocation Option	2,906	140	111	130	381	381	13%
Total Net New Accounts	9,263	494	521	673	1,688	1,688	18%

On-Line Enrollment	8,982	833	623	814	2,270	2,270
New Account/On-Line Enrollment Ratio	59%	61%	58%	65%	62%	62%
New Account/Kit Request Ratio	125%	178%	171%	204%	184%	184%

Net Contributions (\$000's)	Year 2008	Jan	Feb	Mar	1st Qtr	YTD	% of 2008
Managed Allocation Option	\$61,826	\$5,104	\$3,629	\$4,265	\$12,999	\$12,999	21%
High Equity Option	26,132	2,404	2,029	1,573	6,006	6,006	23%
Principal Plus Interest Option	2,543	1,080	1,411	2,382	4,873	4,873	192%
100% Equity Index Option	15,234	1,436	996	982	3,414	3,414	22%
100% Fixed Income Option	3,476	156	569	494	1,220	1,220	35%
Money Market Option	3,414	425	312	336	1,074	1,074	31%
Social Choice Option	1,014	80	29	42	151	151	15%
Aggressive Managed Allocation Option	16,081	1,329	767	1,119	3,215	3,215	20%
Adjustment*	(71)	148	2	(163)	(14)	(14)	
Total Net Contributions	\$129,649	\$12,163	\$9,745	\$11,030	\$32,938	\$32,938	25%
Year Over Year Incr/Decr in Net Contributions	12%	-44%	-25%	-33%	-36%	-66%	

% of Contributions to New Accounts	35%	15%	22%	26%	20%	20%
% of Contributions to Existing Accounts	65%	85%	78%	74%	80%	80%

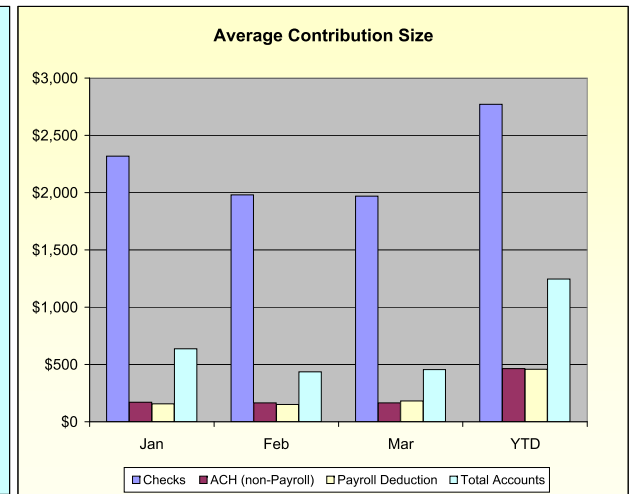
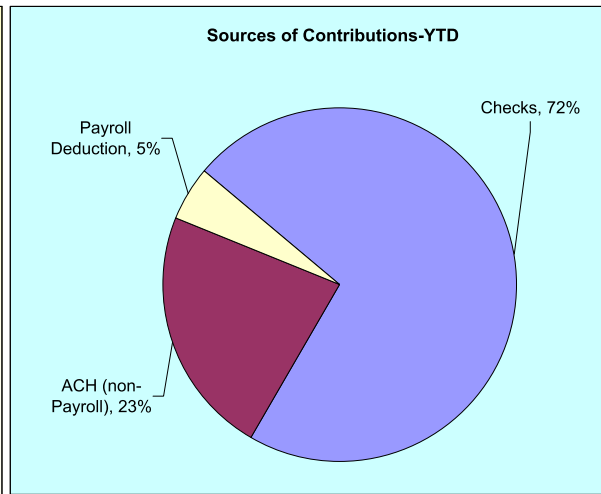
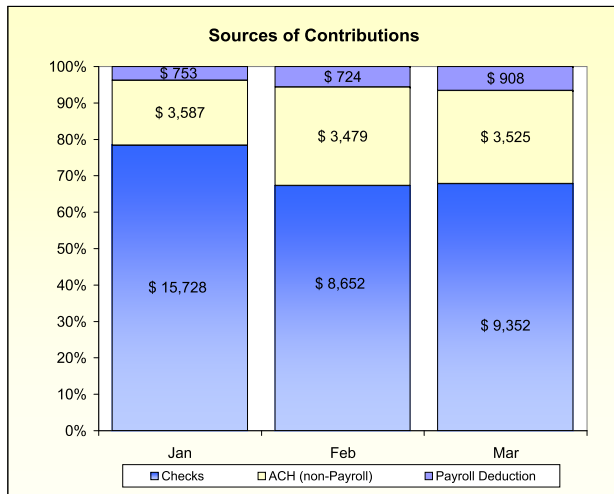


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Connecticut Higher Education Trust Sources of Contributions

January through March, 2009

Contributions (\$000's)	Year 2008	Jan	Feb	Mar	1st Qtr	YTD	% of Total
Contributions							
Checks	\$ 157,383	\$ 15,728	\$ 8,652	\$ 9,352	\$ 33,731	\$ 33,731	72%
ACH (non-Payroll)	42,178	3,587	3,479	3,525	10,592	10,592	23%
Payroll Deduction	9,585	753	724	908	2,385	2,385	5%
Total Contributions*	\$ 209,145	\$ 20,068	\$ 12,855	\$ 13,785	\$ 46,708	\$ 46,708	100%
Accounts**							
Checks	35,779	6,783	4,370	4,750	12,173	12,173	
ACH (non-Payroll)	27,735	21,134	21,074	21,256	22,836	22,836	
Payroll Deduction	6,370	4,825	4,830	5,033	5,190	5,190	
Total Accounts	60,585	31,504	29,453	30,203	37,513	37,513	
Average Contribution Size***							
Checks	\$4,399	\$2,319	\$1,980	\$1,969	\$2,771	\$2,771	
ACH (non-Payroll)	1,521	170	165	166	464	464	
Payroll Deduction	1,505	156	150	180	459	459	
Total Accounts	\$3,452	\$637	\$436	\$456	\$1,245	\$1,245	



*Excludes adjustments attributable to non-account related items (accruals, etc.)

**Represents the # of accounts associated with the contribution amount. Since a single account may contribute in multiple months, or via multiple contribution methods (Check, ACH, Payroll), the account totals will not add up to the sum of the individual components.

***[Contributions] / [Accounts]

III. Investment Performance

Connecticut Higher Education Trust

Investment Performance Commentary – 1st Quarter 2009

Key Points

- In the 1st quarter of 2009, the Dow Jones Industrial Average fell just below 6500 on March 9 – its lowest level in 12 years and more than 54% lower than its all-time high of over 14,000 in October 2007. The Dow rebounded later in March but still lost 13% in the 1st quarter. For the month of March, the Russell 3000® Index, a broad measure of the U.S. stock market, gained over 8%, while the technology-heavy Nasdaq Composite Index rose by 11%, logging the highest gains for the month of March in Nasdaq history. However, for the quarter as a whole, the Russell 3000 declined nearly 11%. Small-cap stocks were particularly hard-hit, dropping nearly 15%, while mid-caps fell about 9%, and large-caps lost more than 10%. Value stocks took a much larger hit in the quarter than growth stocks, which were down 17% and 5%, respectively. (All size and style returns are based on Russell indexes.) The MSCI EAFE® Index fell nearly 14% in dollar terms. In contrast, the MSCI Emerging Markets Index posted a modest 1% gain in the quarter.
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U.S. Equity Markets

- In the 1st quarter of 2009, the U.S. Commerce Department reported a 6.2% drop in GDP in the 4th quarter of 2008, the biggest drop in almost 25 years and significantly worse than an earlier preliminary estimate of a 3.8% decline. This revision was a surprise not priced into the market, and the Dow Jones Industrial Average fell just below 6500 on March 9 – its lowest level in 12 years and more than 54% lower than its all-time high of over 14,000 in October 2007. The Dow rebounded later in March but still lost 13% in the 1st quarter.
- Adding to the bad news was three more months of accelerating unemployment. Between January 2008, and March 2009, the U.S. economy shed a total of 5.1 million jobs, including more than 660,000 in March alone. A broad swath of other key indicators, including consumer spending, finance, and confidence; housing sales and starts; manufacturing and business investment; and services, continued to fall, with some of these indicators reaching all-time lows.
- As a result, equity markets experienced wild volatility in the 1st quarter of 2009, with March's plunges and rallies being the most extreme. For the month of March, the Russell 3000® Index, a broad measure of the U.S. stock market, gained over 8%, while the technology-heavy Nasdaq Composite Index rose by 11%, logging the highest gains for the month of March in Nasdaq history. However, for the quarter as a whole, the Russell 3000 declined nearly 11%.

Performance by Cap and Style

- Small-cap stocks were particularly hard-hit, dropping nearly 15%, while mid-caps fell about 9%, and large-caps lost more than 10%. Value stocks took a much larger hit in the quarter than growth stocks, which were down 17% and 5%, respectively. (All size and style returns are based on Russell indexes.)

International Equity Markets

- In the 1st quarter of 2009, foreign stocks began to move in markedly different directions, suggesting that investors have stopped selling stocks indiscriminately and have begun looking for those stocks that will perform well during the world-wide economic recovery. The MSCI EAFE® Index, which measures stock performance in 21 nations outside North America, fell nearly 14% in dollar terms. Equities in Japan and Europe were hit harder than U.S. issues at about -17%, -15% and -11% respectively. In contrast, the MSCI Emerging Markets Index posted a modest 1% gain in the quarter while country benchmark indexes in Brazil and Russia both gained approximately 9% in the quarter, and the broader Pacific (ex Japan) Index fell only a little over 2%.

U.S. Fixed Income Markets

- The broad bond market eked out a positive 0.12% return for the quarter (per the Barclays Capital U.S. Aggregate Index) on the strength of a strong March performance. The Treasury sector, which lifted the market last year, posted a negative 1% return. Yields rose slightly in the 1st quarter, particularly for maturities in the middle part of the Treasury curve (7-10 years) as the Fed announced a massive buying program in that range. Still, the shortest-term Treasury yields remained close to 0%, and long-term Treasury yields, while rising during the quarter, were nearly as low as they have been at any time since the 1950s as investors continue to value the safety, if not the returns, of term government securities. In contrast, inflation-linked bonds (TIPS) and municipal bonds gained during the quarter, reflecting emerging concerns about possible inflation and improved state financial prospects (both of which were based on increased government spending and monetary stimulus).
- Risk premiums on corporate bonds decreased slightly and corporate bond returns fell. Government intervention and guarantees did a little more to free up the short-term credit markets businesses use to fund their most immediate financial needs. Corporations also raised some new longer-term debt. The most active part of the credit market was below-investment-grade bonds, which rose almost 6% during the quarter, in contrast to a steep decline in 2008. Investors may have concluded that this sector was oversold and offered new opportunities.

Real Estate Markets

- Residential real estate woes continued to worsen as home prices continued to sink albeit at a slower pace than in 2008. New home construction increased slightly but still remained at a historically abysmal level. A broad measure of real estate stocks that includes both residentially and commercially oriented companies (Wilshire REIT Index) lost about 34% during the 4th quarter, despite an uptick of 3% in March.

The Managed and the Aggressive Managed Allocation Options produced absolute losses ranging from -13.84% (8bps above blended benchmark) for the youngest beneficiaries ages 0-3 to -1.91% (28bps above blended benchmark) for beneficiaries ages 18 and over. The age bands that produced the best relative returns are ages 8–11 and ages 4-7. The underlying funds in these options registered absolute returns ranging from -32.65% (the **Real Estate Securities Fund**, 120bps above benchmark) to 4.09% (the **Inflation-Linked Bond Fund**, 143bps below benchmark).

The **TIAA-CREF Real Estate Securities Fund (REITS) – Institutional Class (TIREX)** beat its benchmark in the 1st quarter (+120 basis points), largely due to holdings in the Retail REITs sector, where positions that boosted relative results were mainly underweights, including Kimco Realty, Cedar Shopping Centers, and Weingarten Realty Investors. A mix of overweights and underweights helped results from the Residential REITs sector, where Apartment Investment &

Management, Colonial Properties Trust, and Equity Residential were among the supportive underweights, and Essex Property Trust, American Campus Communities, and AvalonBay Communities were among the supportive overweights. Another supportive sector was Office REITs, where an out-of-index position in Mission West Properties as well as underweights in Brandywine Realty Trust, BioMed Realty Trust, and Duke Realty boosted results. Limiting the reach of picks that were additive to relative performance, avoiding Dupont Fabros Technology cost the fund some performance as it surged in the quarter, with further detractions from a non-benchmark stake in Thomas Properties Group, both of the Diversified Real Estate Activities sector. The Office Electronics sector was another downdraft, solely due to an underweight in Digital Realty Trust. Although the fund trailed its benchmark over five years (-75 basis points), it outperformed that measure over one (+204 basis points) and three years (+138 basis points) and since its October 2002 inception (+8 basis points).

The **TIAA-CREF Inflation-Linked Bond Fund – Institutional Class (TIILX)** underperformed the Barclays Capital U.S. Treasury Inflation-Protected Securities Index by 143 basis points on a return of 4.09% for the 1st quarter. The positive returns in inflation-linked securities for the period were driven by increased overall liquidity in spread markets, easing the way for investors to sell some of those holdings and reallocate the cash to TIPS, and by long term inflationary concerns due to the federal government's stimulus bill. The strategy for this fund is to have a duration similar to that of the index, and it seeks to protect investors from rising inflation's impact on asset values by investing in inflation-indexed bonds. Duration is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Keeping a profile close to that of the index most often means performance that is also close to the index. Expenses and technical factors can put the fund behind its benchmark, as the fund underperformed over one (-70 basis points), three (-42 basis points), and five years (-29 basis points) and since its October 2002 inception (-28 basis points).

The 100% Equity Index Option registered a loss of -11.78%, 35 basis points below its blended benchmark. The below-benchmark performance was mostly due to the program fee and the underperformance of the **International Equity Index Fund** (20% weighting), which trailed the MSCI EAFE Index by 106 basis points.

The Social Choice Option declined by -10.29%, 51 basis points above its benchmark, due to the outperformance of the **Social Choice Equity Fund**.

The **TIAA-CREF Social Choice Equity Fund – Institutional Class (TISCX)** outperformed the Russell 3000 Index by 56 basis points in the 1st quarter of 2009, with the exclusion of several falling industrial stocks due to the fund's comprehensive social screening process being the most significant contributor to these results. They included General Electric, building systems and aerospace product maker United Technologies, and top military contractors General Dynamics and Raytheon, among others. The screening process involves selecting a universe of stocks that meet a comprehensive set of environmental, social, and governance (ESG) criteria. Avoiding screened holdings also produced the top contributor in the health care sector, pharmaceutical concern Pfizer, which fell in the quarter. Other support from

that sector came from overweighting holdings such as bioengineering firm Genentech, Wyeth, and Schering-Plough. In telecommunication services, overweighting Time Warner Cable, Embarq, and Sprint Nextel, as well as avoiding Comcast due to ESG screens, played a role in that sector's contribution to outperformance. Sectors that detracted somewhat from these positive results included financials, where overweighting insurer AFLAC, U.S. Bancorp, SunTrust, and PNC hampered results, as did avoiding ESG-screened Morgan Stanley, which rose notably in the quarter. Consumer staples holdings that detracted from relative results included ESG-screened Coca-Cola and Altria Group, as well as overweighted Procter & Gamble. The fund continued to meet its objective of tracking the return of the U.S. market while investing only in companies that pass the comprehensive ESG screens. The fund also outperformed in March (+32 basis points), over one (+99 basis points), three (+16 basis points), and five years (+13 basis points), but underperformed since its July 1999 inception (-3 basis points). In addition to outperformance in March, the fund produced a positive return of 9.08%.

The fund seeks investments that are considered socially responsible, generally avoiding companies in the tobacco, nuclear power, weapons production, firearms, gambling, alcohol, and other such industries. Other screens examine companies' environmental, social, and corporate governance (ESG) practices. The fund does not make sector bets and uses only quantitative methods to recover the performance lost due to screens against certain stocks in the benchmark, and it is categorized as an enhanced indexed product. As such, it is not considered one of the actively managed equity funds discussed in this report.

