



West Virginia College Prepaid Tuition and Savings Program

A Program of the State of West Virginia

Quarterly Status Report Ending September 30, 2013

As authorized by §18-30 of the West Virginia Code, the State Treasurer administers all the programs of the nine-member Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program (the Program). In March 2003, the West Virginia Legislature created the Prepaid Tuition Trust Escrow Account, to guarantee payment of Prepaid Tuition Plan contracts, and suspended further enrollments in the Plan. The Program uses the *SMART529* brand name for all college savings products. The Program Manager is The Hartford Life Insurance Company (The Hartford).

Board Members

Ex Officio Members:

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

Appointed Members:

- Interests of private institutions of higher education - Vacant
- Private Citizen (2) – Robert Galloway and Phyllis Arnold
- General Public (2) - Donna Kuhn [one position vacant]



Office of West Virginia State Treasurer
John D. Perdue

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

West Virginia College Prepaid Tuition and Savings Program Quarterly Status Report

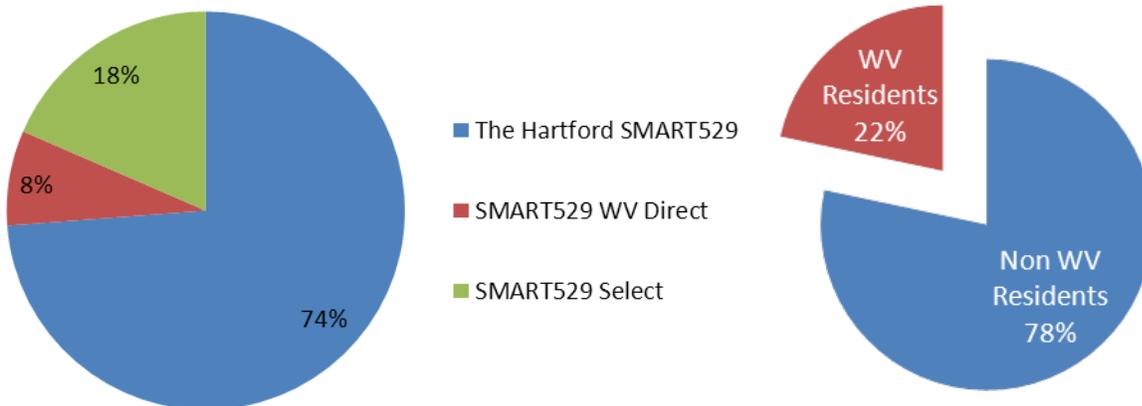


SMART529 is issued by the West Virginia College Prepaid Tuition and Savings Program Board of Trustees and is administered by Hartford Life Insurance Company.

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

Saving Plan Trust Fund

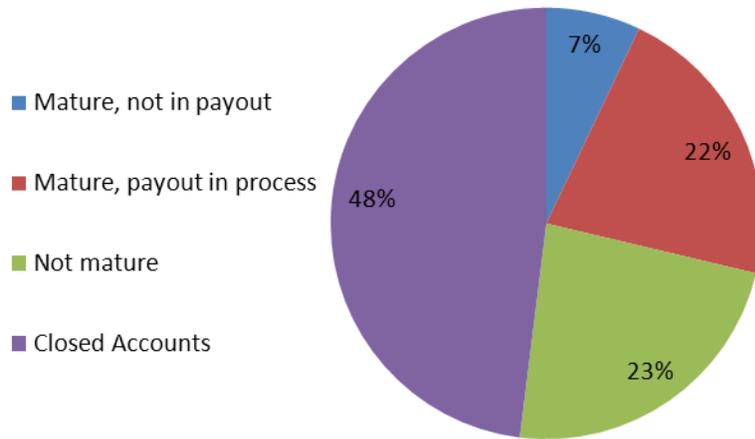
During the quarter, the SMART529 Savings Plan added 1,816 new accounts, and received \$42,094,947 in contributions. At the end of the quarter, SMART529 WV Direct had a total investment of \$151,514,190. The Select plan's assets totaled \$363,101,073 and The Hartford SMART529 plan had \$1,449,443,568 assets under management, for a grand total of \$1,964,058,831 SMART529 Savings Plan assets.



Of 118,239 accounts nationwide, 30,925 are West Virginia resident accounts, with a value of \$341,136,987.

Prepaid Tuition Trust Fund

The West Virginia Prepaid Tuition Plan was designed to provide West Virginia families with a convenient method of prepaying for future tuition costs by purchasing prepaid tuition units. On



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

The West Virginia Prepaid Tuition Plan ended this period with 5,060 active accounts with assets valued at \$76,040,449. During the quarter, there were \$3,856,147 in qualified tuition benefit distributions, and contract installment payments of

\$87,696 were received. Prepaid Tuition Trust Fund investments gained \$2,809,581 during the quarter.

