

Great news from VHEIP



VHEIP introduces new program manager

The Vermont Student Assistance Corporation is transferring management of the Vermont Higher Education Investment Plan to a new plan manager, Intuition College Savings Solutions, effective September 14, 2015.

The Vermont Student Assistance Corporation has selected Intuition College Savings Solutions, LLC, as the new manager of the Vermont Higher Education Investment Plan, Vermont's state-sponsored 529 college savings plan.

About the change

We're excited about this change and the additional benefits to account owners. After an extensive competitive process, VSAC chose Intuition for its lower investment fees, expanded online services, and wider range of investment choices — from Vanguard, TIAA-CREF, and others.

VSAC's role won't change. We'll continue to sponsor the VHEIP 529 college savings plan for the state and to provide you with easy-to-use savings opportunities.

There is nothing you need to do now, as your account balances will automatically transfer.

Choosing Intuition as our plan manager also allows us to integrate all the financial and information resources VSAC offers families like yours when planning for education after high school.

You've already taken a wise step by investing in Vermont's 529 college savings plan: All Vermonters will need some

form of education or training after high school to be ready for Vermont's future jobs. And we know that students from families that save even a small amount for education are three times more likely to go on to higher education.

At VSAC, our mission is to ensure that all Vermonters have access to the counseling and financial resources they need to pursue education and training after high school. Since it began in 1999, VHEIP has grown to more than \$270 million in assets with nearly 16,000 accounts. It's become an important part of how Vermont students of all ages pay for education and training after high school.

We're excited to have the opportunity to work together to make the VHEIP college savings plan even better for you and your family. Thank you for making saving for college a priority!

On the pages that follow, you'll find information on the transition process and plan changes. This transition guide is a summary of those changes. Intuition will send an updated plan description and disclosure with your welcome packet.





the transition at a glance

what's staying the same

Plan name	Vermont Higher Education Investment Plan
Plan sponsor	Vermont Student Assistance Corporation
Phone number	800-637-5860
Website	www.vheip.org
Account number	Your account number will remain the same.
Tax benefits	State and federal tax benefits — including the Vermont state income tax credit — will remain the same.

What else should I know?

- There's nothing you need to do prior to this transition. VSAC and Intuition will work together to automatically transfer your account balances and investment options in a secure manner.
- Because this transfer is a non-taxable, non-reportable event, it will not be counted toward your twice-per-calendar year investment option change limit.

what's changing

	from	to
Plan manager	TIAA-CREF Tuition Financing, Inc.	Intuition College Savings Solutions, LLC
Investment options	Managed Allocation, Diversified Equity, Equity Index, Balanced, Fixed Income, Principal Plus Interest	Managed Allocation, Diversified Equity, Equity Index, Balanced, Fixed Income, Treasury Obligations, with new underlying funds from TIAA-CREF, Vanguard, DFA, and Federated; see the insert for details.
Total plan fees	0.45% – 0.76%	0.39%
Mailing address	VHEIP PO Box 8101 Boston, MA 02266	VHEIP PO Box 44002 Jacksonville, FL 32231

what you'll need to do

Log-in user name & password	You'll need to re-register for online access once the transition is complete; you'll be asked to create a new user name and password.
Payroll deduction contributions	If you're currently making automated contributions via payroll deduction, you'll need to provide new instructions to your employer. Detailed information will be mailed to you separately prior to the transition.
Bill pay with your bank	If you have your bank send contributions to VHEIP, you'll need to notify your bank of the new VHEIP address.

timeline: how it will work

before the transition

Thursday, September 10, 2015

After 4:00 pm ET on this date, all transactions and account activities via web, mail, and phone will cease until the transition is complete.

- No phone, paper, or web transactions — including via online account access — will be available.
- Customer service will be available by phone until 8:00 pm ET.
- Financial transactions cannot be made.
- Account maintenance requests cannot be made.
- New accounts cannot be opened.
- The website will be available; you will be able to log in to online account access using your existing user name and password to view your account information, but you will not be able to initiate any transactions.

during the transition

Friday through Monday, September 11–14, 2015

After 4:00 pm ET on Friday:

- The website will not be available; you will not be able to log in to online account access.
- The phone number and customer service will not be available.
- Conversion and reconciliation of account records begins.

after the transition

Tuesday, September 15, 2015

Starting at 8:00 am ET on Tuesday:

- Transfer of plan assets from TIAA-CREF Tuition Financing, Inc. to Intuition is complete; Intuition begins plan management of all accounts.
- The phone number and customer service will be available.
- The website will be available.
- You will need to set up a new user name and password for online account access.
- All account and financial activities will resume as normal.

By the week of September 28:

- TIAA-CREF Tuition Financing, Inc. will send you a final statement showing your account balance as of Friday, September 11.
- Intuition will send you a welcome packet that includes a statement confirming your account balance as of Monday, September 14.