The High Equity Option declined by -8.60% during the quarter, 41 basis points above its blended benchmark. The above-blended-benchmark performance was primarily due to the outperformance of the **Mid Cap Value Fund** and the **Mid Cap Growth Fund**. These funds' above-index returns were partly offset by the underperformance of the **International Equity Index Fund** and the **Inflation-Linked Bond Fund**.

During the 1st quarter, the **TIAA-CREF Mid-Cap Value Fund – Institutional Class (TIMVX)** outperformed the Russell Midcap ® Value Index by 556 basis points, largely driven by holdings in the financials, consumer discretionary, and materials sectors. Overweighting rare occurrence insurer XL Capital, First Horizon National, and Northern Trust, as well as avoiding Fifth Third Bancorp, which dropped in the quarter, proved to be the most significant contributors from the shaken financial sector. Consumer discretionary positions that added to outperformance in the quarter included out-of-index Darden Restaurants, which owns lower-priced chains like Red Lobster and Olive Garden, appealing options for consumers looking to trade down in a weak economy. Other positives in that sector were The Financial Times publisher Pearson PLC, a non-benchmark holding that provides financial information and business news; the avoidance of CBS, which plummeted in the quarter; and an overweight in Interpublic Group. The biggest boosts from the materials sector came from an out-of-index stake in Crown Holdings and an overweight in conglomerate Rohm & Haas, with further support from the avoidance of Vulcan Materials, Owens-Illinois, and International Paper, which all fell in the quarter. Although detractors did not offset contributors in the period, they included radio tower owner and manager Crown Castle International, Leap Wireless International, whose services include the Cricket brand of mobile phone service; and

Embarq. All were stocks in the telecommunication services sector that turned in positive performance in the period, but the fund avoided them. Among utilities, avoiding Consolidated Edison dampened relative results a bit, as did overweighting Pepco Holdings. In addition to outperforming in the quarter, the fund led its benchmark in March (+1 basis point), over one (+165 basis points), three (+303 basis points), and five years (+213 basis points), and since its October 2002 inception (+262 basis points).

In the 1st quarter of 2009, the **TIAA-CREF Mid-Cap Growth Fund – Institutional Class (TRPWX)** beat its benchmark by 41 basis points, mainly on industrials, energy, and utilities holdings. Although most of the top contributors from the industrials sector were falling benchmark names that the fund avoided, the top three were overweights, such as Quanta Services, FTI Consulting, and Shaw Group. Contributing energy holdings were a blend of positions relative to the benchmark, such as overweights in Denbury Resources and Range Resources, the avoidance of falling benchmark names Sunoco and SunPower, and an out-of-index stake in National Oilwell Varco. In utilities, the benefits came by eschewing benchmark stocks like Allegheny Energy, AES, Mirant, and NRG Energy. Negative impacts were found in the information technology sector, where an out-of-index position in Data Domain was the largest detractor, with similar headwinds from overweights in Itron, which makes wireless devices for the collection of meter data by utilities worldwide; Trimble Navigation, and Harris Corporation. A position in non-benchmark maker of over-the-counter drugs, personal care products, and dietary supplements Chattem, and the avoidance of surging Whole Foods Market were the most notable detractors from the consumer staples sector. The fund trailed its benchmark over one year by 152 basis points and to a lesser extent over three (-46 basis points) and five years (-19 basis points), while outperforming that measure since its October 2002 inception (+19 basis points).

The 100% Fixed Income Option generated a return of 1.06%, 41 basis points below its blended benchmark. The below-blended-benchmark performance was due to the underperformance from the **Inflation-Linked Bond Fund** (143bps below index, 25% weighting) and the program fee.

The Money Market Option which was launched on February 18, 2008, produced a 0.20% return for the quarter, 10 basis points above its benchmark.

The Principal Plus Interest Option generated a return of 0.83% during the 1st quarter. The annual interest rate of 3.55% is guaranteed until June 30, 2009.

1st Quarter, 2009 Connecticut Higher Education Trust Performance Summary: Managed Allocation Option

Asset Allocation: Managed Allocation Option

Age of Beneficiary	Institutional Equity Index Fund	Institutional International Equity Index Fund	Institutional Real Estate Securities Fund	Institutional Bond Fund	Institutional Inflation-Linked Bond Fund	Institutional Money Market Fund
0-3	56.00%	16.00%	8.00%	15.00%	5.00%	0.00%
4-7	45.50%	13.00%	6.50%	26.25%	8.75%	0.00%
8-11	35.00%	10.00%	5.00%	37.50%	12.50%	0.00%
12-14	28.00%	8.00%	4.00%	45.00%	15.00%	0.00%
15-17	21.00%	6.00%	3.00%	37.50%	12.50%	20.00%
18 and over	14.00%	4.00%	2.00%	26.25%	8.75%	45.00%

Investment Option Returns: Managed Allocation Option

Age Of Beneficiary	Inception Date	Total Annual Asset Based Fees	1st Quarter, 2009 Rtn			Year-to-Date Rtn			1 Year Rtn			3 Year Avg Annual Rtn			5 Year Avg Annual Rtn			Avg Annual Return Since Option Inception		
			Program Returns*	Blended Index Return	Over/ (Under) Benchmk	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmk	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmk	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmk	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmk	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmk
Ages 0 - 3	3/10/2005	0.65%	-10.37%	-10.86%	0.49%	-10.37%	-10.86%	0.49%	-33.83%	-34.82%	0.99%	-10.85%	-11.11%	0.26%	N/A	N/A	N/A	-5.89%	-5.66%	-0.23%
Ages 4 - 7	3/10/2005	0.65%	-7.81%	-8.55%	0.74%	-7.81%	-8.55%	0.74%	-27.28%	-28.81%	1.53%	-7.62%	-7.90%	0.28%	N/A	N/A	N/A	-3.65%	-3.58%	-0.07%
Ages 8 - 11	3/10/2005	0.65%	-5.40%	-6.25%	0.85%	-5.40%	-6.25%	0.85%	-20.66%	-22.41%	1.75%	-4.50%	-4.79%	0.29%	N/A	N/A	N/A	-1.67%	-1.63%	-0.04%
Ages 12 - 14	3/10/2005	0.65%	-4.15%	-4.71%	0.56%	-4.15%	-4.71%	0.56%	-17.31%	-17.92%	0.61%	-2.89%	-2.71%	-0.18%	N/A	N/A	N/A	-0.74%	-0.35%	-0.39%
Ages 15 - 17	3/10/2005	0.65%	-3.02%	-3.41%	0.39%	-3.02%	-3.41%	0.39%	-12.61%	-13.27%	0.66%	-1.13%	-1.04%	-0.09%	N/A	N/A	N/A	0.47%	0.67%	-0.20%
Ages 18 and Over	3/10/2005	0.65%	-1.91%	-2.19%	0.28%	-1.91%	-2.19%	0.28%	-7.58%	-8.49%	0.91%	0.63%	0.52%	0.11%	N/A	N/A	N/A	1.56%	1.62%	-0.06%

Underlying Fund Performance: Managed Allocation Option

Investment Option	Inception Date	Underlying Fund Expenses	Benchmark	1st Quarter, 2009 Rtn			Year-to-Date Rtn			1 Year Rtn			3 Year Avg Annual Rtn			5 Year Avg Annual Rtn			Avg Annual Return Since Fund Inception		
				TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmk	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmk	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmk	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmk	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmk	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmk
Equity Index	07/01/1999	0.07%	Russell 3000	-10.81%	-10.80%	-0.01%	-10.81%	-10.80%	-0.01%	-38.12%	-38.20%	0.08%	-13.55%	-13.55%	0.00%	-4.61%	-4.59%	-0.02%	-3.21%	-3.11%	-0.10%
International Equity Index	10/01/2002	0.12%	Morgan Stanley EAFE	-15.00%	-13.94%	-1.06%	-15.00%	-13.94%	-1.06%	-45.98%	-46.51%	0.53%	-14.25%	-14.47%	0.22%	-2.06%	-2.18%	0.12%	5.00%	5.04%	-0.04%
Real Estate Securities	10/01/2002	0.56%	Wilshire Real Estate Sec	-32.65%	-33.85%	1.20%	-32.65%	-33.85%	1.20%	-58.99%	-61.03%	2.04%	-25.88%	-27.26%	1.38%	-10.18%	-9.43%	-0.75%	-0.73%	-0.81%	0.08%
Bond	07/01/1999	0.32%	LB Aggregate Bond	0.16%	0.12%	0.04%	0.16%	0.12%	0.04%	1.30%	3.13%	-1.83%	4.72%	5.78%	-1.06%	3.48%	4.13%	-0.65%	5.65%	5.96%	-0.31%
Inflation-Linked Bond	10/01/2002	0.34%	LB TIPS	4.09%	5.52%	-1.43%	4.09%	5.52%	-1.43%	-2.74%	-2.04%	-0.70%	5.30%	5.72%	-0.42%	3.86%	4.15%	-0.29%	5.16%	5.44%	-0.28%
Money Market	07/01/1999	0.14%	iMoneyNet Mny Mkt Avg	0.28%	0.10%	0.18%	0.28%	0.10%	0.18%	2.12%	1.36%	0.76%	4.09%	3.44%	0.65%	3.53%	2.92%	0.61%	3.47%	2.93%	0.54%

*"Program Returns" are net of program management fees and mutual fund expenses.

1st Quarter, 2009 Connecticut Higher Education Trust Performance Summary: Aggressive Managed Allocation Option

Asset Allocation: Aggressive Managed Allocation Option

Age of Beneficiary	Institutional Equity Index Fund	Institutional International Equity Index Fund	Institutional Real Estate Securities Fund	Institutional Bond Fund	Institutional Inflation-Linked Bond Fund	Institutional Money Market Fund
0-3	70.00%	20.00%	10.00%	0.00%	0.00%	0.00%
4-7	59.50%	17.00%	8.50%	11.25%	3.75%	0.00%
8-11	49.00%	14.00%	7.00%	22.50%	7.50%	0.00%
12-14	42.00%	12.00%	6.00%	30.00%	10.00%	0.00%
15-17	35.00%	10.00%	5.00%	37.50%	12.50%	0.00%
18 and over	21.00%	6.00%	3.00%	33.75%	11.25%	25.00%

Investment Option Returns: Aggressive Managed Allocation Option

Age Of Beneficiary	Inception Date	Total Annual Asset Based Fees	1st Quarter, 2009 Rtn			Year-to-Date Rtn			1 Year Rtn			3 Year Avg Annual Rtn			5 Year Avg Annual Rtn			Avg Annual Return Since Option Inception		
			Program Returns*	Blended Index Return	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark
Ages 0 - 3	11/20/2007	0.65%	-13.84%	-13.92%	0.08%	-13.84%	-13.92%	0.08%	-42.19%	-42.25%	0.06%	N/A	N/A	N/A	N/A	N/A	N/A	-35.71%	-36.58%	0.87%
Ages 4 - 7	11/19/2007	0.65%	-11.54%	-11.63%	0.09%	-11.54%	-11.63%	0.09%	-35.91%	-36.74%	0.83%	N/A	N/A	N/A	N/A	N/A	N/A	-31.40%	-31.15%	-0.25%
Ages 8 - 11	11/20/2007	0.65%	-8.78%	-9.32%	0.54%	-8.78%	-9.32%	0.54%	-29.83%	-30.85%	1.02%	N/A	N/A	N/A	N/A	N/A	N/A	-25.07%	-25.82%	0.75%
Ages 12 - 14	11/19/2007	0.65%	-7.16%	-7.79%	0.63%	-7.16%	-7.79%	0.63%	-25.61%	-26.72%	1.11%	N/A	N/A	N/A	N/A	N/A	N/A	-20.92%	-21.81%	0.89%
Ages 15 - 17	11/21/2007	0.65%	-5.88%	-6.25%	0.37%	-5.88%	-6.25%	0.37%	-21.69%	-22.41%	0.72%	N/A	N/A	N/A	N/A	N/A	N/A	-17.58%	-17.61%	0.03%
Ages 18 and Over	11/20/2007	0.65%	-3.36%	-3.47%	0.11%	-3.36%	-3.47%	0.11%	-12.82%	-13.27%	0.45%	N/A	N/A	N/A	N/A	N/A	N/A	-10.18%	-9.99%	-0.19%

Underlying Fund Performance: Aggressive Managed Allocation Option

Investment Option	Inception Date	Underlying Fund Expenses	Benchmark	1st Quarter, 2009 Rtn			Year-to-Date Rtn			1 Year Rtn			3 Year Avg Annual Rtn			5 Year Avg Annual Rtn			Avg Annual Return Since Fund Inception		
				TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark
Equity Index	07/01/1999	0.07%	Russell 3000	-10.81%	-10.80%	-0.01%	-10.81%	-10.80%	-0.01%	-38.12%	-38.20%	0.08%	-13.55%	-13.55%	0.00%	-4.61%	-4.59%	-0.02%	-3.21%	-3.11%	-0.10%
International Equity Index	10/01/2002	0.12%	Morgan Stanley EAFE	-15.00%	-13.94%	-1.06%	-15.00%	-13.94%	-1.06%	-45.98%	-46.51%	0.53%	-14.25%	-14.47%	0.22%	-2.06%	-2.18%	0.12%	5.00%	5.04%	-0.04%
Real Estate Securities	10/01/2002	0.56%	Wilshire Real Estate Sec	-32.65%	-33.85%	1.20%	-32.65%	-33.85%	1.20%	-58.99%	-61.03%	2.04%	-25.88%	-27.26%	1.38%	-10.18%	-9.43%	-0.75%	-0.73%	-0.81%	0.08%
Bond	07/01/1999	0.32%	LB Aggregate Bond	0.16%	0.12%	0.04%	0.16%	0.12%	0.04%	1.30%	3.13%	-1.83%	4.72%	5.78%	-1.06%	3.48%	4.13%	-0.65%	5.65%	5.96%	-0.31%
Inflation-Linked Bond	10/01/2002	0.34%	LB TIPS	4.09%	5.52%	-1.43%	4.09%	5.52%	-1.43%	-2.74%	-2.04%	-0.70%	5.30%	5.72%	-0.42%	3.86%	4.15%	-0.29%	5.16%	5.44%	-0.28%
Money Market	07/01/1999	0.14%	iMoneyNet Mny Mkt Avg	0.28%	0.10%	0.18%	0.28%	0.10%	0.18%	2.12%	1.36%	0.76%	4.09%	3.44%	0.65%	3.53%	2.92%	0.61%	3.47%	2.93%	0.54%

* "Program Returns" are net of program management fees and mutual fund expenses.

