



AN ADVISOR-SOLD  
PLAN MANAGED BY  
THE HARTFORD

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

CHET Advisor is administered by the Treasurer of the State of Connecticut as the trustee of the Connecticut Higher Education Trust Program, and Hartford Life Insurance Company serves as Plan manager.



# EDUCATION WITH A HOME STATE ADVANTAGE



The Advisor Sold College Savings Plan  
For Connecticut Residents

# THE VALUE OF A COLLEGE



## Save for Your Child's Future

As a parent, you'll always remember your child's important milestones—the first time your child takes a step, counts to 10, recites the alphabet. These memories will be a source of joy and pride for years to come. As elementary school transitions into high school and beyond, you'll witness many more “firsts” as your child grows and gains greater independence.

When your child takes those first steps into adulthood, you want him or her to feel ready to meet new challenges and pursue dreams. One way to help ensure your child's success is by providing a good educational background, including college. The State of Connecticut would like to help you in this effort. CHET Advisor gives you an efficient, flexible, convenient way to save for your child's college education.



“Many children dream of going to college and CHET Advisor can help make that dream a reality.”

Denise L. Nappier,  
Connecticut State Treasurer

## The Benefits of Saving Here

The State of Connecticut provides its taxpaying residents with a state income tax deduction for contributions made to their CHET Advisor plan for the tax year in which they are made. Residents who contribute up to \$5,000 (\$10,000 for taxpayers filing jointly) per account may claim this as a deduction on their CT state income tax return.

For more information about this benefit, please refer Special Notice SN 2006(11) issued by the State of Connecticut Department of Revenue Services at [www.ct.gov/drs](http://www.ct.gov/drs), or speak with a qualified tax advisor.

NOT INSURED BY FDIC OR ANY  
FEDERAL GOVERNMENT AGENCY

MAY LOSE  
VALUE

NOT A DEPOSIT OF OR GUARANTEED  
BY ANY BANK OR ANY BANK AFFILIATE



# EDUCATION

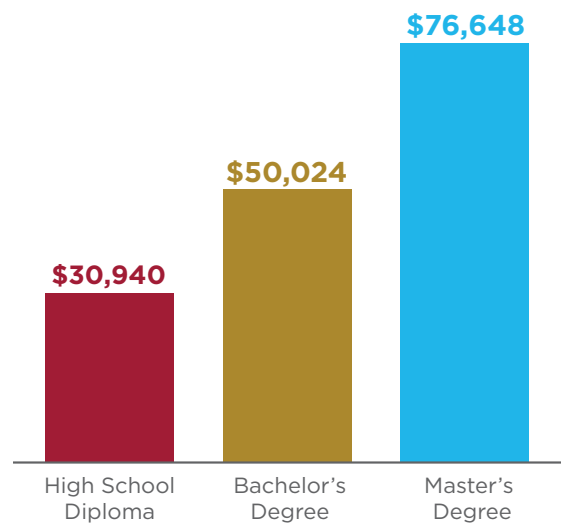
## Success Can Be Measured in Degrees

If you went to college, you know how much that experience meant to you in terms of the insights you gained, the skills you learned, and the friends you made. Of course you want the same, or better, for your child. Beyond this, you're probably well aware that a college degree can give your child that extra edge needed in today's competitive world. What does your child want to do in terms of a career? Start a new company? Find a cure for cancer? Be the next president? A college education can help provide the background and credentials needed to strive toward these ambitious goals.

Even if your child is uncertain about career goals, the dollars-and-cents value of a college degree is something to think about. A college degree simply means greater earnings potential.

<sup>1</sup> Median earnings in 2007 for year-round workers 25 years old and older. Source: U.S. Census Bureau, 2007.

**Average Annual Income for Workers at Different Education Levels<sup>1</sup>**





# RISING COLLEGE COSTS

Whether you're thinking about private or in-state public college, you should know that the cost of four years of higher education has reached alarming levels. Looking down the road, these costs may increase substantially.