Prepaid Tuition Trust Fund Escrow Account

HB2953 also created the Prepaid Tuition Trust Escrow Account "to guarantee payment of Prepaid Tuition Plan Contracts." The Escrow Account will receive transfers of up to \$1 million from the Unclaimed Property Trust Fund each year there is an actuarially determined unfunded liability in the Prepaid Tuition Trust Fund.

| | Quarter Ended June 30, 2013 | Quarter Ended September 30, 2013 | Fiscal Year to Date |
|-----------------------------------|--------------------------------|-------------------------------------|---------------------|
| Market Value | \$16,244,456 | \$16,275,135 | \$16,275,135 |
| Change from previous quarter/year | \$(34,675) | \$30,679 | \$30,679 |

Administrative Account

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

| | |
|---|------------------|
| Beginning balance | \$1,510,238 |
| Administrative charges to the Prepaid Tuition Trust Fund | - |
| Receipts from Savings Plan Trust (WV Administrative Charge) | 292,094 |
| Disbursements to pay expenses | <u>(273,645)</u> |
| Ending Balance | \$1,528,687 |

Community Outreach

During the quarter ending September 30, 2013, Treasury employees staffed SMART529 College Savings and Financial Education informational booths at the following events:

- WV Freedom Festival (Logan)
- Mountain State Arts & Crafts Fair (Ripley)
- Morgantown Kid's Day
- WV Hot Dog Festival (Huntington)
- Become a Financial Superhero Day (Huntington)
- Montgomery General Health & Safety Fair
- State Fair of WV (Fairlea)
- Back to School Bash (St. Albans & Eleanor)
- KISRA Strengthening Families Conference (Charleston)
- Lincoln County Fair
- Apple Butter Festival (Chapmanville)
- Dunbar Fall Festival
- Various school open houses and PreK-Kindergarten registrations across the state

Operating Report

For the Quarter Ending September 30, 2013

| Cash & Investments | | Rates of Return | |
|--|------------------|--------------------------------------|-------|
| Prepaid Tuition Trust Fund | \$ 76,040,449 | Prepaid Tuition Trust Fund | |
| Savings Plan Trust Fund | \$ 1,964,058,831 | Ending Quarter | 3.81% |
| Administrative Account | \$ 1,528,687 | FY2013 To Date | 3.81% |
| | | Annualized since investing July 1999 | 6.66% |
| Note: See Quarterly Investment Performance Review for detail. Rates are not annualized unless otherwise noted. | | | |

| Program Operating Activities | | | |
|--------------------------------------|----------------------------|-------------------------|------------------------|
| | Prepaid Tuition Trust Fund | Savings Plan Trust Fund | Administrative Account |
| Receipts | \$ 87,696 | \$42,094,947 | \$ - |
| Investment earnings (loss) | 2,809,581 | 101,947,075 | - |
| Legislative appropriations | - | - | 70,283 |
| Treasurer's subsidy | - | - | - |
| Savings Plan admin. fees | - | - | 292,094 |
| Total Receipts | 2,897,277 | 144,042,021 | 362,377 |
| Expenses/Fees | - | (5,764,653) | (343,928) |
| Cancellations/Rollovers | (198,202) | (9,295,376) | - |
| Regular distributions | (3,856,147) | (46,892,240) | - |
| Total Disbursements | (4,054,349) | (61,952,268) | (343,928) |
| Net change | (1,157,072) | 82,089,753 | 18,449 |
| Beginning cash & investments | 77,197,521 | \$ 1,881,969,078 | 1,510,238 |
| Ending cash & investments | \$ 76,040,449 | \$ 1,964,058,831 | \$ 1,528,687 |

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

**Comparison of Program Administrative Expenses
FY 2014 - FY 2013**

| Account | FY2014 YTD | FY2013 YTD | Over (Under) |
|--|-------------------|-------------------|---------------------|
| Administrative Expenses: | | | |
| Office expense | \$ 616 | \$ 945 | \$ (329) |
| Telecommunications | 561 | 76 | 485 |
| Cellular charges | 129 | - | 129 |
| Travel expense | 4,209 | 6,232 | (2,023) |
| Miscellaneous advertising expense | 335 | 258 | 77 |
| Hospitality expense | 233 | 317 | (84) |
| Food expense | 151 | - | 151 |
| Building rental expense | 1,643 | 1,643 | - |
| Machine rental expense | 153 | - | 153 |
| Miscellaneous expense | - | 73 | (73) |
| Training & development | 400 | - | 400 |
| Postage & freight expense | 617 | 572 | 45 |
| Salaries & wages | 132,785 | 132,539 | 246 |
| Benefits | 40,010 | 41,558 | (1,548) |
| Computer services & supplies | 5,566 | - | 5,566 |
| Maintenance contracts | 1,431 | - | 1,431 |
| Dues & subscriptions | 4,185 | 85 | 4,100 |
| | | | |
| Contractual & Professional: | | | |
| Actuarial expense | 10,300 | 3,000 | 7,300 |
| Marketing & advertising | 5,305 | 14,667 | (9,362) |
| Miscellaneous contractual | 5,679 | 2,041 | 3,638 |
| Investment consultant | 45,000 | 45,000 | - |
| Records administration | 84,620 | 16,084 | 68,536 |
| External auditor | - | - | - |
| | | | |
| Total disbursements | \$ 343,928 | \$ 265,090 | \$ 78,838 |

