



## SMART529 College Savings Program Unveils Product Enhancements

### *Firm introduces new investment option, new share class*

SIMSBURY, Conn., Oct 01, 2009 (BUSINESS WIRE) -- The Hartford(R) [SMART529\(R\)](#), offered by the West Virginia College Prepaid Tuition and Savings Program Board of Trustees, today announced recent product changes including the introduction of the Checks and Balances investment portfolio.

"These product changes help SMART529 stand apart to advisors," said Jeff Cohan, assistant vice president of 529 plans at The Hartford. "As we start to emerge from the financial crisis, advisors and their clients are looking for innovative ways to save for college."

### **New Way to Invest**

The Hartford SMART529 investment options invest primarily in [The Hartford Mutual Funds](#), including some of its most widely used funds among financial advisors. These include [The Hartford Capital Appreciation Fund](#)<sup>1</sup>, [The Hartford Dividend and Growth Fund](#)<sup>2</sup>, [The Hartford Total Return Bond Fund](#)<sup>3</sup> and [The Hartford MidCap Fund](#)<sup>4</sup>.

In July 2009, SMART529 launched a new college savings investment option that shares the same investment strategy as one of The Hartford's top-ten selling mutual funds - [The Hartford Checks and Balances Fund](#). The Hartford SMART529 [Checks and Balances Portfolio](#) is a new two-thirds-equity, one-third fixed-income option for moderately aggressive investors who want to combine stock market opportunity with the protection of bonds. Checks and Balances invests one-third in each of the following funds: The Hartford Capital Appreciation Fund<sup>1</sup>, The Hartford Dividend and Growth Fund<sup>2</sup> and The Hartford Total Return Bond Fund<sup>3</sup>.

### **New Way to do Business**

Earlier this year, The Hartford SMART529 launched a 529 share class to serve Registered Investment Advisors (RIAs) who have firm selling agreements for The Hartford SMART529. This is in response to the growing number of firms adopting an RIA business model, in which clients are charged fees based upon total assets under management.

At the end of 2008, the RIA channel had a 10.8 percent market share of client assets across the wealth management industry, according to a July 2009 report from Aite Group. This is up 1.1 percent from the end of 2007.

"The new share class makes it easier for registered investment advisors to conduct business with us because it allows them to manage their clients' college savings plans in the same way as their other investments," said Cohan. "We want to make our product convenient for advisors to work with."

### **Other Tools for Advisors**

The Hartford SMART529 is committed to helping advisors do business and offers several tools that can help advisors and their clients approach college savings.

- Morningstar Illustrator to create hypothetical illustrations of performance utilizing investment options from The Hartford SMART529 plan
- [SMART529 College Savings Calculator](#) that provides a robust client report including a break out of costs by child plus an overall view of education costs and savings options
- A password-protected Web site for financial advisors that is dedicated to college savings and offers innovative sales, marketing and training tools
- Support from one of the largest wholesaling teams in the country

- Support from firms utilizing the National Securities Corporation new account application process, which provides streamlining and expediting benefits

The Hartford SMART529 has over 100,000 accounts and \$1.1 billion assets under management as of September 15, 2009.

Money set aside for college today can lead to greater opportunities in the future. The earlier families begin saving, the better. Even small amounts, saved on a regular basis, can add up over time. Talk to your financial advisor or log on to [www.hartfordinvestor.com](http://www.hartfordinvestor.com).

## About The Hartford

Celebrating nearly 200 years, The Hartford (NYSE: HIG) is an insurance-based financial services company that serves households, businesses and employees by helping to protect their assets and income from risks, and by managing wealth and retirement needs. A Fortune 500 company, The Hartford is recognized widely for its service expertise and as one of the world's most ethical companies. More information on the company and its financial performance is available at [www.thehartford.com](http://www.thehartford.com).

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Some of the statements in this release may be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Investors should consider the important risks and uncertainties that may cause actual results to differ. These important risks and uncertainties include those discussed in our Quarterly Reports on Form 10-Q, our 2008 Annual Report on Form 10-K and the other filings we make with the Securities and Exchange Commission. We assume no obligation to update this release, which speaks as of the date issued.

<sup>1</sup> Investments in foreign securities may involve different and additional risks associated with foreign currencies, investment disclosure, accounting, securities regulation, commissions, taxes, political or social instability, war, or expropriation.

Emerging markets may involve similar but greater risks than foreign investing due to smaller size and lesser liquidity.

The fund may invest in small and mid-cap companies. Small company, and to a lesser extent, mid-cap investing involves higher risks than large company investing.

<sup>2</sup> A portion of the fund may be invested in foreign securities, and subject to the associated risks. Please see a prospectus for the current percentage.

<sup>3</sup> The Fund is subject to both credit and interest rate risk. The fund's share price and yield will be affected by interest rate movements, with bond prices generally moving in the opposite direction from interest rates. Credit risk refers to the bond issuers ability to make timely payments of principal and interest.

The Fund may invest in mortgage-backed and asset-backed securities, which are subject interest rate risk, credit risk, extension risk, prepayment risk and the risk of default by the holders of the mortgages or other obligations underlying the securities.

Bank loans are subject to the risk of nonpayment of principal or interest. Substantial increases in interest rates may cause an increase in loan defaults. Although the loans may be fully collateralized at the time of acquisition, the collateral may decline in value, be relatively illiquid, or lose all or substantially all of its value subsequent to investment. In addition, many loans are relatively illiquid and may be difficult to value, which may have an adverse impact on the fund.

High-yield securities, or "junk bonds", are rated lower than investment-grade bonds because there is a greater possibility that the issuer may be unable to make interest and principal payments on those securities.

Investments in foreign securities may involve different and additional risks associated with foreign currencies, investment disclosure, accounting, securities regulation, commissions, taxes, political or social instability, war, or expropriation.

<sup>4</sup> Midcap stocks generally have higher risk characteristics than large cap stocks.

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

**West Virginia provides its residents with tax advantages for investing in SMART529. If you reside in or have taxable income in a state other than West Virginia, you should consider whether your state has a qualified tuition program that offers favorable state income tax or other benefits exclusive to your state's program that are not available under the SMART529 program.**

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.

**Investments in SMART529 are not guaranteed or insured by the State of West Virginia, the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program, the West Virginia 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. Investments in SMART529 are subject to investment risks, including the loss of the principal amount invested, and may not be appropriate for all investors.**

Investments in SMART529 are subject to certain charges, which will reduce the value of your Account as they are incurred. Please see the Offering Statement for details of charges or fees that apply to the specific SMART529 savings plan.

**This information is written in connection with the promotion or marketing of the matter(s) addressed in this material. The information cannot be used or relied upon for the purpose of avoiding IRS penalties. These materials are not intended to provide tax, accounting or legal advice. As with all matters of a tax or legal nature, you should consult your own tax or legal counsel for advice.**

**You should carefully consider the investment objectives, risks and charges and expenses of SMART529 and its Underlying Funds before investing. This and other information can be found in the Offering Statement for SMART529 and the prospectuses or other disclosure documents for the Underlying Funds, which can be obtained on this website or by calling toll-free (866) 574-3542. Please read them carefully before you invest or send money. SMART529 is distributed by Hartford Securities Distribution Company Inc. [Member SIPC](#).**

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SOURCE: The Hartford

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