1st Quarter, 2009 Connecticut Higher Education Trust Performance Summary: Additional Investment Options

Asset Allocation: 100% Equity Index Option

Institutional International Equity Index Fund	
Institutional Equity Index Fund	Fund
80.00%	20.00%

Asset Allocation: Social Choice Option

Institutional Social Choice Equity Fund	
	100.00%

Asset Allocation: High Equity Option

Institutional S&P 500 Index Fund	Institutional Mid-Cap Growth Fund	Institutional Mid-Cap Value Fund	Institutional Small-Cap Equity Fund	Institutional International Equity Index Fund	Institutional Bond Fund	Institutional Inflation-Linked Bond Fund
48.00%	5.10%	5.10%	5.80%	16.00%	15.00%	5.00%

Asset Allocation: 100% Fixed Income Option

Institutional Bond Fund	Institutional Inflation - Linked Bond Fund
75.00%	25.00%

Asset Allocation: Money Market Option

Institutional Money Market Fund	
	100.00%

Asset Allocation: Principal Plus Interest Option

Guaranteed Funding Agreement	
	100.00%

Investment Option Returns: Additional Investment Options

Investment Option	Inception Date	Total Annual Asset Based Fees	1st Quarter, 2009 Rtn			Year-to-Date Rtn			1 Year Rtn			3 Year Avg Annual Rtn			5 Year Avg Annual Rtn			Avg Annual Return Since Option Inception		
			Program Returns*	Blended Index Return	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark	Program Returns*	Blended Bnchmk Returns	Over/ (Under) Benchmark
100% Equity Index	6/20/2006	0.65%	-11.78%	-11.43%	-0.35%	-11.78%	-11.43%	-0.35%	-40.09%	-39.90%	-0.19%	N/A	N/A	N/A	N/A	N/A	N/A	-13.93%	-13.20%	-0.73%
Social Choice	11/19/2007	0.65%	-10.29%	-10.80%	0.51%	-10.29%	-10.80%	0.51%	-37.45%	-38.20%	0.75%	N/A	N/A	N/A	N/A	N/A	N/A	-31.82%	-33.42%	1.60%
High Equity	3/22/2001	0.65%	-8.60%	-9.01%	0.41%	-8.60%	-9.01%	0.41%	-32.00%	-32.94%	0.94%	-10.20%	-10.11%	-0.09%	-3.05%	-2.72%	-0.33%	-1.55%	-0.39%	-1.16%
100% Fixed Income	6/20/2006	0.65%	1.06%	1.47%	-0.41%	1.06%	1.47%	-0.41%	0.00%	1.90%	-1.90%	N/A	N/A	N/A	N/A	N/A	N/A	4.89%	6.38%	-1.49%
Money Market	2/18/2008	0.65%	0.20%	0.10%	0.10%	0.20%	0.10%	0.10%	1.60%	1.37%	0.23%	N/A	N/A	N/A	N/A	N/A	N/A	1.70%	1.45%	0.25%
Principal Plus Interest	4/23/2001	N/A	0.83%	0.16%	0.67%	0.83%	0.16%	0.67%	3.63%	0.91%	2.72%	3.60%	3.12%	0.48%	3.41%	2.95%	0.46%	3.73%	2.45%	1.28%

Underlying Fund Performance: Additional Investment Options

Underlying Mutual Funds as of 03/31/2009	Inception Date	Underlying Fund Expenses	Benchmark	1st Quarter, 2009 Rtn			Year-to-Date Rtn			1 Year Rtn			3 Year Avg Annual Rtn			5 Year Avg Annual Rtn			Avg Annual Return Since Fund Inception		
				TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark	TIAA-CREF Returns	Bnchmk Returns	Over/ (Under) Benchmark
Equity Index	07/01/1999	0.07%	Russell 3000	-10.81%	-10.80%	-0.01%	-10.81%	-10.80%	-0.01%	-38.12%	-38.20%	0.08%	-13.55%	-13.55%	0.00%	-4.61%	-4.59%	-0.02%	-3.21%	-3.11%	-0.10%
S&P 500 Index	10/01/2002	0.06%	S&P500	-10.98%	-11.01%	0.03%	-10.98%	-11.01%	0.03%	-37.99%	-38.09%	0.10%	-13.05%	-13.06%	0.01%	-4.81%	-4.76%	-0.05%	0.95%	1.03%	-0.08%
Mid-Cap Growth	10/01/2002	0.56%	Russell MidCap Growth	-2.95%	-3.36%	0.41%	-2.95%	-3.36%	0.41%	-41.10%	-39.58%	-1.52%	-15.35%	-14.89%	-0.46%	-4.10%	-3.91%	-0.19%	4.41%	4.22%	0.19%
Mid-Cap Value	10/01/2002	0.52%	Russell MidCap Value	-9.11%	-14.67%	5.56%	-9.11%	-14.67%	5.56%	-40.86%	-42.51%	1.65%	-13.65%	-16.68%	3.03%	-1.68%	-3.81%	2.13%	6.11%	3.49%	2.62%
Small-Cap Equity	10/01/2002	0.53%	Russell 2000	-14.93%	-14.95%	0.02%	-14.93%	-14.95%	0.02%	-37.33%	-37.50%	0.17%	-17.74%	-16.80%	-0.94%	-5.91%	-5.24%	-0.67%	3.14%	3.48%	-0.34%
Social Choice Equity	07/01/1999	0.22%	Russell 3000	-10.24%	-10.80%	0.56%	-10.24%	-10.80%	0.56%	-37.21%	-38.20%	0.99%	-13.39%	-13.55%	0.16%	-4.46%	-4.59%	0.13%	-3.14%	-3.11%	-0.03%
International Equity Index	10/01/2002	0.12%	Morgan Stanley EAFE	-15.00%	-13.94%	-1.06%	-15.00%	-13.94%	-1.06%	-45.98%	-46.51%	0.53%	-14.25%	-14.47%	0.22%	-2.06%	-2.18%	0.12%	5.00%	5.04%	-0.04%
Bond	07/01/1999	0.32%	LB Aggregate Bond	0.16%	0.12%	0.04%	0.16%	0.12%	0.04%	1.30%	3.13%	-1.83%	4.72%	5.78%	-1.06%	3.48%	4.13%	-0.65%	5.65%	5.96%	-0.31%
Inflation-Linked Bond	10/01/2002	0.34%	LB TIPS	4.09%	5.52%	-1.43%	4.09%	5.52%	-1.43%	-2.74%	-2.04%	-0.70%	5.30%	5.72%	-0.42%	3.86%	4.15%	-0.29%	5.16%	5.44%	-0.28%
Money Market	07/01/1999	0.14%	iMoneyNet Mny Mkt Avg	0.28%	0.10%	0.18%	0.28%	0.10%	0.18%	2.12%	1.36%	0.76%	4.09%	3.44%	0.65%	3.53%	2.92%	0.61%	3.47%	2.93%	0.54%

* "Program Returns" are net of program management fees and mutual fund expenses.

IV. Operational Performance

Connecticut Higher Education Trust Operational Performance Summary

January through March 2009

Correspondence	Jan	Feb	Mar	1st Qtr	YTD
Financial Correspondence					
Accuracy	97.9%	100.0%	98.9%	98.9%	98.9%
Timeliness	99.3%	96.1%	97.9%	97.8%	97.8%
Non-Financial Correspondence					
Accuracy	100.0%	94.7%	100.0%	98.2%	98.2%
Timeliness	100.0%	100.0%	94.7%	98.2%	98.2%
Check Processing	Jan	Feb	Mar	1st Qtr	YTD
Accuracy	100.0%	100.0%	100.0%	100.0%	100.0%
Timeliness	100.0%	100.0%	100.0%	100.0%	100.0%
Confirmations/Statements (1)	Jan	Feb	Mar	1st Qtr	YTD
Accuracy	100.0%	100.0%	100.0%	100.0%	100.0%
Timeliness	100.0%	100.0%	100.0%	100.0%	100.0%
Mail Processing	Jan	Feb	Mar	1st Qtr	YTD
Total Mailed	693	362	749	1,804	1,804
Mailed within 5 Days	100.0%	100.0%	100.0%	100.0%	100.0%
Account Set Up (2)	Jan	Feb	Mar	1st Qtr	YTD
Accuracy	94.5%	91.8%	90.7%	92.3%	92.3%
Timeliness	99.0%	100.0%	100.0%	99.7%	99.7%
Account Redemption	Jan	Feb	Mar	1st Qtr	YTD
Accuracy	96.2%	97.7%	98.7%	97.5%	97.5%
Timeliness	100.0%	100.0%	100.0%	100.0%	100.0%
Systems Availability and Timeliness (3)	Jan	Feb	Mar	1st Qtr	YTD
System Performance Timeliness (Peak)	100.0%	100.0%	100.0%	100.0%	100.0%
Minutes Systems were Unavailable	0	0	0	0	0
System Performance Timeliness (Non-Peak)	100.0%	100.0%	100.0%	100.0%	100.0%
Minutes Systems were Unavailable	0	0	0	0	0

(1) Confirmation Statements and Daily Statements are mailed within 3 days

(2) Account set-up includes manual accounts only

(3) This data is compiled for total system downtime and is not available by state component

V. Customer Contact Summary

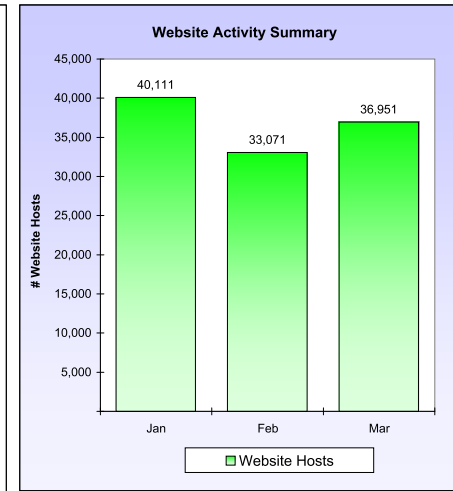
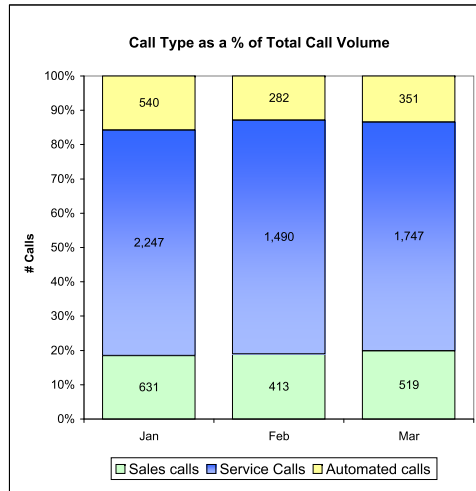
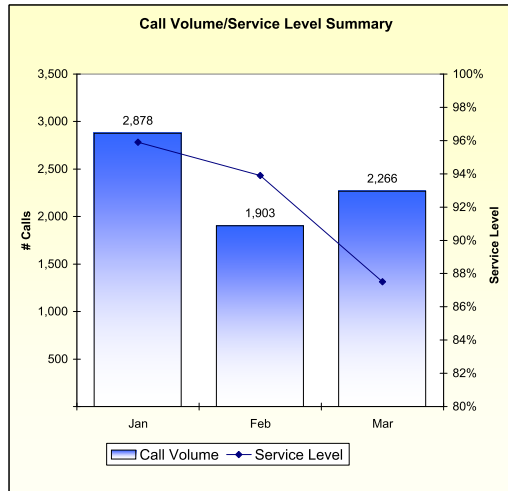
Connecticut Higher Education Trust Customer Contact Summary

January through March 2009

Live Calls	Jan	Feb	Mar	1st Qtr Totals	YTD 2009
- Sales Calls	631	413	519	1,563	1,563
% Incr/Decr Over Prev Year	-42.1%	-42.8%	-39.5%	-41.5%	-41.5%
- Service Calls	2,247	1,490	1,747	5,484	5,484
% Incr/Decr Over Prev Year	-24.5%	-11.8%	-2.7%	-15.1%	-15.1%
Total Live Calls	2,878	1,903	2,266	7,047	7,047
% Incr/Decr Over Prev Year	-29.2%	-21.1%	-14.6%	-22.8%	-22.8%
Calls Abandoned	43	14	37	94	94
Abandonment Rate**	1.5%	0.7%	1.6%	1.3%	1.3%
Incr/Decr Over Prev Year	-0.7%	-1.7%	-1.9%	-1.3%	-1.3%
Service Level**	95.9%	93.9%	87.5%	92.7%	92.7%
Service Level (prev year)	87.6%	91.2%	87.0%	88.4%	88.4%

Automated Calls	Jan	Feb	Mar	1st Qtr Totals	YTD 2009
- IVR Calls	20	27	14	61	61
% Incr/Decr Over Prev Year	-63.0%	-22.9%	-64.1%	-52.3%	-52.3%
- BFDS Calls	520	255	337	1,112	1,112
% Incr/Decr Over Prev Year	44.0%	2.0%	23.0%	25.6%	25.6%
Total Automated Calls*	540	282	351	1,173	1,173
% Incr/Decr Over Prev Year	30.1%	-1.1%	12.1%	15.8%	15.8%

Unique Website Hosts	40,111	33,071	36,951	110,133	110,133
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*IVR Volume refers to requests for enrollment materials via the automated telephone system. * BFDS Volume refers to account maintenance via the automated telephone system.

** Service Level and Abandonment Rate calculations are based on phone calls taken by live phone representatives and therefore do not include IVR calls received.

VI. Marketing Activity

Connecticut Higher Education Trust 1st Quarter 2009

Highlights and Summary

- The 1st quarter (Q1) marketing initiatives for the Connecticut Higher Education Trust (CHET) program included a series of integrated direct marketing, community outreach and public relations activities.
- The primary marketing initiatives for CHET during Q1, 2009 were the Tax Time campaign and the CHET Dream Big! campaign.
- Q1 initiatives leveraged a multi-channel approach including off-line (direct mail), on-line (search, banners, e-mail, etc.), community outreach and public relations to stimulate account growth and generate leads.
- On-going Account Owner communications included distribution of the quarterly e-newsletter, statement inserts, and beneficiary birthday card mailings.
- Follow-up email and direct mail communication were sent on an on-going basis to inquirers (individuals who requested information about the program).
- General quarter highlights include:
 - More than 2.3 million outbound marketing messages were delivered across all channels to prospects and Account Owners during the quarter.
 - Over 11,000 inbound inquiries (inbound calls, business reply cards, and web clicks) directly linked to marketing initiatives were generated during the quarter.

Connecticut Higher Education Trust 1st Quarter 2009

Channel Highlights

PARTICULAR CHANNEL HIGHLIGHTS:

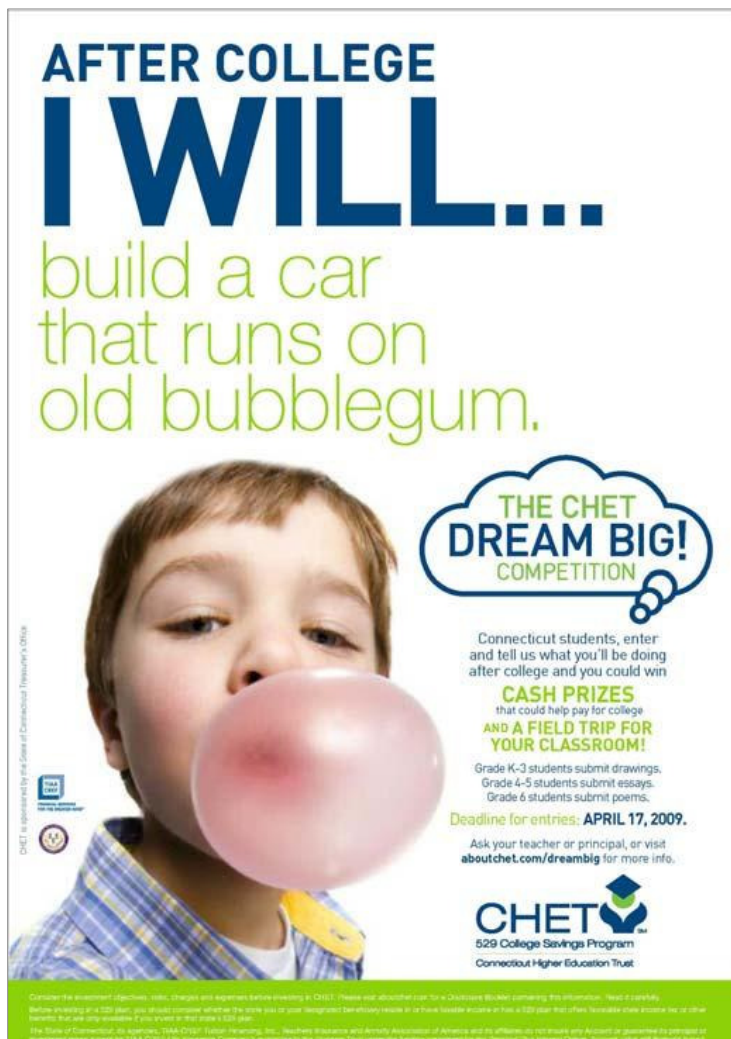
- Search is exhibiting the capability of capturing new accounts (149 openings directly linked to search) and deepening Account Owner relationships (308 total transactions including deposits and automatic payment plan sign-ups).
- Banners generated over 750 clicks for more detailed CHET 529 plan information.
- E-mail has proven to be an efficient means to communicate and stimulate interest among past inquirers (an 8.4% inquiry rate for e-mails to this segment was the highest among all channel and audience combinations).
- The direct mail channel generated over 100 inquiries (clicks and calls) from prospects and over 550 inquiries (clicks and calls) from account owners during Q1, 2009.