Source of Disbursements

| Source | | | |
|----------------------------|-------------------|-------------------|------------------|
| Appropriations | \$ 70,283 | \$ 29,484 | \$ 40,799 |
| Treasurer's Office subsidy | - | - | - |
| Administrative Account: | | | |
| Prepaid Tuition Trust | - | - | - |
| Savings Plan Trust | 273,645 | 235,606 | 38,039 |
| Total | \$ 343,928 | \$ 265,090 | \$ 78,838 |

Program Active Accounts - Summary

| Activity | Prepaid Tuition Plan | | | Savings Plan | | |
|-------------------|----------------------|--------------|------|----------------|----------------|----------|
| | Last Quarter | This Quarter | FYTD | Last Quarter | This Quarter | ITD |
| Beginning | 5,172 | 5,133 | | 117,872 | 118,215 | |
| New/Redefined | - | - | - | 1,683 | 1,816 | 159,437 |
| Full Distribution | (15) | (43) | (43) | (622) | (749) | (15,138) |
| Cancelled | (24) | (30) | (30) | (248) | (364) | (12,283) |
| Internal Rollover | - | - | - | - | - | |
| External Rollover | - | - | - | (470) | (679) | (11,640) |
| Ending | 5,133 | 5,060 | | 118,215 | 118,239 | |

Prepaid Tuition Plan – Account Status Detail

| Status | Last Quarter | This Quarter |
|---|--------------|--------------|
| Mature, not in payout | 986 | 689 |
| Mature, payout in process | 1,881 | 2,107 |
| Not mature yet | 2,268 | 2,264 |
| Active Accounts Sub-Total | 5,135 | 5,060 |
| Depleted | 2,425 | 2,468 |
| Cancelled / rolled over | 2,177 | 2,209 |
| Closed Accounts Sub-Total | 4,602 | 4,677 |
| Total Accounts (since inception) | 9,737 | 9,737 |

Savings Plan Detail

| Quarterly Numbers Summary – Management Basis | | | | |
|---|---------------------|---------------------|----------------------------|------------------------|
| Activity | Last Quarter | This Quarter | FY 2013 To Date | Since Inception |
| Beginning Active Accounts | 117,872 | 118,215 | 118,215 | |
| New accounts | 1,683 | 1,816 | 1,816 | 159,273 |
| Closed | 1,340 | 1,792 | 1,792 | 41,034 |
| Ending Active Accounts | 118,215 | 118,239 | 118,239 | |

| | | | | |
|-----------------------------------|-------------------------|-------------------------|-------------------------|--------------------|
| Beginning Balance | \$ 1,855,091,629 | \$ 1,881,969,078 | \$ 1,881,969,078 | |
| Contributions | 45,595,823 | 42,094,947 | 42,094,947 | \$ 2,122,604,813 |
| Distributions: | | | | |
| Cancellations/Rollovers | 10,059,144 | 9,295,376 | 9,295,376 | |
| Regular Distributions | 14,611,744 | 46,892,240 | 46,892,240 | |
| Total Distributions | 24,670,888 | 56,187,615 | 56,187,615 | 752,595,616 |
| Fees & Charges: | | | | |
| Up-Front Sales Charge | 677,104 | 625,290 | 625,290 | 37,296,929 |
| Deferred Sales Charge | 17,190 | 33,679 | 33,679 | 1,163,380 |
| Broker Distribution Charge | 1,394,324 | 1,425,853 | 1,425,853 | 39,525,160 |
| Annual Maintenance Fee | 23,610 | 36,130 | 36,130 | 8,737,709 |
| Investment Mgmt Charges | 2,200,516 | 2,229,361 | 2,229,361 | 58,276,804 |
| Hartford Administrative Fee | 1,050,308 | 1,093,512 | 1,093,512 | 23,448,520 |
| WV Administrative Fee | 284,834 | 294,638 | 294,638 | 7,906,906 |
| Cancellation Fee | 28,085 | 26,190 | 26,190 | 937,731 |
| Total Fees & Charges | 5,675,971 | 5,764,653 | 5,764,653 | 177,293,139 |
| Change in Investment Value | \$ 11,628,485 | \$ 101,947,075 | \$ 101,947,075 | \$ 771,342,774 |
| Ending Balance | \$ 1,881,969,078 | \$ 1,964,058,831 | \$ 1,964,058,831 | |