Tuesday, September 15 — Don't forget to:

- **Set up a new user name and password** for online account access by using the [Register Now](#) link on the home page at www.vheip.org. You'll be able to view your account balances and details online.
- **Start using the new mailing address** for all plan correspondence, contributions, and withdrawal requests.



Paying for college this fall?

If you plan to use VHEIP funds in September, you can make an online withdrawal request using your current login user name and password until 4:00 pm, Thursday, September 10.

As of 8:00 am, Tuesday, September 15, you'll need to create a new user name and password, after which you'll again have access to your account.



portfolios

old investment portfolio name	new investment portfolio name*
Managed Allocation Age 0–3	VHEIP Age 0–3
Managed Allocation Age 4–7	VHEIP Age 4–7
Managed Allocation Age 8–11	VHEIP Age 8–11
Managed Allocation Age 12–14	VHEIP Age 12–14
Managed Allocation Age 15–17	VHEIP Age 15–17
Managed Allocation Age 18+	VHEIP Age 18+
Diversified Equity Option	VHEIP Diversified Equity
Equity Index Option	VHEIP Equity Index
Balanced Option	VHEIP Balanced
Fixed Income Option	VHEIP Fixed Income
Principal Plus Interest Option	Principal Plus Interest Option** VHEIP Treasury Obligations

* As part of the transition, your assets in the old investment portfolios (except the Principal Plus Interest Option) will be sold and reinvested in the new investment portfolios. It is our expectation that your assets will be reinvested through trades with the investment managers of the underlying mutual funds by Monday, September 14, 2015. Occasionally, trades do not settle in the ordinary course. If that occurs you will not receive any earnings or incur any losses based on market movements until settlement of your assets occurs. However, we will use best efforts to expedite settlement promptly.

** For participants currently invested in the Principal Plus Interest Option, your balance will continue to mature based on the existing funding agreement issued by TIAA-CREF Life Insurance Company in which the assets in this Option are allocated. Approximately 30 days after the transfer of management of the Vermont Higher Education Investment Plan to Intuition College Savings Solutions, LLC, 20% of your balance in the Principal Plus Interest Option will automatically move to the VHEIP Treasury Obligations Portfolio. Twenty-five percent (25%) of the remaining balance will automatically transfer from the Principal Plus Interest Option to the VHEIP Treasury Obligations Portfolio on the anniversary of the initial transfer, 33% of the remaining balance on the second anniversary, 50% of the remaining balance on the third anniversary, and 100% of the remaining balance on the fourth anniversary, all in accordance with the funding agreement to which assets in the Principal Plus Interest Option are allocated.

Please note: Upon the transfer of management of the Vermont Higher Education Investment Plan to Intuition College Savings Solutions, LLC, the Principal Plus Interest Option will be closed to all new contributions. All future contributions received by the Plan after the transition that in the past would have been invested in the Principal Plus Interest Option (for example, investments made through the automatic contribution plan) will automatically be invested in the VHEIP Treasury Obligations Portfolio.

underlying investments in portfolios

original	ticker	updated	ticker	inception
TIAA-CREF S&P 500 Index Fund	TISPX	Vanguard 500 Index Fund	VFIAX	11/13/2000
TIAA-CREF Growth and Income Fund	TIGRX	TIAA-CREF Large-Cap Value Index Fund	TILVX	10/1/2002
		TIAA-CREF Large-Cap Growth Index Fund	TILIX	10/1/2002
TIAA-CREF Equity Index Fund	TIEIX	Vanguard Total Stock Market Index Fund	VITSX	7/7/1997
TIAA-CREF Mid-Cap Growth Fund	TIMGX	Vanguard Mid-Cap Index Fund	VMCIX	5/21/1998
TIAA-CREF Mid-Cap Value Fund	TIMVX			
TIAA-CREF Small-Cap Equity Fund	TISEX	Vanguard Small-Cap Index Fund	VSCIX	7/7/1997
TIAA-CREF International Equity Index Fund	TCIEX	TIAA-CREF International Equity Index Fund	TCIEX	10/1/2002
TIAA-CREF Emerging Markets Equity Index Fund	TEQLX	Vanguard Emerging Markets Stock Index Fund	VEMIX	6/22/2000
TIAA-CREF Real Estate Securities Fund	TIREX	Vanguard REIT Index Fund	VGSNX	11/25/2003
TIAA-CREF Bond Index Fund	TBIIX	Vanguard Total Bond Market Index Fund	VBTIX	9/15/1995
TIAA-CREF Inflation-Linked Bond Fund	TIILX	DFA Inflation Protected Securities Portfolio	DIPSX	9/18/2006
		Vanguard Long-Term Treasury Fund	VUSUX	2/12/2001
TIAA-CREF Short-Term Bond Fund	TISIX	Vanguard Short-Term Bond Index Fund	VBITX	9/27/2011
		Vanguard High-Yield Corporate Fund	VWEAX	11/12/2001
TIAA-CREF Money Market Fund	TCIXX	Vanguard Total International Bond Index Fund	VTIFX	5/31/2013
TIAA-CREF Life Insurance Co. Funding Agreement		Federated Treasury Obligations Fund	TOIXX	12/12/1989