## Average College Costs - Four Years<sup>2</sup>

Published Costs for Tuition Plus Room and Board

| Year Child Enters College: | 2010      | 2020      | 2030      |
|----------------------------|-----------|-----------|-----------|
| Public 4-Year, In-State:   | \$70,664  | \$127,386 | \$229,639 |
| Private 4-Year:            | \$160,598 | \$257,333 | \$412,334 |

<sup>2</sup>Source: Trends in College Pricing, College Board, 2009. Calculated based on estimates for the 2010-2011 academic year based on the College Trends data from 2009.



## Will You Need to Pay the “Published” Price for College?

Maybe, maybe not, depending on several factors. In 2009-2010 for families of four with one child in college, no assets and incomes of \$95,000 or higher (about 28% of families), the published price applied. For the rest of the families, published prices were reduced by 50% for families with incomes between \$32,500 and \$59,999, and reduced by 30% for families with incomes between \$60,000 and \$99,999<sup>3</sup>

<sup>3</sup> Source: *Trends in College Pricing*, The College Board, 2009.

# Why Save For College Now?

## Starting Early Pays Off

The earlier you begin saving, the better. Even small amounts, saved on a regular basis, can add up over time.

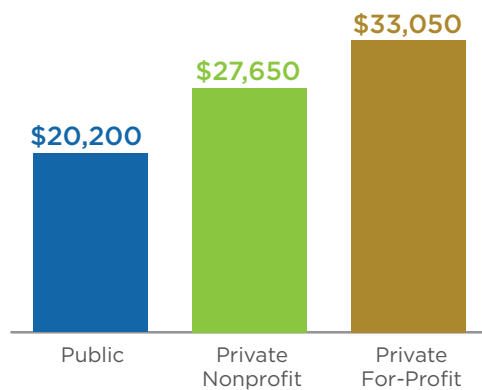
## Protect Your Own Financial Future

Consider your own financial timeline. Will you be facing tuition bills just when you're nearing retirement? Setting something aside for college early on can give you more flexibility later.

## Reduce Debt Later On

Even if you don't think you can save enough to cover 100% of the costs, don't be discouraged. It's still worthwhile to save something toward college. Many students and parents end up with heavy debt that takes decades to pay off.

**College Graduates' Average Debt Load<sup>4</sup>**



<sup>4</sup>Source: Quick Facts About Student Debt, [www.projectonstudentdebt.org](http://www.projectonstudentdebt.org), January 2010.



# ADVANTAGES OF CHET ADVISOR COLLEGE SAVING

## Tax Advantages

CHET Advisor offers many advantages: tax savings, flexibility, a wide choice of high-quality investment options, award-winning service, and convenience.

### Earnings Accumulate Tax-Deferred

In addition to the Connecticut state income tax benefit for annual contributions, 529's offer federal income tax benefits as well.

#### Taxable vs. Tax-Free

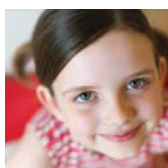
Assumes initial \$10,000 deposit, \$150 monthly investment thereafter, 8% hypothetical annual rate of return

Child's Age:

1 Year

6 Years

12 Years



**Taxable:** \$76,922

**Tax-Free:** \$99,947

**Time to Save:** 17 Yrs.

**Taxable:** \$50,305

**Tax-Free:** \$60,576

**Time to Save:** 12 Yrs.

**Taxable:** \$26,798

**Tax-Free:** \$29,551

**Time to Save:** 6 Yrs.

The hypothetical 8% annual rate does not reflect the performance of a particular product or investment option. Actual results will vary.

For purposes of this illustration, the currently taxable investment returns reflect taxation at a hypothetical 28% tax bracket. However, lower maximum tax rates on capital gains and dividends would make the investment return for the taxable investment more favorable, thereby reducing the difference in performance between the amounts shown. Changes in tax rates and tax treatment of investment earnings may also impact results.

Tax-deferred investments carry fees and charges that are not reflected in the hypothetical performance. If they had been reflected, the ending value would be lower.

Consider your personal investment horizon and income tax bracket, both current and anticipated, when making an investment decision, as they may further impact the results of the comparison.