Totals may reflect rounding differences

Savings Trust Assets by Investment Plan & Option

| | The Hartford SMART529 | SMART529 WV Direct | SMART529 Select | Totals |
|-----------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| Age-Based Portfolios | | | | |
| 0-8 | \$ 160,034,659 | \$ 22,574,463 | \$ - | \$ 182,609,122 |
| 9-13 | 279,866,594 | 26,424,033 | - | 306,290,627 |
| 14-15 | 113,636,075 | 10,685,039 | - | 124,321,114 |
| 16-17 | 104,436,700 | 9,342,584 | - | 113,779,284 |
| 18+ | 119,326,424 | 13,666,207 | - | 132,992,631 |
| DFA 0-3 | - | - | 15,288,444 | 15,288,444 |
| DFA 4-6 | - | - | 30,543,885 | 30,543,885 |
| DFA 7-9 | - | - | 38,045,561 | 38,045,561 |
| DFA 10-12 | - | - | 36,473,880 | 36,473,880 |
| DFA 13-15 | - | - | 31,514,295 | 31,514,295 |
| DFA 16-18 | - | - | 27,972,317 | 27,972,317 |
| DFA 19+ | - | - | 10,852,453 | 10,852,453 |
| TOTAL | \$ 777,300,453 | \$82,692,325 | \$ 190,690,836 | \$ 1,050,683,614 |
| Static Portfolios | | | | |
| Static Agg Growth | \$ 66,123,361 | \$ 21,479,367 | \$ - | \$ 87,602,729 |
| Static Growth | 91,212,161 | 14,767,005 | - | 105,979,166 |
| Static Balanced | 54,847,945 | 9,640,855 | - | 64,488,800 |
| Static Cnsv Balanced | 6,235,931 | 2,888,524 | - | 9,124,455 |
| Static Cnsv Bond | - | 2,932,113 | - | 2,932,113 |
| Static Checks & Bal | 32,440,585 | - | - | 32,440,585 |
| All Equity DFA | - | - | 73,077,793 | |
| Agg Growth DFA | - | - | 23,487,386 | |
| Moderate Agg DFA | - | - | 8,019,696 | |
| Growth DFA | - | - | 22,504,378 | |
| Moderate Grw DFA | - | - | 13,428,834 | |
| Balanced DFA | - | - | 8,019,057 | |
| Conservative DFA | - | - | 5,208,550 | |
| Moderate Cnsv DFA | - | - | 4,280,536 | |
| Fixed Income DFA | - | - | 9,611,414 | |
| 1-Year Fixed DFA | - | - | 4,772,594 | |
| TOTAL | \$ 250,859,983 | \$ 51,707,864 | \$ 172,410,237 | \$ 474,978,083 |

Chart continued on next page.

Savings Trust Assets by Investment Plan & Option - Continued

| | The Hartford SMART529 | SMART529 WV Direct | SMART529 Select | Totals |
|------------------------------------|--------------------------|-----------------------|----------------------|------------------------|
| Individual 529 Funds | | | | |
| Hartford Balanced Income | \$ 7,115,957 | \$ - | \$ - | \$ 7,115,957 |
| Hartford Capital Appreciation | 115,028,818 | | | 115,028,818 |
| Hartford Dividend & Growth | 72,085,803 | - | - | 72,085,803 |
| Hartford Equity Income | 19,745,886 | - | - | 19,745,886 |
| Hartford Global All Asset | 1,241,506 | - | - | 1,241,506 |
| Hartford Growth Opportunities Fund | 8,255,302 | - | - | 8,255,302 |
| Hartford High Yield | 8,286,518 | - | - | 8,286,518 |
| Hartford Inflation Plus | 10,038,764 | - | - | 10,038,764 |
| Hartford Intl Opportunities Fund | 11,389,383 | - | - | 11,389,383 |
| Hartford MidCap | 53,009,919 | - | - | 53,009,919 |
| Hartford MidCap Value | 9,364,636 | - | - | 9,364,636 |
| Hartford Small Company Fund | 6,455,613 | - | - | 6,455,613 |
| Hartford Total Return Bond | 23,114,772 | - | - | 23,114,772 |
| Hartford Value Fund | 3,872,163 | - | - | 3,872,163 |
| MFS Global Equity Fund | 13,236,315 | - | - | 13,236,315 |
| SMART529 500 Index Fund | - | 6,311,999 | - | 6,311,999 |
| TOTALS | \$ 362,241,356 | \$ 6,311,999 | \$ - | \$ 368,553,354 |
| Stable Value Funds | | | | |
| SMART529 Stable Value | \$ 59,041,777 | \$ 10,802,002 | | |
| TOTALS | \$ 59,041,777 | \$ 10,802,002 | | \$ 69,843,780 |
| GRAND TOTALS | \$ 1,449,443,568 | \$151,514,190 | \$363,101,073 | \$1,964,058,831 |

Totals may reflect rounding differences

Savings Trust Assets by Share Class

| Share Class | The Hartford SMART529 | SMART529 WV Direct | SMART529 Select | % of Assets |
|--------------|--------------------------|-----------------------|-----------------------|----------------|
| A Shares | \$ 996,123,609 | \$ - | \$ - | 51% |
| B Shares | \$ 126,177,051 | - | - | 6% |
| C Shares | \$ 222,085,974 | - | - | 11% |
| D Shares | | \$ 151,514,190 | \$ 363,101,073 | 26% |
| E Shares | \$ 105,056,934 | - | - | 5% |
| Total | \$ 1,449,443,568 | \$ 151,514,190 | \$ 363,101,073 | 100% |

Contributions & Accounts by Channel

| Channel | Total Contributions | | New Accounts | |
|--------------|----------------------|-------------------------|--------------|----------------------|
| | Quarter | Inception To Date | Quarter | Inception To Date |
| Advisor | \$ 25,806,344 | \$ 1,624,841,158 | 1,142 | 134,221 |
| Direct | 16,288,602 | 497,763,655 | 674 | 25,052 |
| Total | \$ 42,094,947 | \$ 2,122,604,813 | 1,816 | 159,273 |