Connecticut Higher Education Trust 1st Quarter 2009

CHET Dream Big! Campaign Highlights

CHET Dream Big! Competition Poster

Additional creative samples found at the end of this section.



- The CHET Dream Big! Competition, sponsored by the State of Connecticut Treasurer's office and CHET, was a drawing poetry and essay contest for Connecticut students in grades Kindergarten (K) through six (6). The competition ran from February 16, 2009 through April 3, 2009.
- The CHET Dream Big! Competition was promoted via a series of multi-channel, integrated communications during Q1, 2009.
- Children in grades K through three (3) were asked to draw a picture that portrays the answer to the question, "What do I want to do after I go to college?" Fourth (4) and fifth (5) grade students were asked to write an essay explaining, "How will I change the world after I go to college?" Sixth (6) grade students answered the same question by penning an original poem.
- The promotion was designed to encourage children to dream big about their future and to remind parents that it's important to have a college savings strategy in place to support the dreams of their children.
- At the end of March, preliminary results indicated that approx. **1,800** entries were received from across the state.
- A panel of judges, including writers, poets, artists, and representatives from TIAA-CREF Tuition Financing, Inc. and the Connecticut State Treasurer's Office will select the competition winners (twenty-four county winners – three (3) from each of Connecticut's eight counties and three (3) statewide winners) during Q2.

Connecticut Higher Education Trust 1st Quarter 2009

CHET Dream Big! Campaign Highlights

Teacher E-mail

Additional creative samples found at the end of this section.



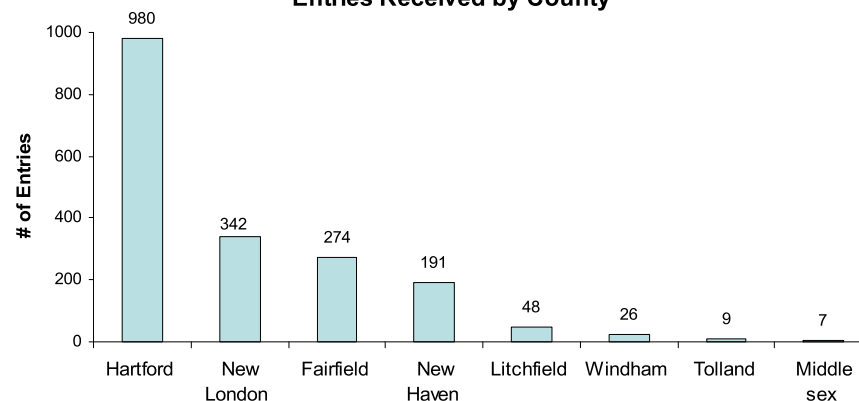
- Outbound communications promoting the Dream Big! Competition included:
 - During Q3, the Dream Big! Competition press release, letters to superintendents and principals were finalized and distributed.
 - E-mails were distributed to Connecticut parents, superintendents, and principals (over 60,000 deployed).
 - Over 4,500 entry forms, 1,750 buck slips, 250 posters, and 2,500 CHET flyers were distributed directly to schools and/or urban and suburban locations across Connecticut (such as coffee shops, libraries, community centers, restaurants, salons and other gathering places).
 - Banner Ads on the CHET Website.
 - Dedicated Website (www.chetdreambig.com) on which details, rules, deadlines and entry forms could be viewed.
- Media coverage for the events included:
 - On Monday, March 16, Kathleen Tunson spoke with Nancy Barrow of Hot 93.7, WZMX FM radio about the Dream Big! Competition and College Fair.
 - *Journal Inquirer* coverage in the Saturday March, 14th issue.
 - Hartford.com, Westhartford.org, the ConneCT Kids Government Web site) and the iTowns section online at The Hartford Courant all featured calendar listings of the CHET Dream Big! events.

Connecticut Higher Education Trust 1st Quarter 2009

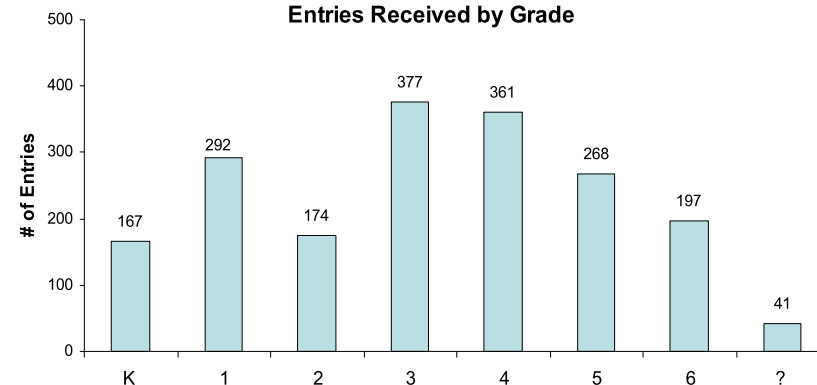
CHET Dream Big! Campaign Highlights

- The CHET Dream Big! Competition stimulated significant interest in the CHET 529 program.
 - Over 1,800 entries were submitted in the CHET Dream Big! Competition as of the end of March/beginning of April).
 - Over 300 clicks and 27 inbound calls were directly attributed to the e-mail deployments and 5 new accounts were opened on-line directly from the e-mails
 - At the end of March, over 25 schools requested materials via telephone, email, fax and regular mail
 - Approximately 22 calls were received on the CHET Dream Big! Hot Line
- Over 50% of the entrants came from the Hartford county area with significant representation for each grade level. 3rd and 4th graders had the highest level of enrollment.

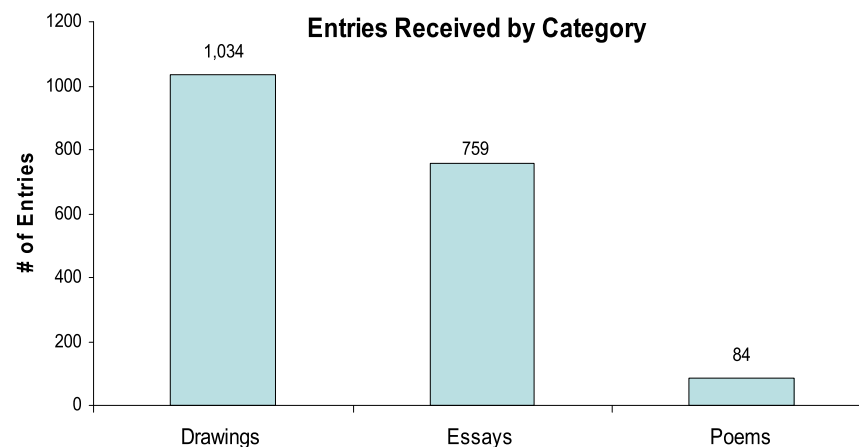
Entries Received by County



Entries Received by Grade



Entries Received by Category



Connecticut Higher Education Trust 1st Quarter 2009

Community Outreach Highlights

IN COMMUNITY EVENTS AND ACTIVITIES:

- During the first quarter, TFI reached out to Connecticut's general population, Account Owners, schools, employers and the financial community via the following community events:



-Mar. 7 – CHET and Connecticut Magazine Camp Fair, Connecticut Post Mall, Milford (Community)

-Mar. 18 – CHET Dream Big! College Fair, Classical Magnet School, Hartford (Community)

-Mar. 18 – ALCOA Lunch 'n Learn, Winsted (Employer)

-Mar. 18 – ALCOA Webinar, online (Employer)

-Mar. 21 & 22 – Latino Expo, Hartford (Community – Hispanic Outreach)

-Mar. 25 – Greater Bridgeport Latino Network – “It’s Your Money Conference,” Casey Family Services, Bridgeport (Community – Hispanic and Low- to Moderate-Income Outreach)

-Mar. 27 – Treasurer’s Annual Public Finance Outlook Conference, Rentschler Field, Hartford (Financial)

Connecticut Higher Education Trust 1st Quarter 2009

Community Outreach Highlights

IN COMMUNITY EVENTS AND ACTIVITIES (cont'd):

❑ March 7th - CHET and Connecticut Parent Magazine Camp Fair:



Pamela McNulty at the CHET exhibit table during the CHET and Connecticut Parent Magazine Camp Fair



Promotional signage posted before and during the event.

- The Second Annual CHET and Connecticut Parent Magazine Camp Fair was held on Saturday, March 7th at the Connecticut Post Mall in Milford, CT from 10 a.m. – 8 p.m.
- A press release announcing the event was distributed on March 4th.
- Pam McNulty and Kathleen Tunson worked the event and discussed CHET and the CHET Dream Big! Competition with hundreds of families during the event.
- The sponsorship included a full page ad in CT Parent Magazine, signage at the CT Post Mall, radio announcements before and during event, and table during the event.
- Connecticut Parent Magazine included post-event articles in their print and online publications.
- A few photos from the event are to the left.

Connecticut Higher Education Trust 1st Quarter 2009

Community Outreach Highlights

IN COMMUNITY EVENTS AND ACTIVITIES (cont'd):

❑ March 18th - CHET Dream Big! College Fair:



The CHET Dream Big! College Fair was held in the cafeteria at Classical Magnet School, Hartford.



Kathleen Tunson and Pamela McNulty were on-site to answer questions about CHET and to hand out information about the CHET Dream Big! Competition.

- The CHET Dream Big! College Fair was held on March 18, at Classical Magnet School, Hartford, CT.
- The College Fair was designed to educate parents and children grades K-6 about the importance of going to college and starting to save early.
- Over 50 parents and children attended the event.
- The event solidified very positive relationships with the Classical Magnet School and all participating colleges and universities, who were all interested in future collaborations.
- The list of colleges included: Albertus Magnus, Central Connecticut State University, Briarwood, Paier College of Art, Southern Connecticut State University, University of Hartford, University of New Haven, Wesleyan University, Yale University, Central Connecticut State University, Eastern Connecticut State University, Gateway Community College, Goodwin, Sacred Heart, Trinity College, Tunxis Community College, University of Bridgeport and University of Connecticut.
- The list of career speakers included: Fran Morales (Telemundo Communications, marketing & promotions), Sarah French (Fox 61, news reporter), Kathleen Tunson and Pam McNulty (TFI and CHET representatives), Joseph Shiman (Hensley Associates, financial advisor), Kate Sidley (Hartford Stage Company, theater careers), Shellie Giroux (Avon Wellness Center Dental Associates, dental careers), Don Carter (author and illustrator for children's books, careers in writing and animation), Catherine Carter (UConn Health Center, dietician and medical careers), and Sonia Plumb (choreographer, dance careers).

Connecticut Higher Education Trust 1st Quarter 2009

Community Outreach Highlights

IN COMMUNITY EVENTS AND ACTIVITIES (cont'd):

❑ March 18th - CHET Dream Big! College Fair (cont'd.):



Sarah French (Fox 61, news reporter), is pictured with CHET Dream Big! College Fair attendees.



Pre-event coverage included a calendar listing on www.kids.ct.gov website. A screen capture appears above.

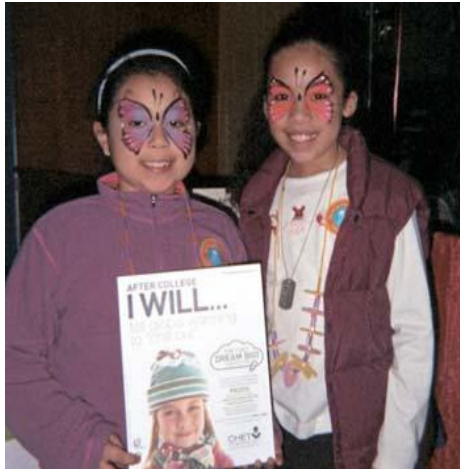
- CHET Dream Big! Competition Official Entry Forms were distributed to all College Fair participants, and left behind for the sixth graders at the Classical Magnet School.
- Pre-Event Media Coverage:
 - On Monday, March 16, Kathleen Tunson spoke with Nancy Barrow of *Hot 93.7*, WZMX FM radio about the Dream Big! College Fair. The interview aired on Tuesday, March 17, the day before the College Fair.
 - The College Fair was featured in the State section of the daily newspaper, *Journal Inquirer*, on Saturday, March 14.
 - Hartford.com, Westhartford.org, the ConneCT Kids Government Web site) and the iTowns section online at The Hartford Courant all featured calendar listings of the CHET Dream Big! College.
- Post-Event Media Coverage:
 - On the night of the College Fair, and the next morning, event coverage appeared on both Fox 61 (three times) and NBC 30 (three times)—bringing the messages of CHET, the College Fair and the Dream Big! Competition into 50,000 Connecticut homes for each of the six airings—for a total of 300,000 household impressions.
 - Fox 61 also posted a link to the CHET Dream Big! microsite on their station Web site for even more visibility.

Online links to the pre- and post-event coverage were submitted to the Treasurer's staff during March.

Connecticut Higher Education Trust 1st Quarter 2009

Community Outreach Highlights

IN COMMUNITY EVENTS AND ACTIVITIES (cont'd):



Two attendees at the Latino Expo take CHET Dream Big! Competition information to review.

❑ **March 21st – 22nd, Latino Expo:**

- CHET participated as an exhibitor at the 19th Annual Latino Expo held on March 21 – 22 at the Expo Center in Hartford, CT.
- Kathleen Tunson was the CHET representative during the two day event.
- Hundreds of families (primarily Latino) took enrollment materials, program brochures and CHET Dream Big! Competition information and entry forms and asked questions about saving for college and the benefits of using CHET to help them meet their college savings goals.

❑ **March 25th - Greater Bridgeport Latino Network- "It's Your Money" Conference:**

- CHET participated as an exhibitor and speaker at the first annual Greater Bridgeport Latino Network - "It's Your Money" Conference on March 25 at Casey Family Services, Bridgeport, CT, from 5:30 – 8:30 p.m.
- The focus of this event was to educate individuals on many of the services (financial and other) that are available to low- to moderate-income families.
- Speakers at the event included: Credit Counseling, 2-1-1 (CT based services for low- to moderate-income families), People's Bank (promoting their checking and savings accounts), State Farm (promoting their free retirement planning services), Connecticut Association for Human Services (financial education services on host of issues) and CHET.
- Pam McNulty was the CHET representative. As an exhibitor and speaker, Pam was given the opportunity to speak about the benefits of saving for College early via CHET and promote the CHET Dream Big! Competition.
- Fifteen- twenty low- to moderate income families (primarily from the Hispanic community) were in attendance at the event.

Connecticut Higher Education Trust 1st Quarter 2009

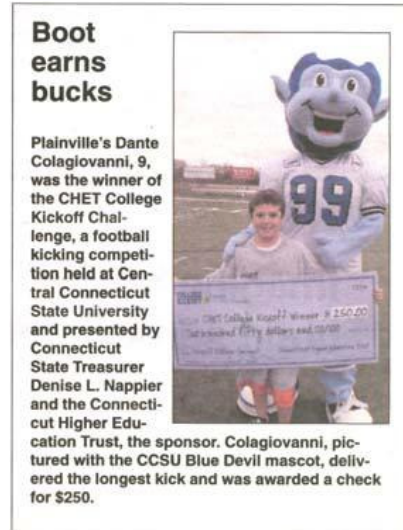
Public Relations Highlights

Summary of media outreach efforts conducted by Adams & Knight, the public relations agency of record for CHET.

Media Outreach:

- CHET Kick-Off Challenge – During January, CHET Kick-Off Challenge winners were featured in local newspapers. Dante Colagiovanni was featured in *The Plainville Citizen* and Jonathan Beck, Grand Prize Kickoff winner, was featured in the *Connecticut Voices* newspaper.
- The fall 2008 CHET College Kickoff events won a 2009 Mark of Excellence Award from the American Marketing Association. The awards ceremony was held on Thursday, March 26 at The Colonnade in Glastonbury.