### Federally Tax-Free Withdrawals

You'll pay no federal income taxes when you withdraw money from CHET Advisor (including any earnings)—as long as the money is used for qualified education expenses (tuition, room and board, books, and supplies or equipment required for enrollment or attendance at an eligible institution) for the beneficiary. "Eligible institution" refers to any college, university, vocational school, or post-secondary educational institution that is eligible to participate in a student aid program administered by the U.S. Department of Education. Non-qualified withdrawals are taxable as ordinary income to the extent of earnings and may also be subject to a 10% federal income tax penalty. Such withdrawals may have state income tax implications.

### Additional Tax Benefits

Grandparents and other donors can:

- Reduce the size of their taxable estates by the amount they contribute to CHET Advisor account.
- Contribute by using accelerated gifting which allows up to \$65,000 for individuals (\$130,000 for couples) all at once without incurring gift taxes.<sup>5</sup>

<sup>5</sup> If the donor elects to treat a gift as being made over five years, and the donor dies prior to the end of that five-year period, the portion of the gift allocable to the period after the donor's death will be included in the donor's estate. Estate-tax treatment may differ by state. Any additional gifts to the same Designated Beneficiary in that five-year period would be subject to federal gift tax. Please consult your tax advisor for more information.

# S PLAN

## Flexibility, Control, Convenience

### Suit Your Needs

Any Connecticut resident, 18 or older, who is a U.S. citizen or resident alien, can open or own an account in CHET Advisor. The beneficiary of the account can be anyone who plans to pursue a higher education, including any family member, friend—even you.

### Owner Maintains Control

The owner of a CHET Advisor account chooses the beneficiary and makes decisions about investment options,<sup>6</sup> as well as withdrawals. In addition, the owner can change the beneficiary at any time—as long as the new beneficiary is an eligible family member of the current beneficiary (a sibling, spouse, grandchild, or first cousin).

<sup>6</sup> Investment strategies may be changed once per year.

### Low Minimums & Automatic Investment

You can start with a lump sum and/or set up a systematic investment plan in which money is automatically deducted from your checking or savings account.

### Easy to Get Others Involved

CHET Advisor offers a convenient way for friends and family members to contribute through automatic deductions from up to four different bank accounts.

### What If Your Child Wins a Scholarship?

In this case, you may withdraw the dollar amount of the scholarship from your **CHET Advisor** account without facing a 10% federal income tax penalty. (Any earnings you withdraw that aren't used for qualified higher education expenses will be subject to ordinary income taxes.)



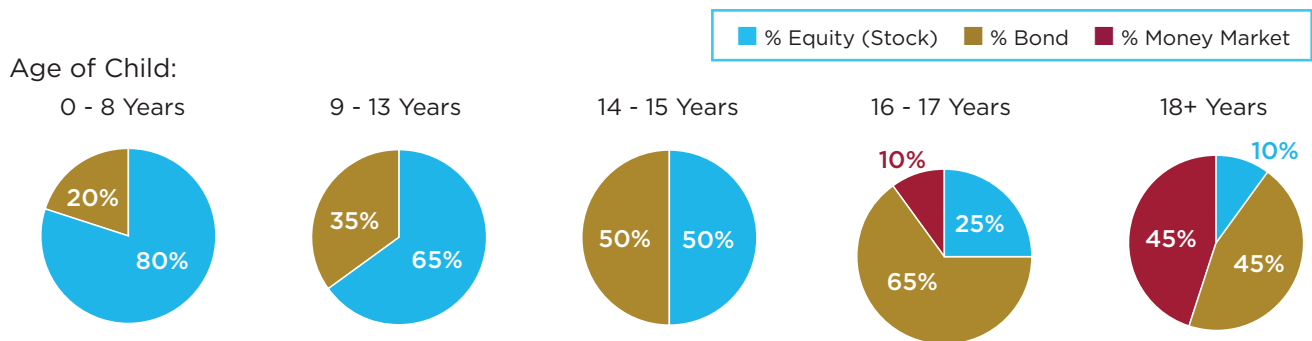


# WIDE RANGE OF INVESTME

CHET Advisor offers a wide range of investment options. You may select one or more of these three options: Age-Based Portfolios, Static Portfolios, or Individual Fund Options.