New Account Activity By Channel WV Owner or Beneficiary

| Quarter | Contributions by Channel | | | Accounts by Channel | | |
|----------------|--------------------------|-----------|------------|---------------------|--------|-------|
| | Advisor | Direct | Total | Advisor | Direct | Total |
| 2011 June | 4,141,775 | 3,782,889 | 7,924,664 | 364 | 267 | 631 |
| 2011 September | 4,056,101 | 4,317,770 | 8,373,871 | 301 | 281 | 582 |
| 2011 December | 5,519,575 | 6,809,697 | 12,329,271 | 415 | 442 | 857 |
| 2012 March | 4,704,131 | 5,706,452 | 10,410,583 | 409 | 527 | 936 |
| 2012 June | 4,016,449 | 3,818,192 | 7,834,640 | 357 | 270 | 627 |
| 2012 September | 4,102,838 | 4,204,828 | 8,307,666 | 296 | 261 | 557 |
| 2012 December | 7,665,536 | 7,813,749 | 15,479,285 | 387 | 432 | 819 |
| 2013 March | 5,208,674 | 6,147,424 | 11,356,098 | 392 | 540 | 932 |
| 2013 June | 4,360,902 | 4,560,425 | 8,921,327 | 329 | 317 | 646 |
| 2013 Sept | 4,273,518 | 4,809,588 | 9,083,106 | 438 | 314 | 752 |

Top 10 Investing Firms – West Virginia

WV Owner or Beneficiary

| Firm Ordered by "New Accounts" for quarter | Quarter | | Since Inception | |
|---|---------------|--------------|---------------------|----------|
| | Investment \$ | New Accounts | Total Investment \$ | Accounts |
| Edward Jones | 953,336 | 93 | 23,682,231 | 3,040 |
| First Clearing Corporation | 350,653 | 25 | 18,754,121 | 950 |
| J.P. Morgan Securities-0432 | 296,137 | 19 | 7,289,988 | 1,499 |
| Bb&T Investment Services Inc | 573,317 | 17 | 24,339,671 | 2,596 |
| Huntington Investment Co | 128,495 | 12 | 6,765,406 | 310 |
| Northwestern Mutual Investment Ser | 128,065 | 9 | 2,797,867 | 578 |
| Lpl Financial Corporation | 73,250 | 7 | 4,115,956 | 495 |
| Woodbury Financial Services | 113,405 | 7 | 3,674,866 | 610 |
| First Heartland Capital Inc | 16,514 | 7 | 242,306 | 207 |
| Morgan Stanley Smith Barney Llc | 242,779 | 6 | 7,312,716 | 334 |

Top 10 Investing Firms – Nationwide

| Firm Ordered by "New Accounts" for quarter | Quarter | | Since Inception | |
|---|---------------|--------------|---------------------|----------|
| | Investment \$ | New Accounts | Total Investment \$ | Accounts |
| Edward Jones | \$9,304,352 | 967 | \$454,250,939 | 46,459 |
| Lpl Financial Corporation | \$1,634,383 | 64 | \$60,056,337 | 6,451 |
| First Clearing Corporation | \$1,804,937 | 61 | \$87,332,515 | 7,316 |
| Morgan Stanley Smith Barney Llc | \$2,316,475 | 51 | \$60,406,118 | 2,676 |
| Woodbury Financial Services | \$775,785 | 40 | \$66,754,834 | 7,018 |
| J.P. Morgan Securities | \$363,918 | 29 | \$9,389,980 | 1,317 |
| Raymond James Financial Services | \$928,390 | 26 | \$41,173,348 | 3,866 |
| J.J.B. Hillard, W.L. Lyons Lls | \$593,603 | 25 | \$8,385,634 | 1,066 |
| Janney Montgomery Scott L L C | \$259,293 | 22 | \$10,298,318 | 459 |
| Huntington Investment Co | \$267,150 | 18 | \$24,428,906 | 3,040 |

Top 10 Investing States

| State By residence of account owner | Quarter | | Since Inception | |
|--|---------------|---------|-----------------|---------|
| | Investment \$ | Percent | Investment \$ | Percent |
| WV | 8,987,605 | 20.10% | 375,623,955 | 17.67% |
| <i>Direct-sold</i> | 4,734,380 | 52.68% | 176,098,266 | 46.89% |
| <i>Broker-sold</i> | 4,253,225 | 47.32% | 191,647,403 | 53.11% |
| CA | 5,286,362 | 11.82% | 230,684,547 | 10.85% |
| TX | 5,101,000 | 11.41% | 169,222,706 | 7.96% |
| MA | 2,449,276 | 5.48% | 58,135,025 | 2.74% |
| PA | 1,944,876 | 4.35% | 76,877,251 | 3.62% |
| FL | 1,747,791 | 3.91% | 78,816,733 | 3.71% |
| MN | 1,636,707 | 3.66% | 73,538,002 | 3.46% |
| TN | 1,337,307 | 2.99% | 67,683,778 | 3.18% |
| NC | 1,317,521 | 2.95% | 113,979,678 | 5.36% |
| WA | 1,278,479 | 2.86% | 50,648,122 | 2.38% |