Connecticut Voices



The Plainville Citizen

Jonathan Beck Wins CHET Championship

WOODBURY — Jonathan Beck of Woodbury, 11, won the CHET College Kickoff Challenge Championship, a statewide football kicking competition, which took place in November during half-time of a football game at Central Connecticut State University.

Jonathan won a grand prize of \$500, presented by State Treasurer Denise L. Nappier and the Connecticut Higher Education Trust, sponsor of the event.

The CHET College Kickoff Challenge, designed for school children ages 7 to 12 years-old, was offered at three state universities during the college football season to help generate awareness among residents of the need to save money for college.

Children were randomly selected in drawings during the games and invited onto the football field at half-time to see who could kick a football the furthest.

Jonathan advanced to the CHET College Kickoff Challenge Championship after winning the Western Connecticut State University College Kickoff Challenge in October.

CHET, the state's 529 college savings plan, is designed to provide families of all household incomes and backgrounds with an affordable way to save for higher education expenses.

Those seeking additional information about CHET or applications may call the customer service center at 1-888-799-2438 or visit www.aboutchet.com.x

- CHET Dream Big! Competition and College Fair Outreach:
 - Press releases for the CHET Dream Big! Competition and College Fair were distributed in March.
 - A&K conducted e-mail and phone pitches about the CHET Dream Big! Competition and College Fair with outlets including—but not limited to: *The Hartford Courant*, *Journal Inquirer*, *Avon Life*, *The Bristol Press*, *The New Britain Herald*, *Inner City*, *The New Haven Register*, *The Connecticut Post*, *Business New Haven*, *Connecticut Business Magazine*, *Wethersfield Post*, *Newington Town Crier* and *Rocky Hill Post*.
 - A&K continued to reach out to Latino publications such as *Identidad Latina*, *Registro*, *El Sol*, *El Canilita*, and *La Voz*, as well as Latino and urban radio stations across the state about upcoming CHET events.

Connecticut Higher Education Trust 1st Quarter 2009

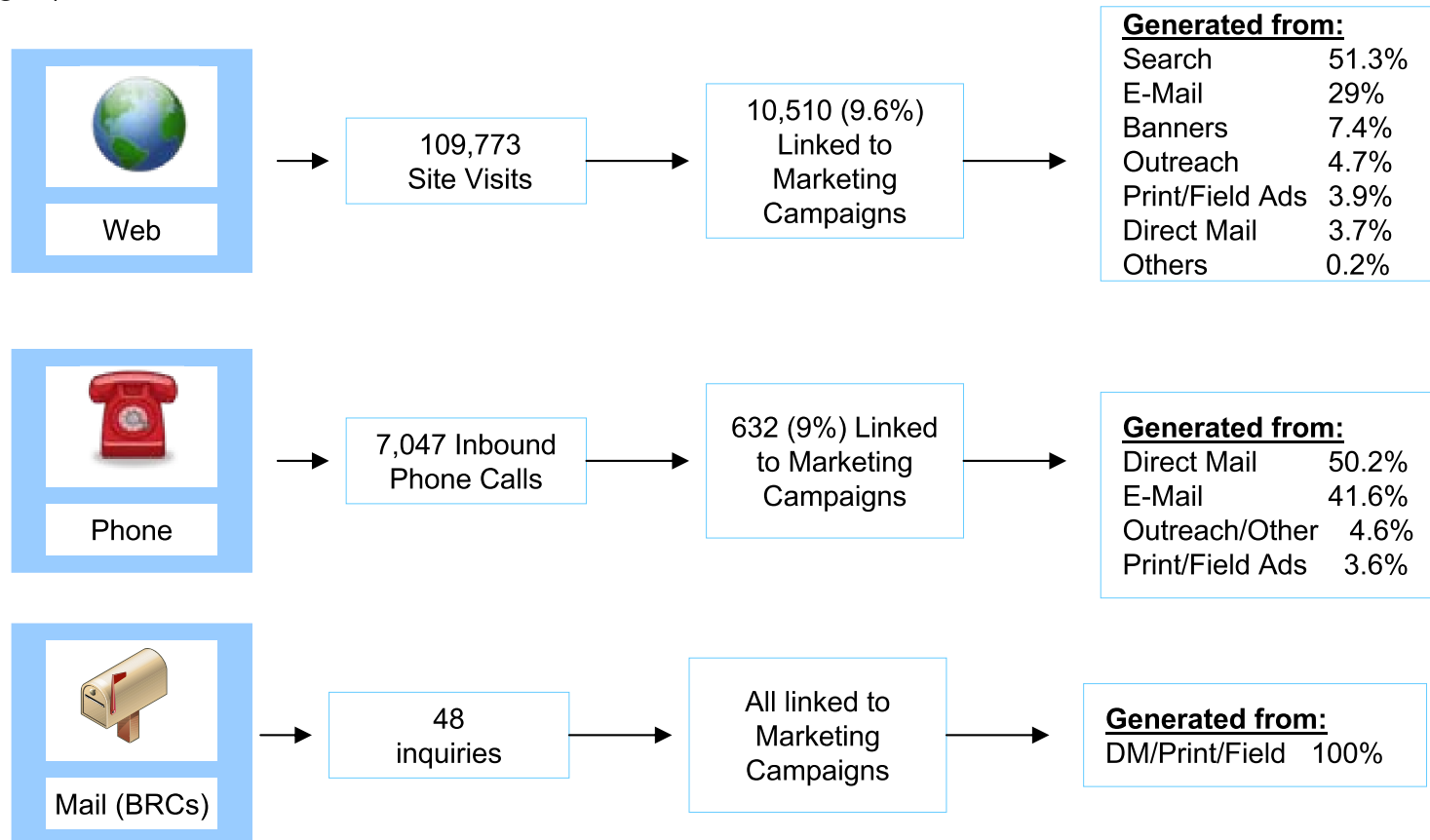
Marketing Matrix: Channel and Audience Mix

	Prospects	Inquirers	Account Owners
E-Mail	52,145 Mailed	1,194 Delivered	33,342 Delivered
Direct Mail	6,118 Mailed	2,196 Delivered	97,503 (incl. statement inserts)
Paid Search	541,177 Impressions Served		
Banners	1,663,622 Impressions Served		
Print Ads	Connecticut Parent Magazine, Inner City News (Black History Month and Martin Luther King Celebration issues), Latino Expo Program Guide and the Connecticut FPA Conference Program Guide		
Radio/TV	CHET Dream Big! Competition and College Fair Announcements on <i>Hot 93.7</i> , WZMX FM radio, Fox 61 (three times) and NBC 30 (three times)—bringing the messages of CHET, the College Fair and the Dream Big! Competition into 50,000 Connecticut homes for each of the six airings—for a total of 300,000 household impressions.		
Field Events	CHET and Connecticut Camp Fair, CHET Dream Big! College Fair, Latino Expo, ALCOA Lunch ‘n Learn, ALCOA Webinar, Greater Bridgeport Latino Network– It’s Your Money” Conference, and the Treasurer’s Annual Public Finance Outlook Conference.		

Connecticut Higher Education Trust 1st Quarter 2009

Overall Inbound Inquiry Activity

- The CHET program continued to stimulate inbound inquiry activity among the prospect and Account Owner populations with over 116,000 inquiries during the quarter.
- On-line is the most preferred channel of inquiry. Web-based activity that can be directly attributed to campaigns is primarily sourced to search, banner, and e-mail initiatives (88% of web-based inquiries).
- E-mail generated over 3,000 web-based inquiries and over 263 inbound calls during the quarter.
- Print and Field activities were directly responsible for over 410 inquiries (on-line and inbound calls).
- Direct mail is driving inquiry activity into the call centers (over 316 phone inquiries were successfully attributed to DM campaigns).

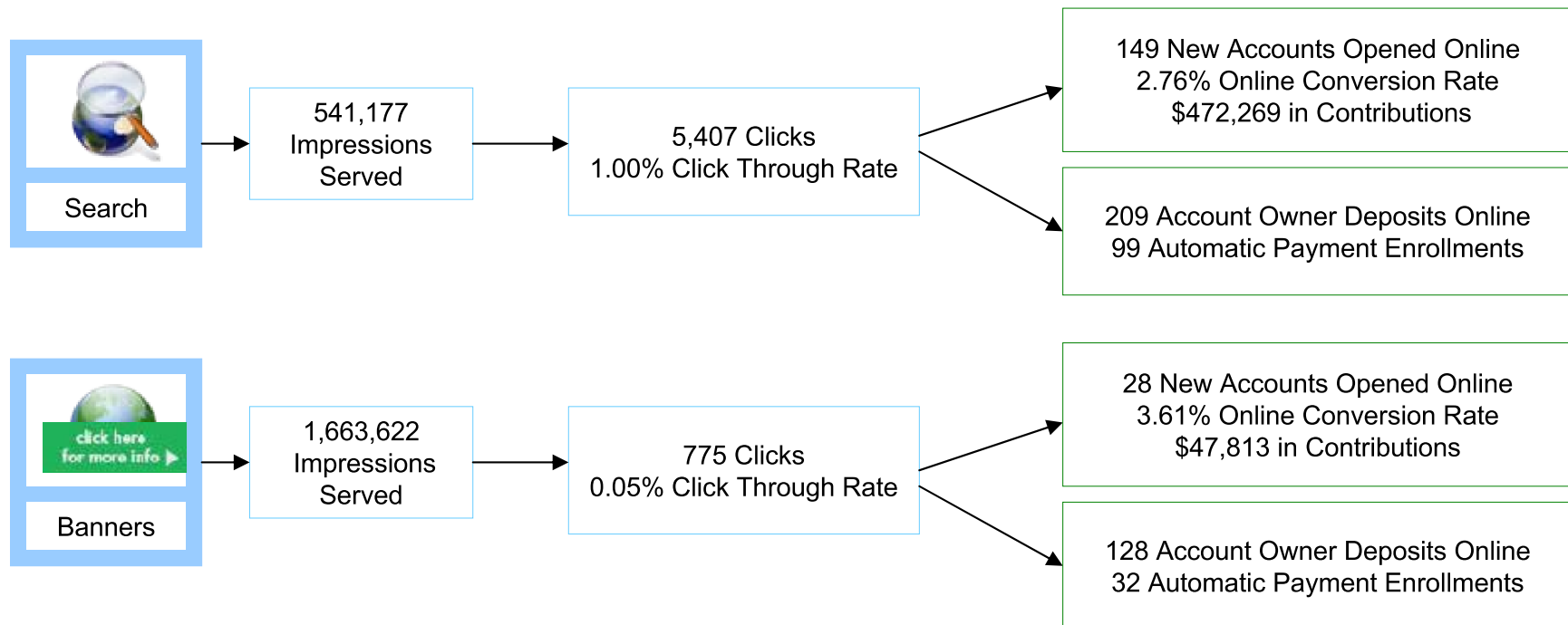


Connecticut Higher Education Trust 1st Quarter 2009

Channel Highlights & Effectiveness

SEARCH AND BANNERS:

- The search channel exhibited strong performance in Q1, 2009, serving over 540,000 impressions and generating over 5,400 web-based inquiries. The channel directly accounted for 149 new accounts totaling over \$470,000 in contributions via the web. Account Owners are leveraging search frequently to navigate to the account contributions page, evidenced by the 209 existing account deposits sourced to this channel.
- Banners generated 28 new accounts via the web. This media type proved valuable in deepening existing Account Owner relationships, capturing 128 Account Owner deposits and 31 automatic payment plan enrollments via the web during the quarter.

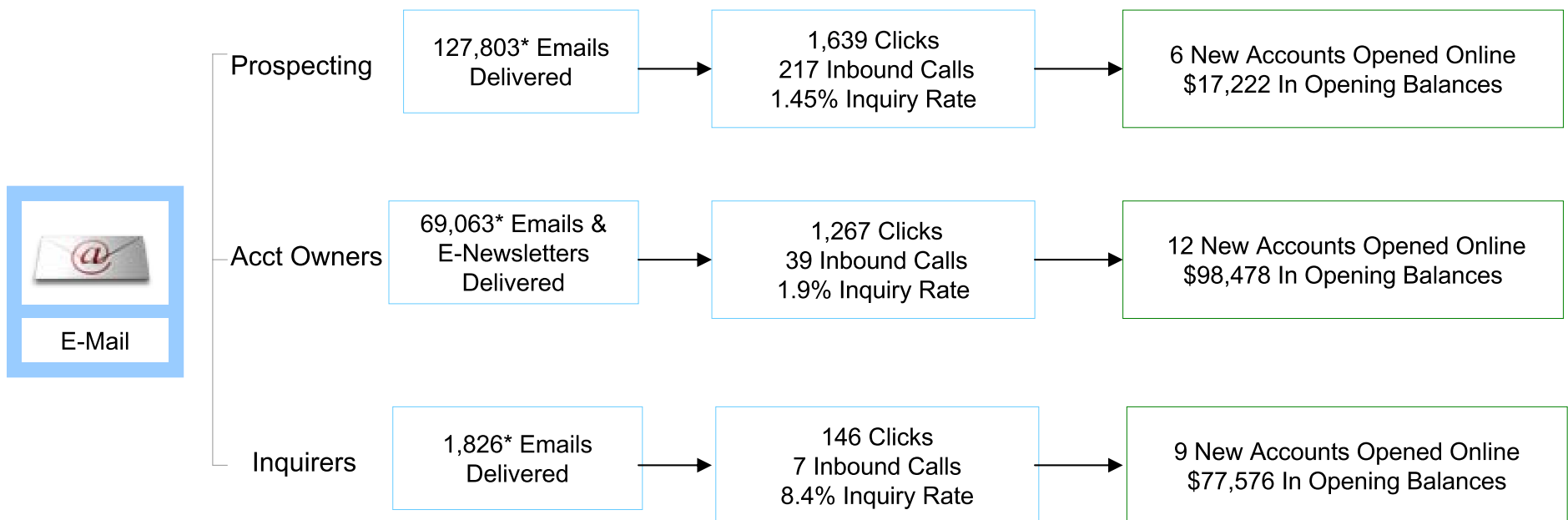


Connecticut Higher Education Trust 1st Quarter 2009

Campaign Measurement & Insights: Channel Highlights & Effectiveness

E-MAIL:

- The e-mail channel generated over 1,800 inquiries (clicks and calls) from prospects and over 1,300 inquiries (clicks and calls) from Account Owners during Q1, 2009.
- E-mail is proving to be an effective channel for increasing engagement and investment activity among the Account Owner and inquirer population.
 - The inquiry rate among the Account Owners was higher than the pure prospect audience (1.9% Vs. 1.45%)
 - The inquiry rate for past inquirers at 8.4% was the highest of any segment.
- Note that the current attribution process for linking account openings to a particular EM campaign only captures web-based account openings sourced through specific links imbedded in the e-mail.



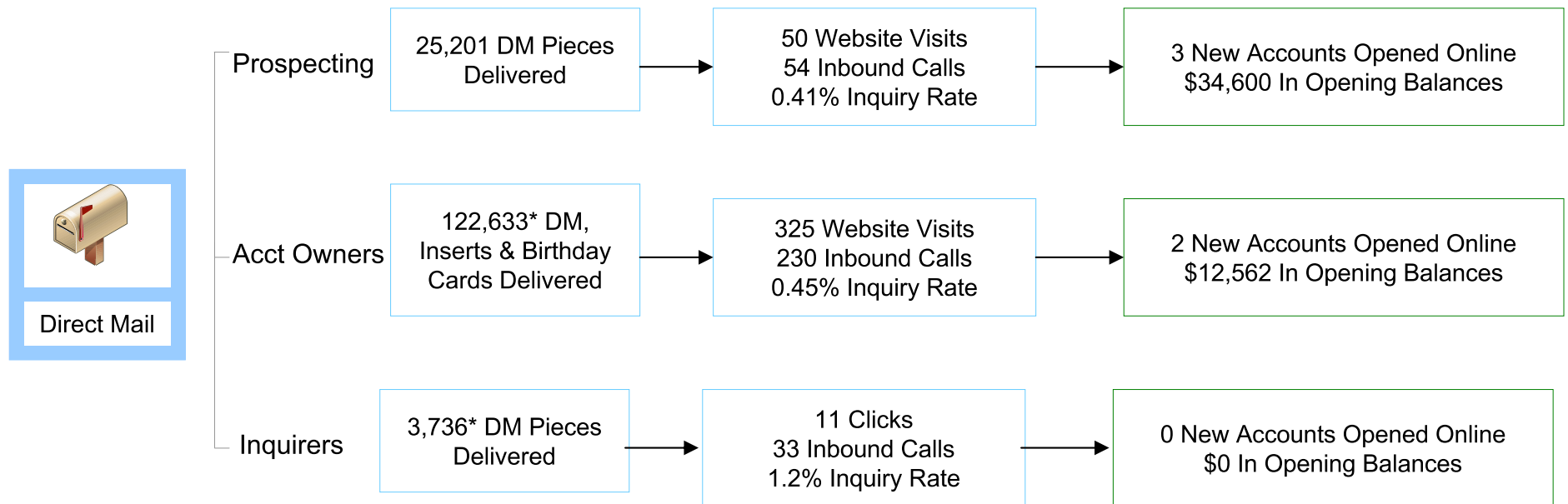
* Includes November, December 08 Initiatives as inquiries were still being generated from these campaigns in January, 2009.

