

UNIQUE COLLEGE INVESTING PLAN
Minutes of the meeting of January 29, 2001

The thirty fourth meeting of the NH College Savings Plan Advisory Commission was called to order by Chairman Sylvia Larsen at 10:00 am. Present were:

Michael Cryans	Public Member from Hanover
Sylvia Larsen	Senator from Concord
Ingrid Lemaire	Director of Public Relations, NH Higher Education Assistance Foundation
Edward MacKay	Vice Chancellor, representing the University System
Andrew Peterson	Representative from Peterborough
Georgie A. Thomas	State Treasurer
Alan Thulander	Representative from Frankestown, by phone

Absent were:

Martha Gooze	Public Member from Durham
Edward Gordon	Senator from Bristol
Richard Gustafson	President, Southern New Hampshire University, Representing the College and University Council.
Linda Hodgdon	Budget Director, representing the Governor
Hannah McCarthy	President, Daniel Webster College, representing the Post Secondary Education Commission
Ann Weddleton	Grants Coordinator, representing the Community Technical College System

Also present were Eric Nottonson, Ed Nigro, David Stidsen, David Pearlman, Bill Hunter, and Maureen Grealish representing Fidelity.

Ed MacKay moved, seconded by Ingrid Lemaire to accept the minutes of the previous meeting. Motion was adopted unanimously.

Eric Nottonson recapped Ren Chang's presentation to the Investment Committee and also presented the Trustee report and business analysis for the period ending December 31, 2000. December 2000 was the best month for contributions since inception, and to date January 2001 is keeping pace. The percentage of accounts using the automatic account builder remains high.

Discussion took place regarding the introduction of choice to the retail portfolios. Implementation date is expected to be April 1. Fidelity will present the marketing/advertising plan for the rollout at the next meeting, March 12. Andrew Peterson questioned how UNIQUE could be made more attractive. David Pearlman responded the revised UNIQUE approach with choices will place UNIQUE in the forefront with the 100 per cent equity portfolio, the 70/30 allocation and the option to "dial your own" mix from the age related portfolios.

Ed Nigro reviewed the suggested pricing options for the Advisor product, noting that the Advisor community has a high degree of interest in this product. The proposal placed the UNIQUE Advisor product midway between the Alliance and Putnam offerings. Rollout is now targeted for July 1, which coincides with Fidelity's national sales meeting, and incidentally UNIQUE'S third birthday. Mike Cryan's questioned how large we may anticipate the Advisor product becoming. Ed Nigro expects the growth pattern to be comparable to the retail product.

Andrew Peterson moved, seconded by Mike Cryans to accept the Fidelity pricing proposal for the Advisor product. The motion was adopted unanimously. David Pearlman advised that the Advisor change as well as changes to the retail program entail contract changes and will require Governor and Council approval.

Eric Nottonson reviewed the status of U Promise. To date U Promise has added Home Depot, Citibank, Toro, Gateway, AT & T, Coke, and General Motors to its participants. Fidelity is now in final negotiations with U Promise to become one of the program providers. Costs for accounts acquired in this manner will be borne by Fidelity.

Eric also reviewed proposals for mainstreaming UNIQUE into the Fidelity process for confirms and statements which would entail changing the numbers of confirms currently sent out to participants to simplify procedures. David Pearlman will review the process to determine if it can be adjusted in this manner.

Georgie Thomas raised the issue of paying a special assessment to the College Savings Plan Network to retain the services of a lobbyist in Washington for upcoming legislation affecting college savings plans. Subject to clearing the assessment with Suzanne Gorman, Mike Cryans moved, seconded by Ingrid Lemaire to pay the assessment. Mike Cryans moved, seconded by Ed MacKay to approve travel to the Management Training Institute for Georgie Thomas.

Meeting adjourned at 11:45.

UNIQUE PLAN
Investment Committee Meeting

January 29, 2001

Present: Ed MacKay
Ingrid Lemaire
Georgie Thomas

Ren Chang reviewed the portfolio performance since inception, noting that the 2015 portfolio has the highest tracking error at 3.3 percent. This compares favorably with most mutual funds which have experienced an 8.8 per cent tracking error during the period. By asset class, bonds have underperformed the benchmark accompanying a collapse of confidence with rising fears of recession. Spreads have widened dramatically. Ren noted that the year 2000 was an acid test for the structural integrity of the UNIQUE portfolios. Active return outperformed the benchmark in down markets as well as in upmarkets. Recently Fidelity has experience a huge influx into the Freedom Funds which mirrors the UNIQUE portfolio structure.

Ed MacKay questioned whether any changes should be made in the portfolios. Ren Chang noted some marginal change may be due in domestic equity. However there is a real risk of global recession on the international scene. Discussion took place regarding the use of different international funds such as overseas and diversified and whether just one was appropriate. Ren felt the answer was negative.

UNIQUE MEETING MARCH 12 2001

March meeting will be held beginning at 10 am . There will be no investment committee meeting prior to the Commission meeting.