Assets in Underlying Funds by Product Line

| Mutual Fund Name | The Hartford SMART529 | SMART529 Select | Total | Equivalent Shares |
|-------------------------------|--------------------------|-----------------------|-------------------------|----------------------|
| | SMART529 WV Direct | | | |
| Hartford Small Cap Growth | \$ 26,307,258 | | \$ 26,307,258 | 531,245.106 |
| Hartford Growth Opps | 8,291,393 | | 8,291,393 | 204,978.803 |
| Hartford Small Co | 6,467,441 | | 6,467,441 | 236,815.868 |
| Hartford High Yield | 8,261,472 | | 8,261,472 | 1,100,062.843 |
| Hartford Capital Apprec | 204,409,711 | | 204,409,711 | 4,261,198.887 |
| Hartford MidCap | 53,066,008 | | 53,066,008 | 1,896,569.257 |
| Hartford Total Return Bond | 33,894,688 | | 33,894,688 | 3,221,928.529 |
| Hartford Dividend Growth | 160,867,665 | | 160,867,665 | 6,512,860.919 |
| Hartford International Opps | 179,943,500 | | 179,943,500 | 10,235,693.963 |
| Hartford Value | 3,861,940 | | 3,861,940 | 271,394.249 |
| Hartford MidCap Value | 43,373,131 | | 43,373,131 | 2,627,082.450 |
| Hartford Intl Small Company | 42,917,045 | | 42,917,045 | 2,485,063.414 |
| Hartford Balanced Income | 7,130,443 | | 7,130,443 | 556,630.979 |
| Hartford Inflation Plus | 37,385,935 | | 37,385,935 | 3,279,468.022 |
| Hartford Unconstrained Bond | 14,618,792 | | 14,618,792 | 1,470,703.398 |
| Hartford Equity Income | 89,979,905 | | 89,979,905 | 5,171,258.895 |
| Hartford Strategic | 48,910,317 | | 48,910,317 | 5,452,655.184 |
| Hartford World Bond | 31,746,471 | | 31,746,471 | 3,003,450.387 |
| Hartford Emerging Mark Res | 36,390,382 | | 36,390,382 | 4,197,275.901 |
| Hartford Global All Asset | 1,245,457 | | 1,245,457 | 103,874.615 |
| Hartford Gobal Real Asset | 74,371,690 | | 74,371,690 | 7,370,831.472 |
| Hartford Alternative Strategy | 76,617,583 | | 76,617,583 | 7,661,758.272 |
| MFS Global Equity | 13,290,494 | | 13,290,494 | 406,312.869 |
| Vanguard Total Intl Stock | 25,412,731 | | 25,412,731 | 235,783.366 |
| Vanguard Inflation Protected | 8,895,961 | | 8,895,961 | 831,398.187 |
| Vanguard Total Bond Mkt II | 16,800,585 | | 16,800,585 | 1,586,457.516 |
| Vanguard Inst Index | 6,311,586 | | 6,311,586 | 40,984.324 |
| Vanguard Total Stock | 59,397,035 | | 59,397,035 | 1,392,988.622 |
| Stable Value | 281,799,600 | | 281,799,600 | 18,477,365.824 |
| DFA Inflationary Protection | - | 8,930,134 | 8,930,134 | 758,075.927 |
| DFA International Core Equity | - | 69,804,492 | 69,804,492 | 5,745,225.673 |
| DFA US Core Equity 2 | - | 157,204,623 | 157,204,623 | 10,473,325.990 |
| DFA Emerging Markets Core | - | 22,470,608 | 22,470,608 | 1,166,698.248 |
| DFA One Year Fixed Income | - | 29,961,460 | 29,961,460 | 2,900,431.753 |
| DFA Five Yr Global Bond | - | 24,342,718 | 24,342,718 | 2,198,980.867 |
| DFA Investment Grade | - | 30,051,895 | 30,051,895 | 2,870,286.008 |
| DFA St Ext Qual | - | 12,714,922 | 12,714,922 | 1,174,046.369 |
| DFA Global Real | - | 7,699,456 | 7,699,456 | 832,373.646 |
| Total Market Value | \$ 1,601,966,216 | \$ 363,180,309 | \$ 1,965,146,525 | |

| | |
|--|------------------|
| Cash & Investments | \$ 1,964,058,831 |
| Assets in Underlying Funds | \$ 1,965,146,525 |
| Difference due to market timing/seed money | \$ (1,087,694) |