Information about each of the underlying investments can be found by visiting the specific fund family website or by searching with the ticker symbol at www.nasdaq.com. Further information will be available in the Disclosure Booklet.

investment allocation of portfolios

	age band 0-3	age band 4-7	age band 8-11	age band 12-14	age band 15-17	age band 18+	diversified equity portfolio	equity index portfolio	balanced portfolio	fixed income portfolio	treasury obligations portfolio
Equity	78%	72%	58%	44%	30%	16%	100%	100%	61%	0%	0%
Fixed income	22%	28%	42%	56%	70%	84%	0%	0%	39%	100%	100%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

	age band 0-3	age band 4-7	age band 8-11	age band 12-14	age band 15-17	age band 18+	diversified equity portfolio	equity index portfolio	balanced portfolio	fixed income portfolio	treasury obligations portfolio
Vanguard 500 Index Fund									24%		
TIAA-CREF Large-Cap Value Index Fund	6%	6%	5%	4%	4%	3%	19%				
TIAA-CREF Large-Cap Growth Index Fund	8%	8%	7%	5%	5%	3%	20%				
Vanguard Total Stock Market Index Fund	17%	16%	11%	7%	6%	4%		60%			
Vanguard Mid-Cap Index Fund	6%	5%	4%	3%			9%		4%		
Vanguard Small-Cap Index Fund	3%	3%	3%	3%			4%		3%		
Vanguard REIT Index Fund	6%	5%	4%	4%	3%		8%		5%		
TIAA-CREF International Equity Index Fund	26%	24%	20%	15%	12%	6%	33%	33%	21%		
Vanguard Emerging Markets Stock Index Fund	6%	5%	4%	3%			7%	7%	4%		
Vanguard Total Bond Market Index Fund	12%	14%	24%	24%	14%	10%			20%	45%	
DFA Inflation Protected Securities Portfolio	3%	3%	6%	8%	8%	6%			6%	15%	
Vanguard Long-Term Treasury Fund	4%	4%	4%								
Vanguard Short-Term Bond Index Fund				10%	20%	30%			5%	15%	
Vanguard High-Yield Corporate Fund	3%	4%	5%	6%	5%	5%			5%	15%	
Vanguard Total International Bond Index Fund		3%	3%	3%	3%	3%			3%	10%	
Federated Treasury Obligations Fund				5%	20%	30%					100%

Consider your investment objectives, risks, charges, and expenses before investing in the Vermont Higher Education Investment Plan. Investments in the Plan are neither insured nor guaranteed, and there is the risk of investment loss.

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 available only if you invest in that state's 529 plan.

about Intuition College Savings Solutions

Intuition College Savings Solutions, LLC, has a standing history and commitment to the 529 industry. With experience spanning over 25 years, Intuition provides comprehensive, customized plan management solutions for ten distinct 529 plans. Intuition's comprehensive administrative abilities and marketplace experience let its partners focus on the most important mission of all: plan awareness and helping families secure the educational future of their children. For more information, visit www.intuitioncss.com.

about VSAC — changing lives since 1965

Vermont Student Assistance Corporation is a public, nonprofit agency established by the Vermont Legislature in 1965 to help Vermonters achieve their education and training goals after high school. VSAC serves students and their families, as well as adults returning to school, by providing education and career planning services, need-based grants, scholarships, and education loans. VSAC has awarded more than \$600 million in grants and scholarships for Vermont students, and sponsors Vermont's 529 college savings plan.



**Vermont Student
Assistance Corporation**

10 East Allen Street, PO Box 2000
Winooski, VT 05404

Online at www.vsac.org
E-mail us at info@vsac.org

as you plan for education after high school

[VSAC can help. Take advantage of our other services available to Vermont students.](#)

College Pathways — free events on Vermont college campuses for Vermont high school students and their parents

Paying for College presentations — free at Vermont high schools throughout the fall

Free online career exploration & planning tools at www.vsacroadmaps.org

- SAT and ACT exam prep
- tools to identify interests, skills, and work values
- links between careers, majors, and education
- college and scholarships searches
- tips, timelines, and to-do items

Grants & scholarships

- state grants for full-time and part-time degree programs
- state grants for non-degree courses to try a college class or to improve employability
- information on more than 140 scholarships for Vermont residents

Financial aid applications & details online at www.vsac.org

- FAFSA
- CSS Profile®
- Vermont grant applications
- Unified Scholarship Application for all VSAC-assisted scholarships

Education loans for students

- for Vermont residents attending eligible colleges anywhere
- for out-of-state students attending Vermont colleges

www.vsac.org

www.vsacroadmaps.org

Questions about VHEIP?

Visit us online at www.vheip.org or call us at 800-637-5860.