Connecticut Higher Education Trust 1st Quarter 2009

Campaign Measurement & Insights: Channel Highlights & Effectiveness

DIRECT MAIL:

- The direct mail channel generated over 100 inquiries (clicks and calls) from prospects and over 550 inquiries (clicks and calls) from account owners during Q1, 2009.
- The direct mail channel is proving to be an effective channel for increasing engagement and investment activity among the inquirer population.
 - The inquiry rate for past inquirers at 1.2% was the highest of any segment.
- Note that the current attribution process for linking account openings to a particular DM campaign only captures web-based account openings sourced through specific links imbedded in the direct mail.



* Includes November, December 08 Initiatives as inquiries were still being generated from these campaigns in January, 2009.

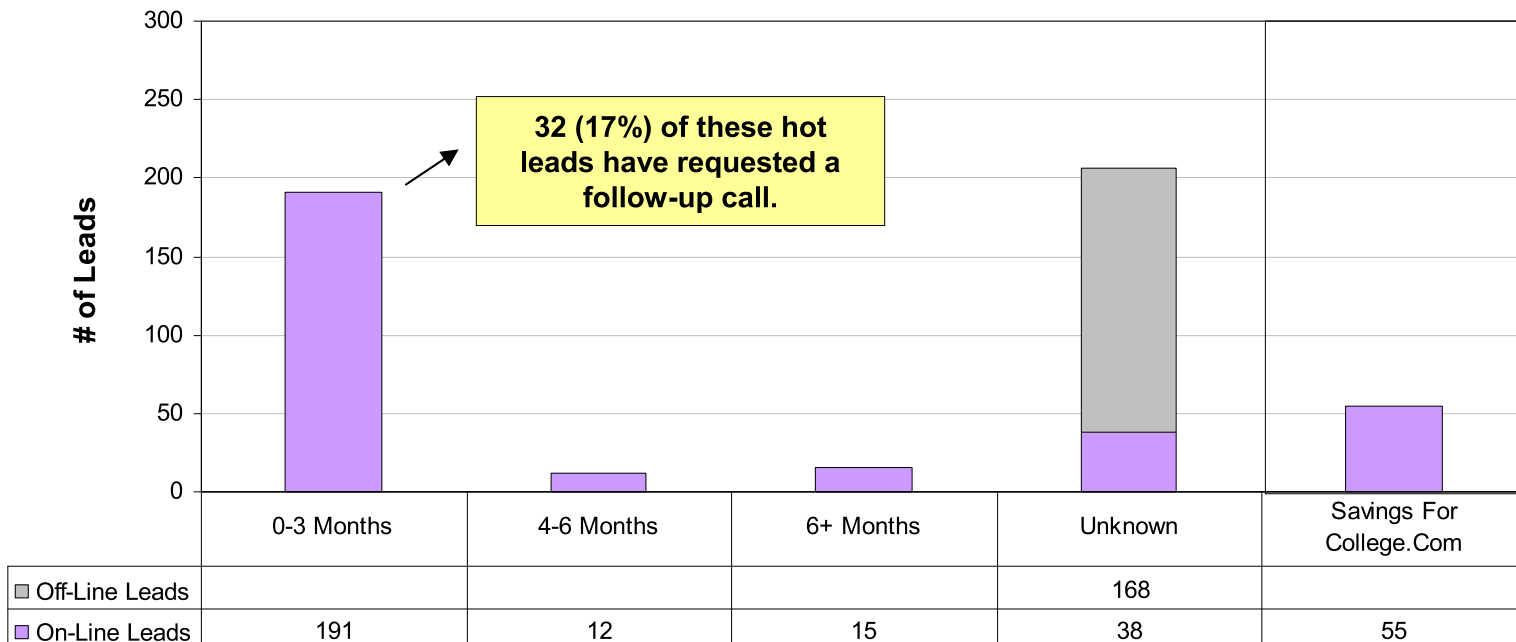
Connecticut Higher Education Trust 1st Quarter 2009

Campaign Measurement & Insights: Channel Highlights & Effectiveness

INQUIRER COMMUNICATION:

- A total of 479 qualified leads were captured via on-line and off-line channels for continuing marketing communications and call center follow-up.
- The leads were sourced via off-line channels (BRC's and Phone calls) and via online channels (the account information request page on the state's 529 plan website and the automated voice response system). Information around the 529 plan decision time for each prospect was captured at the time of inquiry.
 - 191 leads reporting a 529 plan decision within the subsequent 3 months contacted CREF.
 - 17% of these leads requested a follow-up call from a consultant.

Qualified Leads By Self-Reported Purchase Decision Time



Direct Mail – Prospects

11x17 Resource Guide

[illegible]

Connecticut Higher Education Trust 1st Quarter 2009

Creative – Prospect Communication – Online

E-mail

Landing Page

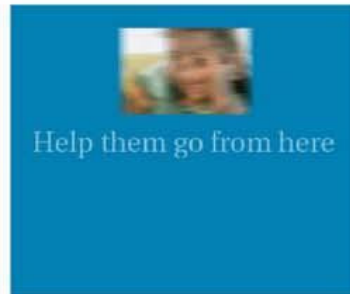
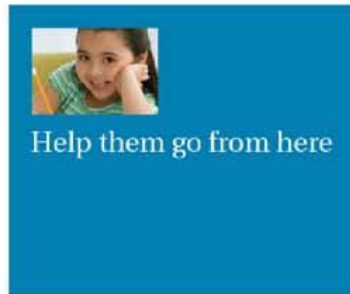
The screenshot shows the CHET website landing page. The header includes the CHET logo and the text "Connecticut's Official 529 College Savings Plan". The main content area features a large image of a family and the headline "Fulfill their dreams with a college savings plan. We can help you get there." Below this, there are several sections: "They'll be ready for college before you know it!", "Good for them. Good for you.", "Easy to start.", "Choice of schools, even out of state.", "State and federal tax advantages.", "Management you can trust.", and "Getting started is easy. You can get there. We can help." Each section has a brief description and a "Learn more" link. At the bottom, there is a "Consider the investment objectives, risks, charges and expenses before investing in CHET. Please visit www.aboutchet.com for a Disclosure Booklet containing this and other information. Read it carefully." and a "Before investing in a CHET 529 college savings plan, you should consider whether the state you or your designated Beneficiary reside in or have taxable income in has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in that state's 529 plan." section. The footer includes the text "© 2009 TIAA-CREF Tuition Financing, Inc., program manager. TIAA-CREF Individual & Institutional Services, LLC, member FINRA, distributes CHET." and the number "404".

The screenshot shows an email from CHET. The header includes the CHET logo and the text "Connecticut's official 529 college savings plan." The main content area features a large image of two children and the headline "Save for college with a plan that fits your budget. You can get there. We can help." Below this, there are several sections: "What is a 529 college savings plan?", "Choice of schools, even out of state.", "Considering CHET as a gift?", "Resource links:", "Dear Connecticut Resident.", "Choose the college savings plan that can help you reach your goals.", "Connecticut income tax deduction — the only 529 college savings plan eligible is CHET.", "Zero income tax on your earnings — both federal and state.", "Easy to start.", and "You can help ensure a better life through higher education. And we can help you get there." Each section has a brief description and a "Learn more" link. At the bottom, there is a signature block for Pamela L. McNulty, CHET 529 Program Director, and a "TIAA-CREF Individual & Institutional Services, LLC" logo. The footer includes the text "This email is a commercial advertisement. Please see below for information about your opt-out rights." and the number "404".

Connecticut Higher Education Trust 1st Quarter 2009

Creative – Prospect Communication – Online

Animated Banner Ads



300 x 250 banner ad size
will also have versions with
the following photo pairings:

Compliance
code:



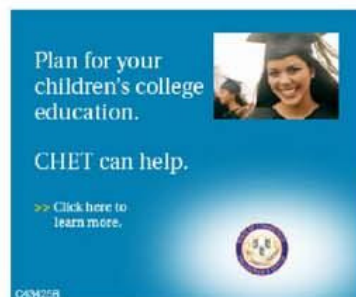
C43425D



C43425G



C43425J



Text fades in as text under photo fades out,
then state seal fades in.



CHET logo fades in, replacing state seal.

Connecticut Higher Education Trust 1st Quarter 2009

Creative – Account Owner DM Communication

Direct Mail – Account Owner

Consider the investment objectives, risks, charges and expenses before investing in CHET. Please visit www.abouthet.com for a Disclosure Booklet containing this and other information. Read it carefully.

Before investing in a CHET 529 college savings plan, you should consider whether the state you or your designated Beneficiary reside in or have taxable income in has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in that state's 529 plan.

The tax information contained herein is not intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. It was written to support the promotion of CHET. Taxpayers should seek advice based on their own particular circumstances from an independent tax adviser.

The State of Connecticut, its agencies, TAA-CRET Tuition Financing, Inc., Teachers Insurance and Annuity Association of America and its affiliates do not insure any Account or guarantee its principal or investment return except for TAA-CRET Life Insurance Company's guarantee to the Connecticut Higher Education Trust under the Funding Agreement for the Principal Plus Interest Option. Account value will fluctuate based upon a number of factors, including general market conditions.

© 2009 TAA-CRET Tuition Financing, Inc., program manager; TAA-CRET Individual & Institutional Services, LLC, member FINRA, distributes CHET.

ES4606A

CHET
529 College Savings Program
Connecticut Higher Education Trust

The Connecticut Higher Education Trust (CHET)
Account Owner Guide
Getting the most from the CHET 529 college savings plan

FROM THE DESK OF
PAMELA L. MCNULTY

Thank you for your participation in the Connecticut Higher Education Trust (CHET), the plan that helps make higher education possible for all Connecticut families, regardless of background or income. It's a great way to help your child or loved one achieve their biggest dreams while you can spend less of your own hard-earned income on taxes.

Please take a moment to review this guide. It's designed to help you make the most of your Account so that when the big day comes — when they begin their exciting college career — your regular, modest contributions can help them start strong.

Sincerely,
Pamela L. McNulty
CHET 529 Program Director
TAA-CRET Individual & Institutional Services, LLC

Don't miss out. Contribute now to help maximize your income tax benefits.

Any earnings in your CHET Account can grow free from Connecticut and federal income taxes. Withdrawals are also free from Connecticut and federal income taxes when used for qualified higher education expenses like tuition, fees, books, supplies, and certain room and board costs.

Help reach your goal with regular, modest contributions.

Like any good habit, saving for college should be a consistent, in-the-moment habit. Modest contributions in often more effective than contributing larger amounts all at once. And with the Automatic Contribution Plan (ACP) you can add as little as \$25 per investment option to your CHET Account the easy way — on a monthly, semi-monthly or quarterly basis. There's more on ACP inside this guide.

CHET makes a great gift.

Virtually anyone can open an Account for anyone else — even themselves. Whether you open an Account as a gift to someone else or make a contribution to your own Account as a gift to the beneficiary, mark the occasion with a downloadable presentation certificate, found online at www.abouthet.com/savingforcollege.

Inside:

- Resources to help you plan
- Get the latest news
- Help maximize the tax benefits
- How to manage your Account online

Two easy ways to find what you need:

- Online: www.abouthet.com/savingforcollege
- By phone: toll-free 1-866-675-2747

Outer Envelope

CHET
529 College Savings Program
Connecticut Higher Education Trust

Stay in step with your college savings.
Inside: The latest guide to help get the most from the CHET 529 college savings plan

PRESORTED
FIRST CLASS
US POSTAGE
PAID
TAA-CRET

11x17 Resource Guide

Resources to help reach your goals.

CHET is the only 529 college savings program that provides a Connecticut income tax deduction.

Connecticut taxpayers may deduct from their Connecticut adjusted gross income contributions made to one or more CHET Accounts during the tax year up to these annual contribution deduction limits: (1) \$5,000 for an individual who is single, head of household, or married/divorced upon filing separately; and (2) \$10,000 for an individual who is married/divorced upon filing jointly, or qualifying widow(er) with dependent child. These limits apply on an aggregate basis (not a per beneficiary basis) to all contributions made to all CHET Accounts during the tax year. Connecticut taxpayers may not claim a deduction for a rollover into a CHET Account from a non-CHET Account or for a transfer into a CHET Account from a Connecticut education savings account.

Two ways to develop the saving habit.

When you consistently contribute to your Account, you're not only developing a good savings habit, you're actually more likely to reach your goal. CHET gives you two easy ways to do just that:

- Automatic Contribution Plan (ACP):** If you haven't already, you can set up convenient, regular contributions directly from your checking or savings account. The Automatic Contribution feature can make it easier to match your contributions to your college savings goals and can help you maximize your income tax benefits. So sign up for or increase your ACP contributions, go to the CHET homepage at www.abouthet.com/savingforcollege, look for "Our Plan" and click on "Automatic Contribution Plan" to print the form.
- Automatic Payroll Deductions:** If your employer offers payroll deductions, you can make contributions for as little as \$25 per investment option.

The convenient way to manage your investment:
www.abouthet.com

Your CHET Web site has a number of helpful tools to help you get the most from your Account, all at your fingertips. From accessing your Account information and requesting qualified withdrawals to tools that help you stay on track with your investment, this site helps put you in control of your money in the most convenient way possible.

Stay Informed.
Get the latest news on the program and most about updates and enhancements to the Plan. Plus, find out about tax events and promotions in your area.

Access your Account.
Look up your balance, change your contact information, see how your Account is performing and more.

Loved ones can help, too.
Highlight uses for friends and family who want to open a savings plan for your child or loved one, including a presentation certificate and electronic greeting cards.

Savings calculator.
Monitor your Account, check your progress and see how much potential investment you may have when it's time for college by using this interactive tool.

Get the tax benefits.
Find out how to make sure you're getting income tax benefits from contributing to your Account.

Current site homepage may differ slightly from image shown.

Questions? We're here to help.

Two easy ways to answer your questions:

- Online: www.abouthet.com/savingforcollege
- By phone: toll-free 1-866-675-2747

CHET
529 College Savings Program
Connecticut Higher Education Trust

Make sure you're on track.

As college costs continue to rise, it's important to make sure your savings keep up. Here's the latest estimate of what a college education will cost by 2020 based on current projections.

Getting an idea of what you'll need.