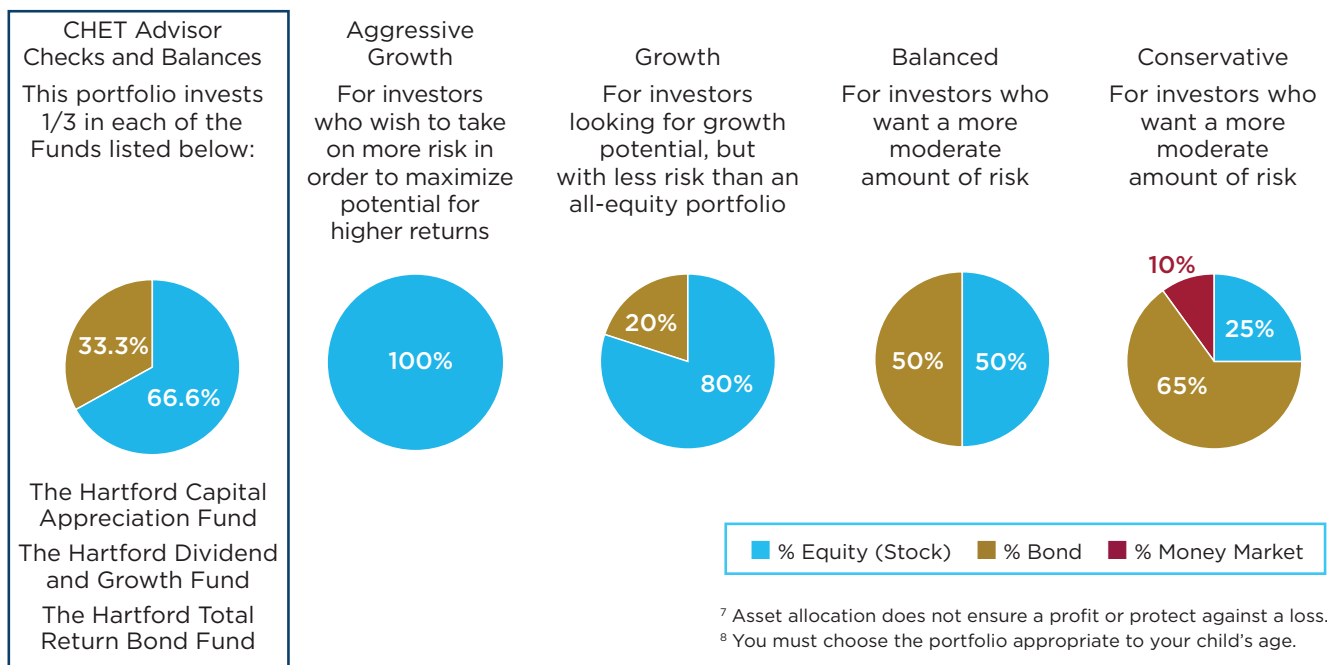
## 1. Age-Based Portfolios<sup>7</sup>

These portfolios offer asset allocations that adjust automatically over time. Simply select the portfolio with the age range that fits your child's age.<sup>8</sup> As your child nears college age, the money in the account is transferred to the next appropriate portfolio (the older the child, the more conservative the portfolio's asset allocation). These portfolios are rebalanced quarterly.



## 2. Static Portfolios<sup>7</sup>

These portfolios provide a variety of asset-allocation mixes that remain fixed over time. Pick the portfolio that best suits your investment goals. The asset allocations for these portfolios are rebalanced automatically each quarter.