West Virginia Resident versus Non West Virginia Resident

| | WV | | | | Non WV | | | | Total of All | |
|---------------------------|----------------------|-------------|---------------|-------------|----------------------|-------------|---------------|-------------|----------------------|----------------|
| | \$ | % | # | % | \$ | % | # | % | \$ | # |
| Owner Type | | | | | | | | | | |
| Regular | 335,827,313 | 98% | 25,538 | 99% | 1,584,593,869 | 98% | 89,877 | 97% | 1,920,421,182 | 115,415 |
| Custodial (UGMA/UTMA) | 5,309,674 | 2% | 374 | 1% | 38,328,088 | 2% | 2,450 | 3% | 43,637,762 | 2,824 |
| Total | 341,136,987 | 100% | 25,912 | 100% | 1,622,921,957 | 100% | 92,327 | 100% | 1,964,058,944 | 118,239 |
| Account Balance | | | | | | | | | | |
| \$0-\$500 | \$641,153 | 0% | 2,877 | 11% | \$1,234,218 | 0% | 4,754 | 5% | \$1,875,371 | 7,631 |
| \$500-\$1,000 | \$1,446,182 | 0% | 1,999 | 8% | \$3,494,710 | 0% | 4,751 | 5% | \$4,940,892 | 6,750 |
| \$1,000-\$2,500 | \$6,847,846 | 2% | 4,120 | 16% | \$19,769,721 | 1% | 11,762 | 13% | \$26,617,567 | 15,882 |
| \$2,500-\$5,000 | \$14,873,618 | 4% | 4,085 | 16% | \$47,165,417 | 3% | 12,874 | 14% | \$62,039,035 | 16,959 |
| \$5,000-\$10,000 | \$31,830,751 | 9% | 4,434 | 17% | \$130,527,939 | 8% | 17,956 | 19% | \$162,358,690 | 22,390 |
| \$10,000-\$25,000 | \$73,942,200 | 22% | 4,762 | 18% | \$351,640,876 | 22% | 22,144 | 24% | \$425,583,076 | 26,906 |
| \$25,000-\$50,000 | \$75,878,855 | 22% | 2,187 | 8% | \$354,568,417 | 22% | 10,170 | 11% | \$430,447,273 | 12,357 |
| \$50,000-\$100,000 | \$69,790,560 | 20% | 1,013 | 4% | \$398,102,210 | 25% | 5,767 | 6% | \$467,892,770 | 6,780 |
| \$100,000-\$200,000 | \$49,196,948 | 14% | 370 | 1% | \$256,882,138 | 16% | 1,904 | 2% | \$306,079,086 | 2,274 |
| \$200,000+ | \$16,688,874 | 5% | 65 | 0% | \$59,536,309 | 4% | 245 | 0% | \$76,225,183 | 310 |
| Total | 341,136,987 | 100% | 25,912 | 100% | 1,622,921,957 | 100% | 92,327 | 100% | 1,964,058,944 | 118,239 |
| Age of Beneficiary | | | | | | | | | | |
| <1 | \$986,034 | 0% | 355 | 1% | \$4,165,941 | 0% | 694 | 1% | \$5,151,975 | 1,049 |
| 1 | \$3,251,860 | 1% | 813 | 3% | \$9,260,479 | 1% | 1,420 | 2% | \$12,512,339 | 2,233 |
| 2 | \$4,952,866 | 1% | 953 | 4% | \$16,930,097 | 1% | 1,964 | 2% | \$21,882,963 | 2,917 |
| 3 | \$6,258,656 | 2% | 1,014 | 4% | \$25,431,159 | 2% | 2,458 | 3% | \$31,689,815 | 3,472 |
| 4 | \$7,582,584 | 2% | 1,107 | 4% | \$32,313,870 | 2% | 2,807 | 3% | \$39,896,454 | 3,914 |
| 5 | \$10,483,092 | 3% | 1,256 | 5% | \$42,819,609 | 3% | 3,192 | 3% | \$53,302,701 | 4,448 |
| 6 | \$14,439,181 | 4% | 1,455 | 6% | \$55,767,929 | 3% | 3,861 | 4% | \$70,207,110 | 5,316 |
| 7 | \$14,435,821 | 4% | 1,474 | 6% | \$70,661,473 | 4% | 4,557 | 5% | \$85,097,294 | 6,031 |
| 8 | \$19,046,044 | 6% | 1,559 | 6% | \$82,355,324 | 5% | 5,098 | 6% | \$101,401,369 | 6,657 |
| 9 | \$19,385,972 | 6% | 1,528 | 6% | \$94,090,644 | 6% | 5,795 | 6% | \$113,476,616 | 7,323 |
| 10 | \$21,009,022 | 6% | 1,565 | 6% | \$107,011,504 | 7% | 6,183 | 7% | \$128,020,526 | 7,748 |
| 11 | \$21,275,305 | 6% | 1,460 | 6% | \$109,671,046 | 7% | 6,092 | 7% | \$130,946,352 | 7,552 |
| 12 | \$21,990,312 | 6% | 1,474 | 6% | \$113,697,128 | 7% | 5,833 | 6% | \$135,687,439 | 7,307 |
| 13 | \$19,236,769 | 6% | 1,325 | 5% | \$113,432,285 | 7% | 5,721 | 6% | \$132,669,054 | 7,046 |
| 14 | \$20,691,845 | 6% | 1,241 | 5% | \$110,799,776 | 7% | 5,344 | 6% | \$131,491,621 | 6,585 |
| 15 | \$21,898,085 | 6% | 1,113 | 4% | \$111,877,904 | 7% | 5,303 | 6% | \$133,775,989 | 6,416 |
| 16 | \$19,604,087 | 6% | 1,098 | 4% | \$112,708,946 | 7% | 4,975 | 5% | \$132,313,034 | 6,073 |
| 17 | \$20,850,530 | 6% | 1,023 | 4% | \$108,496,562 | 7% | 4,848 | 5% | \$129,347,092 | 5,871 |
| 18 | \$19,014,313 | 6% | 898 | 3% | \$88,887,913 | 5% | 4,055 | 4% | \$107,902,227 | 4,953 |
| 19 | \$15,139,910 | 4% | 786 | 3% | \$68,925,456 | 4% | 3,287 | 4% | \$84,065,365 | 4,073 |
| 20 | \$11,202,411 | 3% | 595 | 2% | \$45,294,051 | 3% | 2,618 | 3% | \$56,496,462 | 3,213 |
| 21 | \$8,854,627 | 3% | 494 | 2% | \$30,952,258 | 2% | 1,981 | 2% | \$39,806,885 | 2,475 |
| 22 | \$5,051,076 | 1% | 346 | 1% | \$19,546,961 | 1% | 1,301 | 1% | \$24,598,037 | 1,647 |
| 23+ | \$14,496,584 | 4% | 980 | 4% | \$47,823,642 | 3% | 2,940 | 3% | \$62,320,226 | 3,920 |
| Total | \$341,136,987 | 100% | 25,912 | 100% | 1,622,921,957 | 100% | 92,327 | 100% | 1,964,058,944 | 118,239 |

