

saving
for college

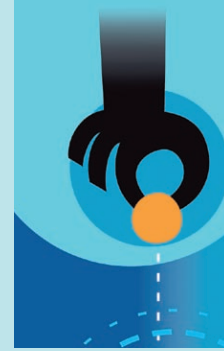
A smart investment in your child's future: VHEIP



Invest for college with the
**Vermont Higher Education
Investment Plan (VHEIP).**

You can get there.
We can help.

Sponsored by the
Vermont Student Assistance Corporation



You can get there.
We can help.
www.vheip.org
800-637-5860

Consider the investment objectives, risks, charges, and expenses before investing in the Vermont Higher Education Investment Plan (VHEIP). Please visit www.vheip.org 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 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 VHEIP. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.

Non-qualified withdrawals are subject to income taxes and the additional 10% federal tax.

The State of Vermont, its agencies, VSAC, TIAA-CREF Tuition Financing, Inc., Teachers Insurance and Annuity Association of America, and its affiliates do not insure any account invested in the program, or guarantee such account's principal or investment return. **account value in the Investment Options is not guaranteed and will fluctuate based upon a number of factors, including general market conditions.**

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You can get there.
We can help.

Phone:
800-637-5860
Monday-Friday, 8:00 am-8:00 pm EST

Online:
www.vheip.org



College begins with a dream. Success requires a plan.

Saving for college is one of the most pressing financial challenges that a family is likely to face. However, today education or training beyond high school is important to achieving career satisfaction and success. A college education opens doors to better job opportunities and higher earnings than those available to high school graduates. In fact, according to the U.S. Census Bureau, those with bachelor's degrees can earn over 80 percent more on average than those with high school diplomas. Over a lifetime, the gap in earning potential between a high school graduate and a college graduate can be \$1 million or more.*

Now, thanks to the Vermont Higher Education Investment Plan (VHEIP) — sponsored by the Vermont Student Assistance Corporation (VSAC) — you have a smart, tax-advantaged way to help invest in your child's future higher education expenses.

You can get there. VHEIP can help.

Take advantage of VHEIP, the Vermont Higher Education Investment Plan!

- **State income tax credit:** VHEIP is the only 529 college savings plan for which qualified Vermont taxpayers can claim a Vermont state income tax credit on contributions. An account owner in the Vermont Higher Education Investment Plan who is a Vermont taxpayer may receive a nonrefundable tax credit of 10 percent of the first \$2,500 contributed per beneficiary, per year. The credit is available to taxpayers only to the extent of their tax liability. A taxpayer who has received this credit is subject to repayment of up to a maximum of the total credits previously received if the taxpayer makes certain types of withdrawals from the Plan which are not qualified withdrawals. Certain conditions apply. Please see the Disclosure Booklet for detailed information concerning rollovers.

- **Tax-deferred earnings:** Contributions to VHEIP have the opportunity to grow free from federal and Vermont income tax until they are withdrawn.

- **Tax-free withdrawals:** Withdrawals of any earnings from your account are free from federal and Vermont state income tax when used for qualified higher education expenses.

- **Low expenses:** The low costs of VHEIP mean that more of your investment dollars can work for you.

- **Easy start-up:** You can open an account with as little as \$25 per investment option.

- **Low minimum contributions:** You can make periodic or regular contributions with as little as \$25 per investment option. If your employer offers payroll deduction, you can contribute as little as \$15 per investment option per pay period.

- **Range of investment choices:** VHEIP offers you a variety of investment options that vary in their investment strategies and degrees of risk. This allows you to select an option or combination of options that best fit your needs, goals, and investment philosophy.

- **Flexibility:** If your beneficiary decides not to attend college, or if he or she receives a scholarship, you can designate another eligible family member as the beneficiary. An account owner may also transfer existing funds from one investment option to another once per calendar year.

- **No income restrictions or annual contribution limits:** Parents, grandparents, relatives, and friends at any income level may open an account for a beneficiary. There is no annual limit on the amount you may contribute. (There is an overall maximum account balance limit of \$240,100 that applies to all VHEIP accounts for a particular beneficiary.)

An account owner may contribute to a beneficiary's account if, at the time of the contribution, the total balance of all VHEIP accounts for that beneficiary does not exceed \$240,100. accounts that have reached the maximum account balance limit may continue to accrue earnings.



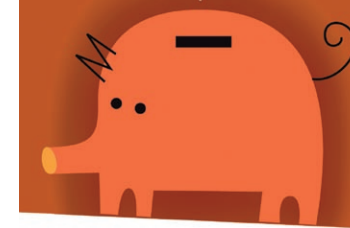
It's easy to enroll.

Phone: Call us toll-free 800-637-5860, Monday–Friday, 8:00 am–8:00 pm EST to speak with our knowledgeable college savings specialists.

Online: Enroll at www.vheip.org

Or, simply fill out the card on the right and send it to us!

For more Information about VHEIP,



complete this card and drop it in the mail.

- Yes, I'd like to learn more about VHEIP.
- Yes, I'd like a college savings specialist to contact me about VHEIP.

Name _____

Residential address _____

City _____ State _____ ZIP _____

Primary phone number _____

E-mail address _____

Are you a current VHEIP account owner? Yes No

Do you have any college savings investments? Yes No

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If yes, what other types of college savings investments do you have?

- State 529 college savings program (please indicate state or program manager)
- Coverdell account
- Custodial account (UGMA or UTMA)
- Regular savings account
- Savings bond
- Other

Are you a parent? Yes No

Are you a grandparent? Yes No

If you have children/grandchildren, check all that apply:

- Infant/Toddler Middle school
- Preschool High school
- Elementary school

Within which time frame are you planning to start a college savings plan?

- 0–3 months 7–12 months
- 4–6 months More than a year from now

When is the best time to call?

Daytime _____ Evening (5:00 pm to 8:00 pm) _____

It's easy to enroll.

It's easy to enroll or learn more about VHEIP:

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Online: www.vheip.org

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* Source: College Savings Plans Network, Why Save for College (www.collegesavings.org/whySaveForCollege.aspx) and Trends in College 2008 (www.collegeboard.com).