# NT OPTIONS

## 3. Individual Fund Options

Create your own customized asset mix by choosing one or more of the following funds.

|  |  |
|--|--|
| <p>Higher Risk/<br/>Higher Potential<br/>Return</p>  <p>Lower Risk/<br/>Lower Potential<br/>Return</p> | <p><b>Equity Funds</b></p> <p><b>The Hartford Small Company 529 Portfolio</b><sup>9,10,11,12</sup><br/>Seeks growth of capital by investing primarily in stocks selected on the basis of potential for capital appreciation.</p> <p><b>The Hartford Growth Opportunities 529 Portfolio</b><sup>9,10,11</sup><br/>Seeks short- and long-term capital appreciation by investing primarily in a diversified portfolio of common stocks.</p> <p><b>The Hartford International Opportunities 529 Portfolio</b><sup>9,10,11,13</sup><br/>Seeks growth of capital by investing primarily in stock of mid and large capitalization non-U.S. companies.</p> <p><b>The Hartford Capital Appreciation 529 Portfolio</b><sup>9,10,11,13</sup><br/>Seeks growth of capital by investing in companies of all sizes based solely on the potential for capital appreciation.</p> <p><b>The Hartford Fundamental Growth 529 Portfolio</b><sup>9,10,12</sup><br/>Seeks capital appreciation by investing in stocks from large-capitalization companies from attractive sectors of the U.S. economy.</p> <p><b>The Hartford MidCap 529 Portfolio</b><sup>9,10,11</sup><br/>Seeks growth of capital by investing primarily in stocks of mid-cap companies selected on the basis of potential for capital appreciation.</p> <p><b>The Hartford Global Research 529 Portfolio</b><sup>9,10,11,13</sup><br/>Seeks long-term capital appreciation by investing in domestic and foreign equity securities.</p> <p><b>The Hartford Value 529 Portfolio</b><sup>9,10</sup><br/>Seeks long-term total return by investing in stocks of companies with market capitalizations above \$2 billion.</p> <p><b>The Hartford Dividend and Growth 529 Portfolio</b><sup>9,10</sup><br/>Seeks a high level of current income, consistent with growth of capital, by investing primarily in stocks.</p> |
|  | <p><b>Bond Funds</b></p> <p><b>The Hartford Inflation Plus 529 Portfolio</b><sup>9,14,15,16,17</sup><br/>Seeks a total return that exceeds the rate of inflation over an economic cycle by investing, under normal circumstances, at least 65% of its net assets in inflation-protected debt securities of all types.</p> <p><b>The Hartford Total Return Bond 529 Portfolio</b><sup>9,14,15,16,17</sup><br/>Seeks a high level of current income, consistent with a competitive total return, as compared to bond funds with similar investment objectives and policies, by investing primarily in debt securities.</p>   |
|  | <p><b>Money Market Fund</b></p> <p><b>The Hartford Money Market 529 Portfolio</b><sup>9,14,19</sup><br/>Seeks maximum current income consistent with liquidity and preservation of capital.</p>  |

# WORLD-CLASS MONEY MANAGERS

The Investment Options offered through CHET Advisor purchase shares of underlying funds that are sub-advised by premier investment management firms, Wellington Management Company LLP and Hartford Investment Management.



## Wellington Management Company, LLP

- \$598.5 billion in assets under management (as of 9/30/10)
- Traces its origins to 1928
- 488 investment professionals, including 109 portfolio managers who average 19 years of investment experience, and 49 global industry analysts who average 17 years of investment experience

Wellington Management Company, LLP is an independent and unaffiliated sub-adviser to The Hartford.



## Investment Management

- \$161.7 billion in assets under management (as of 9/30/10)
- 172 investment professionals, including 54 portfolio managers who average 19 years of investment experience, and 58 research analysts who average 12 years of investment experience

## Get Started With These Simple Steps

After you've discussed your goals with your financial advisor and reviewed the information within this brochure, please follow the simple instructions below to get started.

1. Fill out the enclosed application.
2. Return the application with your check (made payable to: CHET Advisor) to the address at the top of the application.
3. Please include the enclosed Incoming Transfer/Rollover Form if you are transferring money from another account (e.g. existing 529 plan, Coverdell Education Savings Account, Series EE U.S. Savings Bond).