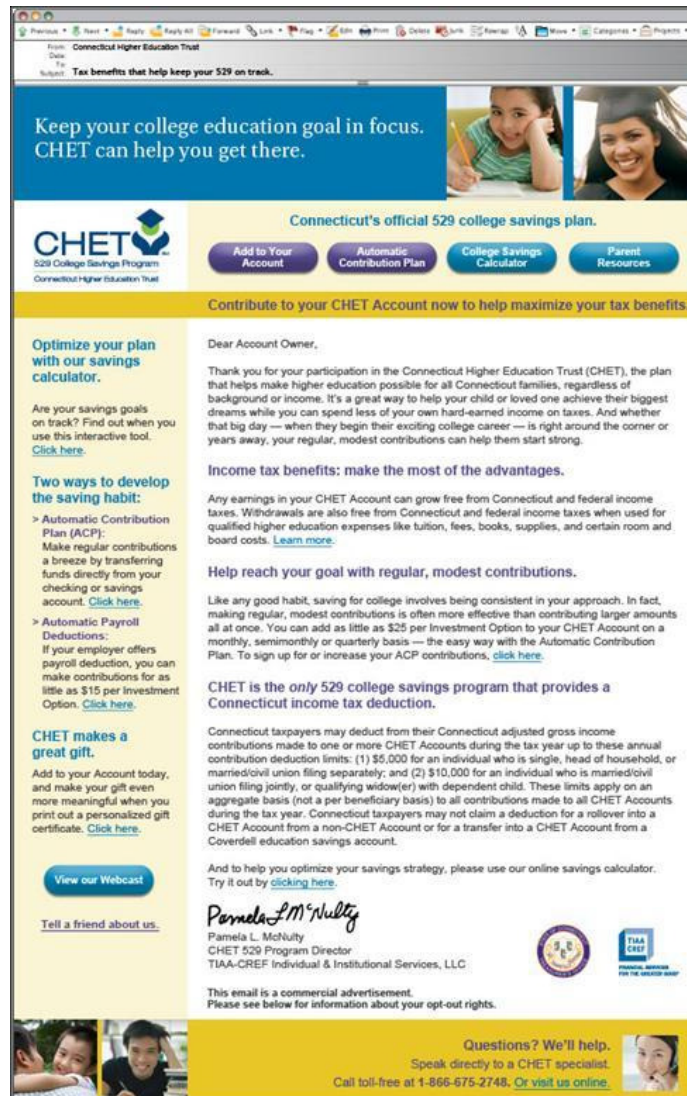
Year	4-Year Public College	4-Year Private College
2008	\$10,000	\$20,000
2010	\$11,000	\$22,000
2015	\$13,000	\$26,000
2020	\$15,000	\$30,000

The chart above estimates what CHET and personal CHET savings can do to help offset rising college expenses. Assuming a 5% annual rate of return, a \$10,000 investment in CHET today would grow to \$15,000 by 2020. A \$20,000 investment in CHET today would grow to \$30,000 by 2020. These figures are estimates and do not represent a guarantee of future performance.

Connecticut Higher Education Trust 1st Quarter 2009

Creative – Account Owner Online Communication

E-mail



Connecticut Higher Education Trust 1st Quarter 2009 Creative – Account Owner Online Communication

E-newsletter



Connecticut Higher Education Trust Dream Big! Competition Creative

Microsite

THE CHET DREAM BIG! COMPETITION

CHET 529 College Savings Program
Connecticut Higher Education Trust

CHET is sponsored by the State of Connecticut Treasurer's Office

HOW TO ENTER **OVERVIEW** **PRIZES** **FOR EDUCATORS**

Connecticut K-6 students, enter and tell us what you'll be doing after college and you could win

PRIZES
that could help pay for college
AND A FIELD TRIP FOR YOUR CLASSROOM!

Grade K-3 students submit drawings.
Grade 4-5 students submit essays.
Grade 6 students submit poems.

Deadline for postmarked entries:
APRIL 17, 2009.
Must be received no later than April 21, 2009.

AFTER COLLEGE I WILL...
build a car that runs on old bubblegum.

GET YOUR WHOLE SCHOOL INVOLVED! → [CLICK HERE](#)

LEARN WHY I CHOSE COLLEGE... → [CLICK HERE](#)

THE FACTS **OFFICIAL RULES** **ENTRY FORM**

WHAT:
The 2009 CHET Dream Big! Competition, sponsored by the State of Connecticut Treasurer's Office and CHET, is a drawing, essay and poetry contest that invites Connecticut students to enter and express themselves creatively—with a chance to win money that could go towards college and a prize for their classroom!

WHY:
To encourage families to start thinking about how higher education may help their children realize their dreams and make a difference in the world, and to promote the importance of saving for college early through a CHET account.

WHO:
Connecticut students grades K-6 (or equivalent, if home-schooled).

WHEN:
The contest will run from February 16 through April 17, 2009. (All drawing, essay and poetry entries must be postmarked by April 17, 2009, sent to: CHET Dream Big! Competition, P.O. Box 271405, West Hartford, CT 06127-1405 and received by April 21, 2009.)

HOW:
Entries should be submitted in the following categories:
DRAWING: Grades K-3: An original drawing, illustrating, "What do I want to do after I go to college?"
ESSAY: Grades 4-5: An original essay responding to the question, "How will I change the world after I go to college?"
POETRY: Grade 6: An original poem responding to the question, "How will I change the world after I go to college?"

DEADLINE FOR POSTMARKED ENTRIES:
APRIL 17, 2009
If you have questions about the CHET Dream Big! Competition, please call 1-866-799-CHET (2438) or email info@chetedreambig.com.

Consider the investment objectives, risks, charges and expenses below investing in CHET. Please visit aboutchet.com for a Disclosure Booklet containing this information. Read it carefully.
Before investing in a 529 plan, you should consider whether the state you or your designated beneficiary reside in or have taxable income in has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in that state's 529 plan.
The State of Connecticut, its agencies, TIAA-CREF TIAA Insurance Company and its affiliates do not insure any Account or guarantee its principal or investment return, except for TIAA-CREF Life Insurance Company's guarantee to the Principal Trust under the funding agreement for the Principal Plus Interest Option. Account value will fluctuate based upon a number of factors, including general market conditions.
The CHET Plan is administered by the Connecticut State Treasury. TIAA-CREF TIAA Insurance Company (TIAA) serves as Program Manager. TIAA is a 501(c)(3) organization.
© 2009 TIAA-CREF TIAA Insurance Company. C-03737A

Web Banner

AFTER COLLEGE I WILL...

AFTER COLLEGE I WILL...

build a car that runs on old bubblegum.

WHAT WILL YOUR CHILD DO?

ENTER AND FIND OUT.

CLICK HERE

THE CHET DREAM BIG! COMPETITION

CHET 529 College Savings Program
Connecticut Higher Education Trust

Connecticut parents, consider entering your student (grades K-6) in the CHET Dream Big! Competition. Sponsored by the State of Connecticut Treasurer's Office and Connecticut Higher Education Trust (CHET). For more details and official rules and prize descriptions, **CLICK HERE**. Void where prohibited. No purchase necessary. C03610A

Deadline for postmarked entries: **APRIL 17, 2009.**

Connecticut Higher Education Trust Dream Big! Competition Creative

Official Registration Form

Official Registration/Entry Form

AFTER COLLEGE I WILL....

tell global warming
to "chill out."



**THE CHET
DREAM BIG!
COMPETITION**

Connecticut K-6 students, enter
and tell us what you'll be doing
after college and you could win

PRIZES
that could help pay for college
**AND A CELEBRATION FOR
YOUR CLASSROOM!**

Grade K-3 students submit drawings.
Grade 4-5 students submit essays.
Grade 6 students submit poems.

Deadline for postmarked entries: APRIL 3, 2009.
Entries must be received by April 7, 2009.



CHET
528 College Savings Program
Connecticut Higher Education Trust

The CHET Dream Big! Competition is sponsored by the State of Connecticut Treasurer's Office and CHET.

Material Order Form



**THE CHET
DREAM BIG!
COMPETITION**

Promotion/Entry Materials Order Form

Spread the word and help Connecticut students grades K-6 enter the CHET Dream Big! Competition by ordering these free promotion and entry materials.

	<h3>Entry Form</h3> <p>Entry form allows Connecticut K-6 students to enter the Competition and informs parents and guardians of rules</p> <ul style="list-style-type: none"> • Everything needed to learn about and enter the Competition
	<h3>Back Slip</h3> <p>Small 8" x 4.5" marketing piece describes the CHET Dream Big! Competition</p> <ul style="list-style-type: none"> • Perfect for direct mailings or take-ones at events
	<h3>Posters</h3> <p>Two double-sided 12" x 18" posters feature different messages on each side</p> <ul style="list-style-type: none"> • Hang up to promote the Competition to children
	<h3>Brochure</h3> <p>Pocket-sized brochure provides an overview of the CHET 529 College Savings Plan</p> <ul style="list-style-type: none"> • Return the postage-paid reply card to learn more



Web site, Banner Ads & Emails

CHET will also be promoting the Dream Big! Competition to families and teachers with a Web site, banner ads and emails. Please contact us if you are interested in learning more about these materials.

<h3>Primary Contact Information</h3> <p>Name _____ Title _____</p> <p>School/Organization _____</p> <p>Shipping Address _____</p> <p>Phone _____ Email _____</p> <p>Additional Questions/Requests: _____</p> <p style="margin-top: 20px;">Please turn over for additional important information.</p> <p>VOID WHERE PROHIBITED; NO PURCHASE NECESSARY TO ENTER OR WIN.</p> <p><small>Sponsored by the State of Connecticut Treasurer's Office and Connecticut Higher Education Trust (CHET). For more details and official rules and prize descriptions, please visit www.chetdreambig.com. The CHET Plan is administered by the Connecticut State Treasury Trust Administration Company, Inc. (TAC) services as Program Manager. TAC is a subsidiary of TAA-CRET Trustee & Institutional Services, LLC, member FINRA, is the distributor. © 2009 TAA-CRET Trustee & Institutional Services, LLC.</small></p>	<h4>MAIL OR FAX FORM TO:</h4> <p>CHET Dream Big! Competition P.O. Box 271455 West Hartford, CT 06127-1455</p> <p>Phone: (860) 305-4405 Fax: (860) 476-2300 Email: admin@chetdreambig.com</p> <p style="color: green; font-weight: bold; margin-top: 20px;">Deadline for postmarked entries: APRIL 3, 2009.</p> <p><small>Entries must be received no later than April 7, 2009.</small></p>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Connecticut Higher Education Trust Dream Big! Competition Creative

Parent E-mail

Parent Version

Send Now Send Later Link Delete Options Insert Categories Projects

To: Click here to add recipients
From: Connecticut Higher Education Trust (CHET)
Subject: Introducing the CHET Dream Big! Competition

In Attachments: None

Verdana 12 B I U T

AFTER COLLEGE I WILL...
build a car that runs on old bubblegum.

THE CHET DREAM BIG! COMPETITION

How will your Connecticut K-6 child change the world after going to college? By putting their plans to paper, and submitting their entry, they could win \$250 or even \$500 that could be used to help them pay for their future education!

CHET, Connecticut's 529 college savings program, is sponsoring the Dream Big! Competition to help get Connecticut K-6 students and their parents thinking about college—and saving for it. By entering, your child could win prizes that could help pay for college.

\$250 prizes will be awarded to 24 county winners—three winners from each of Connecticut's eight counties. A winning poem (Grade 6), essay (Grades 4-5) and drawing (Grades K-3) will be selected from each county. Three top statewide winners will also each win \$500.

The prize checks will be issued to the parents or legal guardians of the 24 county and three statewide winners. Teachers or principals of the three statewide winners will also receive a check for \$150 that can be used for a classroom celebration.

To find out more about the CHET Dream Big! Competition, just go to www.chetdreambig.com.

Deadline for postmarked entries: APRIL 3, 2009.
Entries must be received by April 1, 2009.

OFFICIAL RULES ENTRY FORM ORDER MATERIALS VIEW WEBSITE

If you are a Connecticut Superintendent, principal or teacher, you can order CHET Dream Big! Competition Prizes, registration/entry forms and more by clicking on the order materials button. To learn more about CHET click the view website button.

 **CHET**
529 College Savings Program
Connecticut Higher Education Trust

The CHET Dream Big! Competition is sponsored by the State of Connecticut Treasurer's Office and CHET.

No purchase necessary to enter or win. Void where prohibited.
This email is a commercial advertisement.
Please see below for information about your opt-out rights.

Consider forwarding this email to a friend or relative who is a Connecticut resident or taxpayer.
Please note that we cannot remove recipients to this email. If you feel that you are receiving this email by mistake or wish to unsubscribe, please **CLICK HERE**. If you have questions or comments, please write to us at the Connecticut Higher Education Trust (CHET), c/o TIAA-CREF Tutoring Program, Inc., Program Manager, Attention: Kathleen Turpin, 6000 American Campus Boulevard, 5500-02101, Chantilly, VA 20152.

Consider the investment objectives, risks, charges and expenses before investing in CHET (the Plan). Please read www.chetdreambig.com for a Disclosure Booklet containing this and other information. Read it carefully.

Before investing in a CHET 529 College Savings Plan, you should consider whether the state you or your designated beneficiary reside in or have taxable income in has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in the state's 529 plan.

The tax information contained herein on the Connecticut Higher Education Trust (the Plan) is not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding tax penalties that may be imposed on the taxpayer. It was written to support the promotion of the products and services of the Plan. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.

The State of Connecticut, in agreement, TIAA-CREF Tutoring Program, Inc., Teacher's Services subsidiaries, Trustees of America and its affiliates do not warrant the accuracy or completeness of information contained herein. TIAA-CREF is not responsible for the completeness or accuracy of the information contained herein. The several states have enacted or intend to enact laws relating to 529 plans, including general asset protection.

The CHET Plan is administered by the Connecticut Higher Education Trust (CHET) Tutoring Program, Inc. (CHET) located at Program Manager, 1010 Main Street, TIAA-CREF operates a website www.chetdreambig.com, contact CHET at the website.

© 2009 TIAA-CREF Tutoring Program, Inc. 10000000

Teacher E-mail

Teacher Version

Send Now Send Later Link Delete Options Insert Categories Projects

To: Click here to add recipients
From: Connecticut Higher Education Trust (CHET)
Subject: Introducing the CHET Dream Big! Competition

In Attachments: None

Verdana 12 B I U T

AFTER COLLEGE I WILL...
invent grass that mows itself.

THE CHET DREAM BIG! COMPETITION

How will your Connecticut K-6 students change the world after going to college? By putting their plans to paper, and submitting their entry, they could win \$250 or even \$500 that could be used to help them pay for their future education! And, teachers and principals could win \$150 for a classroom celebration!

CHET, Connecticut's 529 college savings program, is sponsoring the Dream Big! Competition to help get Connecticut K-6 students and their parents thinking about college—and saving for it. By entering, families could win prizes that could help pay for college.

\$250 prizes will be awarded to 24 county winners—three winners from each of Connecticut's eight counties. A winning poem (Grade 6), essay (Grades 4-5) and drawing (Grades K-3) will be selected from each county. Three top statewide winners will also each win \$500.

The prize checks will be issued to the parents or legal guardians of the 24 county and three statewide winners. Teachers or principals of the three statewide winners will also receive a check for \$150 that can be used for a classroom celebration.

Prizes will be distributed during an awards ceremony in May. The 24 county winners, three statewide winners and their teachers, principals, superintendents and family members will be invited to attend the awards ceremony.

The CHET Dream Big! Competition provides a great opportunity to promote the benefits of a college education and inspire your schools and/or students to think about how they can make a difference in the future and ways to achieve their higher education goals. The CHET Dream Big! Competition provides the foundation for a great classroom project with prizes to help inspire student participation. You may order materials for your school or classroom by clicking on the "ORDER MATERIALS" button below, emailing us at admin@chetdreambig.com or, calling us at (860) 305-4605.

To find out more about the CHET Dream Big! Competition, just go to www.chetdreambig.com.

Deadline for postmarked entries: APRIL 3, 2009.
Entries must be received by April 1, 2009.

OFFICIAL RULES ENTRY FORM ORDER MATERIALS VIEW WEBSITE

If you are a Connecticut Superintendent, principal or teacher, you can order CHET Dream Big! Competition Prizes, registration/entry forms and more by clicking on the order materials button. To learn more about CHET click the view website button.

 **CHET**
529 College Savings Program
Connecticut Higher Education Trust

The CHET Dream Big! Competition is sponsored by the State of Connecticut Treasurer's Office and CHET.

No purchase necessary to enter or win. Void where prohibited.
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Please note that we cannot remove recipients to this email. If you feel that you are receiving this email by mistake or wish to unsubscribe, please **CLICK HERE**. If you have questions or comments, please write to us at the Connecticut Higher Education Trust (CHET), c/o TIAA-CREF Tutoring Program, Inc., Program Manager, Attention: Kathleen Turpin, 6000 American Campus Boulevard, 5500-02101, Chantilly, VA 20152.