Continued on next page.

West Virginia Resident versus Non West Virginia Resident cont

| | WV | | | | Non WV | | | | Total of All | |
|--------------------------|----------------------|-------------|---------------|-------------|------------------------|-------------|----------------|-------------|------------------------|----------------|
| | \$ | % | # | % | \$ | % | # | % | \$ | # |
| By Product | | | | | | | | | | |
| The Hartford | 173,709,554 | 51% | 14,099 | 54% | 1,275,734,127 | 79% | 81,926 | 89% | 1,449,443,681 | 96,025 |
| WV Direct | 142,742,442 | 42% | 10,615 | 41% | 8,771,748 | 1% | 577 | 1% | 151,514,190 | 11,192 |
| Select | 24,684,991 | 7% | 1,198 | 5% | 338,416,082 | 21% | 9,824 | 11% | 363,101,073 | 11,022 |
| Total | 341,136,987 | 100% | 25,912 | 100% | 1,622,921,957 | 100% | 92,327 | 100% | 1,964,058,944 | 118,239 |
| By Payment Method | | | | | | | | | | |
| Auto Invest | \$99,561,248 | 29% | 8,787 | 34% | \$388,915,721 | 24% | 24,968 | 27% | \$488,476,969 | 33,755 |
| Check | \$241,575,739 | 71% | 17,125 | 66% | \$1,234,006,236 | 76% | 67,359 | 73% | \$1,475,581,975 | 84,484 |
| Total | \$341,136,987 | 100% | 25,912 | 100% | \$1,622,921,957 | 100% | 92,327 | 100% | \$1,964,058,944 | 118,239 |
| By Portfolio* | | | | | | | | | | |
| Age Based Portfolio | \$195,535,690 | 57% | 18,776 | 61% | \$855,202,500 | 53% | 59,559 | 54% | \$1,050,738,190 | 78,064 |
| Individual Funds | \$49,557,190 | 15% | 4,518 | 15% | \$364,805,944 | 22% | 24,433 | 22% | \$414,363,133 | 29,136 |
| Static Portfolio | \$96,044,108 | 28% | 7,631 | 25% | \$402,968,073 | 25% | 25,594 | 23% | \$499,012,181 | 33,070 |
| Total | \$341,136,987 | 100% | 30,925 | 100% | \$1,622,976,518 | 100% | 109,586 | 100% | \$1,964,058,944 | 140,270 |

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

New Account Activity

| | WV | | Non WV | | Grand Totals | |
|----------------------------|------------|-------------|--------------|-------------|--------------|-------------|
| | # | % | # | % | # | % |
| By Application Type | | | | | | |
| Online | 399 | 53% | 178 | 17% | 577 | 32% |
| Paper | 353 | 47% | 886 | 83% | 1,239 | 68% |
| Total | 752 | 100% | 1,064 | 100% | 1,816 | 100% |
| By Channel | | | | | | |
| Advisor | 438 | 58% | 884 | 83% | 1,322 | 73% |
| Direct | 314 | 42% | 180 | 17% | 494 | 27% |
| Total | 752 | 100% | 1,064 | 100% | 1,816 | 100% |
| By Product | | | | | | |
| The Hartford | 438 | 58% | 884 | 83% | 1,322 | 73% |
| Select | 37 | 5% | 178 | 17% | 215 | 12% |
| WV Direct | 277 | 37% | 2 | 0% | 279 | 15% |
| Total | 752 | 100% | 1,064 | 100% | 1,816 | 100% |