If you have questions, please talk with your financial advisor. You may also call our customer service department toll-free at 1-877-407-2828, and visit us online at [www.hartfordinvestor.com](http://www.hartfordinvestor.com).

Please read the Offering Statement before you invest or send money.

# Discuss College Savings With Your Financial Advisor Today

Money you set aside for college savings now can result in greater choices and opportunities for your child down the road. Think about your hopes and dreams for your child's future, and discuss your college savings goals with your financial advisor today.

**No state funds have been used to produce these materials nor have materials been produced at taxpayer expense.**

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**Investments in CHET Advisor are not guaranteed or insured by the State of Connecticut, the Connecticut Higher Education Trust, the Connecticut State Treasurer's Office, Hartford Life Insurance Company, The Hartford Financial Services Group, Inc., the investment sub-advisors for the Underlying Funds or any depository institution and are subject to investment risks, including the loss of the principal amount invested, and may not be appropriate for all investors.**

**Connecticut provides Connecticut taxpayers with tax advantages for investing in CHET Advisor. 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. If you are a Connecticut taxpayer who does not reside in Connecticut, you should talk to an advisor about Connecticut alternatives to CHET Advisor.**

**You should carefully consider the investment objectives, risks, charges and expenses of CHET Advisor and its Underlying Funds before investing. This and other information can be found in the Disclosure Booklet for CHET Advisor and the prospectuses or other disclosure documents for the Underlying Funds, which can be obtained in the College Savings pages of [www.HartfordInvestor.com](http://www.HartfordInvestor.com) or by calling 866-574-3542. Please read them carefully before you invest or send money. CHET Advisor is distributed by Hartford Securities Distribution Company, Inc. Member SIPC.**

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<sup>9</sup> The Fund may invest in foreign securities, which can be riskier than investments in U.S. securities (risks may include currency risk, illiquidity risks, and risks from substantially lower trading volume on foreign markets).

<sup>10</sup> The sub-adviser's investment strategy will influence performance significantly and the Fund could

underperform its peers or lose money if that strategy does not perform as expected.

<sup>11</sup> The Fund invests in securities of small-cap and/or mid-cap companies, which is riskier than stocks of larger companies, because smaller companies generally are young, have limited business history, and frequently rely on narrow product lines and niche markets.

<sup>12</sup> The Fund invests in growth stocks, which may be more volatile because they are more sensitive to investors' perceptions about the issuing company's growth potential.

<sup>13</sup> The Fund may invest in securities of companies that conduct their principal business activities (or that trade principally on exchanges) in emerging markets (including Asia, Latin America, Eastern Europe, and Africa), which is riskier than investing in securities of more developed countries (including risks of illiquidity and increased price volatility).

<sup>14</sup> The Fund is subject to credit risk (the risk that the issuing company may not be able to pay interest and principal when due), interest rate risk (the risk that your investment may go down in value when interest rates rise), and risk of loss (the risk that you could lose money on your investment).

<sup>15</sup> A portion of this Fund's assets may be below-investment-grade securities ("high-yield securities" or "junk bonds"), which are rated lower because there is a greater possibility that the issuer may be unable to make interest and principal payments on those securities.

<sup>16</sup> This Fund invests in bank loans, which carry credit risks of nonpayment of principal or interest and risks of bankruptcy, insolvency, illiquidity, and valuation.

<sup>17</sup> Active trading may increase the Fund's transaction costs, affect performance, and increase your taxable distributions.

<sup>18</sup> The Fund invests in mortgage-backed and asset-backed securities, which are subject to higher interest rate and prepayment risk; the value of these investments may be reduced or become worthless if they are "subordinated" and receive interest or income payments only after other interests in the same mortgage or asset pool are satisfied.

<sup>19</sup> **Money Market funds are not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although the funds seek to preserve the value of the investment at \$1.00 per share, it is possible to lose money by investing in the funds.**

"The Hartford" is The Financial Services Group, Inc. and its subsidiaries.

All information and representations herein are as of 9/10, unless indicated or otherwise noted.

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