Consider the investment objectives, risks, charges and expenses before investing in CHET (the Plan). Please read www.chetdreambig.com for a Disclosure Booklet containing this and other information. Read it carefully.

Before investing in a CHET 529 College Savings Plan, you should consider whether the state you or your designated beneficiary reside in or have taxable income in has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in the state's 529 plan.

The tax information contained herein on the Connecticut Higher Education Trust (the Plan) is not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding tax penalties that may be imposed on the taxpayer. It was written to support the promotion of the products and services of the Plan. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.

The State of Connecticut, in agreement, TIAA-CREF Tutoring Program, Inc., Teacher's Services subsidiaries, Trustees of America and its affiliates do not warrant the accuracy or completeness of information contained herein. TIAA-CREF is not responsible for the completeness or accuracy of the information contained herein. The several states have enacted or intend to enact laws relating to 529 plans, including general asset protection.

The CHET Plan is administered by the Connecticut Higher Education Trust (CHET) Tutoring Program, Inc. (CHET) located at Program Manager, 1010 Main Street, TIAA-CREF operates a website www.chetdreambig.com, contact CHET at the website.

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Connecticut Higher Education Trust Dream Big! Competition Creative

Posters

AFTER COLLEGE
I WILL...

invent broccoli
that tastes like
butterscotch.



Connecticut K-6 students, enter and tell us what you'll be doing after college and you could win

PRIZES
that could help pay for college
AND A CELEBRATION
FOR YOUR CLASSROOM!

Grade K-3 students submit drawings.
Grade 4-5 students submit essays.
Grade 6 students submit poems.

Deadline for postmarked entries: **APRIL 3, 2009**

Entries must be received by April 2, 2007

For the official rules and to find out more about the CHET Dream Big! Competition, just go to chetdreambig.com.

No purchase necessary to enter or win.
Void where prohibited.



AFTER COLLEGE I WILL...

make sure
everybody gets
to go there, too.



Connecticut K-6 students, enter and tell us what you'll be doing after college and you could win.

PRIZES
that could help pay for college
AND A CELEBRATION
FOR YOUR CLASSROOM!

Grade K-3 students submit drawings.
Grade 4-5 students submit essays.

Grade 6 students submit poems.

adline for postmarked entries: **APRIL 15, 2006**

For the official rules and to find out more about the CHET Dream Big! Competition,

just go to cheldreambig.com.
No purchase necessary to enter or win.



The OIGT Drawn Bag Competition is sponsored by the United Correctional Treatment's Office and OIGT.

[illegible]

**AFTER COLLEGE
I WILL...**

invent a pill that
makes my brother's
feet smell better.



Connecticut K-5 students, enter and tell us what

PRIZES
that could help pay for college
AND A CELEBRATION
FOR YOUR CLASSROOM!

Grade K-3 students submit drawings.

Grade 4-5 students submit essays.
Grade 6 students submit poems.

online for costmarked entries: **APRIL**

For the official rules and to find out more about the CHET Dream Bowl Competition, visit www.chetdreambowl.com

No purchase necessary to enter or win.



The OAT Dream-Big Comparison is supported by the Office of Domestic Treasurer's Office and OAT.

[illegible]

Connecticut Higher Education Trust Print Ads

½ Page Black and White
CT FPA Program Ad



**HE WANTS TO MAJOR IN SUPERHERO
WITH A MINOR IN WRESTLER.**

Your kids don't have a clue about college. Which is why you need a plan.

It's okay for kids to dream about college, as long as you have a plan. CHET is Connecticut's official 529 college savings plan. Anyone with a Social Security Number or Federal Taxpayer Identification Number can open an account, regardless of income, and you can begin saving with as little as \$25. Check CHET out at www.aboutchet.com/savingsplan or call 866-346-1037.

Consider the investment objectives, risks, charges and expenses before investing in CHET (the Plan). Please visit www.aboutchet.com/savingsplan for a Disclosure Booklet containing this and other information. Read it carefully.

Before investing in a CHET 529 college savings plan, you should consider whether the state you or your designated Beneficiary reside in or have taxable income in, has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in that state's 529 plan.

The tax information contained herein on the Connecticut Higher Education Trust (the Plan) is not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding tax penalties that may be imposed on the taxpayer. It was written to support the promotion of the products and services of the Plan. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.



The State of Connecticut, its agencies, TIAA-CREF Tuition Financing, Inc., Teachers Insurance and Annuity Association of America and its affiliates do not insure any account or guarantee its principal or investment return, except for TIAA-CREF Life Insurance Company's guarantee to the Connecticut Higher Education Trust under the Funding Agreement for the Principal Plus Interest Option. Account value will fluctuate based upon a number of factors, including general market conditions.

The CHET Plan is administered by the Connecticut State Treasury, TIAA-CREF Tuition Financing, Inc. (TFI) serves as Program Manager. TFI's Affiliate, TIAA-CREF Individual & Institutional Services, LLC, member FINRA, is the distributor.

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PLEASE VISIT BOOTH #20.

Full Page, Four Color Ad
used in Inner City News



**HE WANTS TO MAJOR IN
SUPERHERO
WITH A MINOR IN
WRESTLER.**

**Your kids don't have a clue about college.
Which is why you need a plan.**

It's okay for kids to dream about college, as long as you have a plan. CHET is Connecticut's official 529 college savings plan. Anyone with a Social Security Number or Federal Taxpayer Identification Number can open an account, regardless of income, and you can begin saving with as little as \$25. Check CHET out at www.aboutchet.com/chetcollegeplan or call 800-974-0106. CHET is proud to celebrate Martin Luther King, Jr. Day.



Consider the investment objectives, risks, charges and expenses before investing in CHET. Please visit www.aboutchet.com/chetcollegeplan for a Disclosure Booklet containing this and other information. Read it carefully.

Before investing in a 529 plan, you should consider whether the state you or your designated beneficiary resides in, or has taxable income in, has a 529 plan that offers favorable state income tax or other benefits that are only available if you invest in that state's 529 plan.

The tax information contained herein is not intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding tax penalties. It was written to support the promotion of CHET. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.



The State of Connecticut, its agencies, TIAA-CREF Tuition Financing, Inc., Teachers Insurance and Annuity Association of America and its affiliates do not insure any account or guarantee its principal or investment return, except for TIAA-CREF Life Insurance Company's guarantee to the Connecticut Higher Education Trust under the Funding Agreement for the Principal Plus Interest Option. Account value will fluctuate based upon a number of factors, including general market conditions.

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Connecticut Higher Education Trust 1st Quarter 2009 Campaign Calendar

Marketing initiatives across multiple channels were actively executed and managed over each week during Q1, 2009.

[illegible]

VII. Statistical & Demographic Data

Connecticut Higher Education Trust
Program Statistics and Demographic Information
As of March 31, 2009

Selected Program Statistics

# of Accounts ¹	65,779
Total Program Assets (\$000's)	\$945,743
# of Account Owners	39,084
# of Beneficiaries	63,114
Average Assets/Account	\$14,378
Average Assets/Account Owner	\$24,198
Average Assets/Beneficiary	\$14,985
Avg Beneficiaries per Acct Owner	1.61
Avg Accts per Beneficiary	1.04
Avg Investment Options/Acct	1.30

Account Owners by Gender ²

	% of Account Owners	% of Total Program Assets	Avg Assets per Owner
Male	60%	66%	\$26,884
Female	40%	34%	\$20,214

Account Owners by State of Residency

	% of Account Owners	% of Total Program Assets	Avg Assets per Account
Connecticut	89%	86%	\$23,405
Out-of-State	11%	14%	\$30,696

¹ In this section of the report, an account is defined as *inclusive* of all investment options associated with the account. In other sections of this report, each investment option is considered to comprise a separate account.

² Percentages may not equal 100% due to unspecified gender in data

Connecticut Higher Education Trust

Program Statistics and Demographic Information

As of March 31, 2009

Account Owners by Age Group*

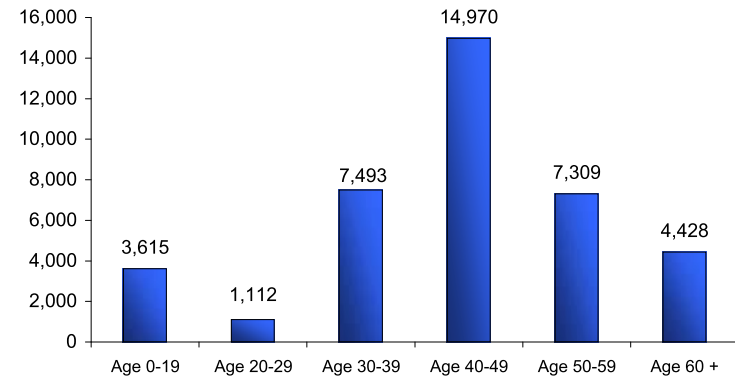
	% of Account Owners	% of Total Program Assets	Avg Assets per Owner
Age 0-19	9%	11%	\$27,816
Age 20-29	3%	3%	\$21,590
Age 30-39	19%	7%	\$9,230
Age 40-49	39%	40%	\$25,450
Age 50-59	19%	25%	\$32,104
Age 60 +	11%	14%	\$29,355

Account Owners in their forties comprised the largest group of college savers within the Program, making up 39% of Program participants and accounting for 40% of Program assets.

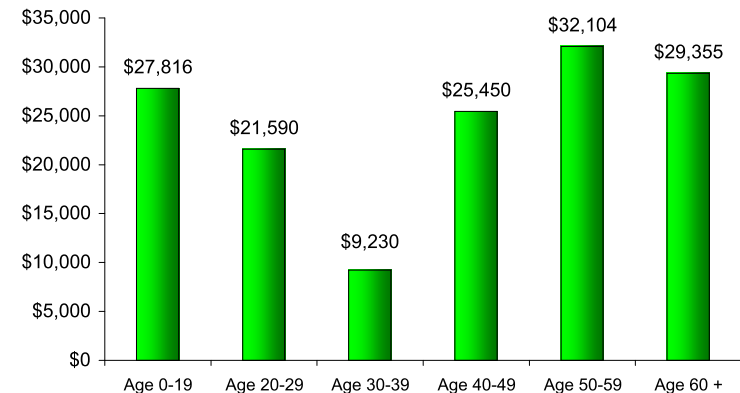
Account Owners of age fifty and above, many of whom are grandparents, made up 30% of total Program participants and accounted for 39% of Program assets due to a higher average amount of assets per account owner.

* Does not include Account Owners whose age is unknown.

of Account Owners by Age Group



Average Account Owner Assets by Age Group



Connecticut Higher Education Trust

Program Statistics and Demographic Information

As of March 31, 2009

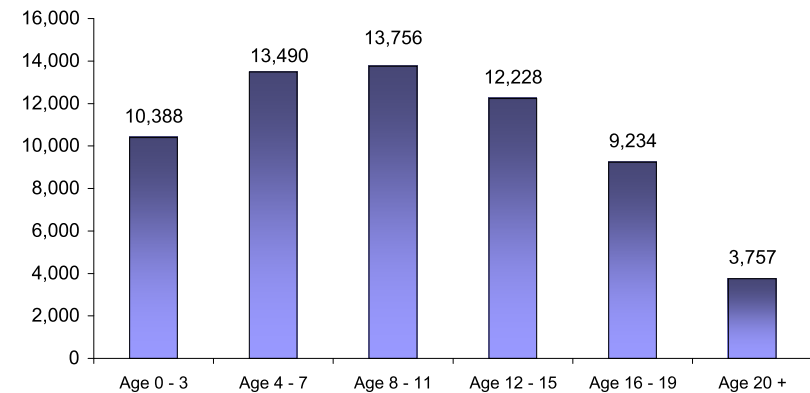
Beneficiaries by Age Group*

	% of Beneficiaries	% of Total Program Assets	Avg Assets per Owner
Age 0 - 3	17%	6%	\$5,876
Age 4 - 7	21%	16%	\$10,825
Age 8 - 11	22%	23%	\$15,519
Age 12 - 15	19%	26%	\$19,955
Age 16 - 19	15%	24%	\$24,835
Age 20 +	6%	5%	\$12,904

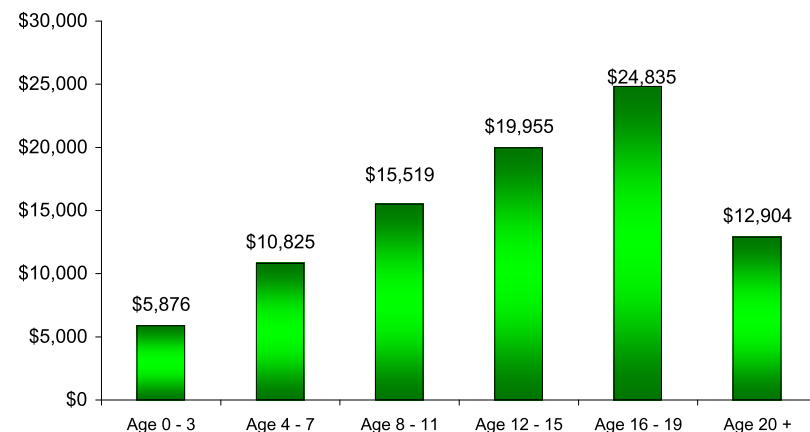
The majority, 62%, of Program beneficiaries were between the ages of 4 and 15 years old and accounted for 65% of Program assets. Beneficiaries ages 12-19 accounted for 50% of Program assets with a higher amount of average assets per beneficiary.

* Does not include Beneficiaries whose age is unknown

of Beneficiaries by Age Group



Average Beneficiary Assets by Age Group



Connecticut Higher Education Trust Market Penetration Rate by County of Account Owner Residency

As of March 31, 2009

<u>County</u>	<u>Total Assets (\$000's)</u>	<u>% of Total Program Assets</u>	<u># of Acct Owners</u>	<u>% of Acct Owners</u>	<u>Assets per Acct Owner</u>	<u># Households</u>	<u>Median Household Income</u>	<u># Households w/ Persons Under 18 Yrs</u>	<u>% of Households w/ Persons Under 18 Yrs</u>	<u>Mkt Penetration Rate - Households w/ Persons Under 18 Yrs</u>
Tolland	\$28,964	3.1%	1,758	4.5%	\$16,476	49,431	\$55,223	17,251	34.9%	10.19%
Middlesex	\$31,601	3.3%	1,936	5.0%	\$16,323	61,341	\$53,624	19,752	32.2%	9.80%
Fairfield	\$354,627	37.5%	11,304	28.9%	\$31,372	324,232	\$56,872	119,317	36.8%	9.47%
Hartford	\$215,226	22.8%	9,581	24.5%	\$22,464	335,098	\$46,011	113,263	33.8%	8.46%
Litchfield	\$27,081	2.9%	1,522	3.9%	\$17,793	71,551	\$50,589	24,327	34.0%	6.26%
New Haven	\$118,619	12.5%	6,363	16.3%	\$18,642	319,040	\$44,412	107,836	33.8%	5.90%
New London	\$35,250	3.7%	1,949	5.0%	\$18,086	99,835	\$44,566	34,643	34.7%	5.63%
Windham	\$4,889	0.5%	462	1.2%	\$10,583	41,142	\$41,108	14,893	36.2%	3.10%
In-State Total	\$816,258	86.3%	34,875	89.2%	\$23,405	1,301,670	\$46,648	451,679	34.7%	7.72%
Out of State Total	\$129,198	13.7%	4,209	10.8%	\$30,696	104,178,431	\$36,885	37,521,157	36.0%	0.01%
Program Total*	\$945,743	100.0%	39,084	100.0%	\$24,198	105,480,101	\$37,005	37,972,836	36.0%	0.10%

* The program total assets and number of account owners shown may differ from official program totals due to the unavailability of address information for a small percentage of account owners. The program total market penetration rate is based on market penetration of all U.S. households. Source of # of households and median household income data: 2000 U.S. Census Bureau.

CHET Penetration Rate by County – 1st Quarter 2009

