

College Tuition Savings Plan Advisory Commission
Minutes of Meeting Held: June 19, 1998
State House, Room 103

The seventeenth meeting of the College Tuition Savings Plan Advisory Commission (the Commission) was called to order at 8:40 a.m. The following Commission members were present which resulted in a quorum:

<u>Member</u>	<u>Represents</u>
Edward MacKay	Vice Chancellor for Budget and Planning, University System of New Hampshire
O. Alan Thulander	Representative from Francestown
Charles Connor	Budget Director, Office of Governor, Representing the Governor
Georgie A. Thomas	State Treasurer, Treasury Department
Martha Gooze	Public Member from Durham Appointed by the Governor
Ingrid Lemaire	Director of Public Relations, NH Higher Education Assistance Foundation
Mike Cryans	Public Member from Hanover Appointed by the Governor

The following members were absent:

Edward Gordon	Senator from Bristol
Hannah M. McCarthy	President, Daniel Webster College, Representing Postsecondary Education Commission
Sylvia Larsen	Senator from Concord
Mary Milliken	Business Administrator, Representing Regional Community Technical College System
Richard A. Gustafson	President, New Hampshire College, Representing College and University Council
Andrew R. Peterson	Representative from Peterborough

The Commission reviewed the minutes of the May 29st meeting. Alan Thulander made a motion to accept the minutes and Martha Gooze seconded the motion. The minutes were approved unanimously. Attached to the minutes was a letter from Congressman Sununu affirming his support for H.R. 2646 which would allow for total tax exemption of earnings from qualified state tuition programs.

A legal update was given by David Pearlman of Fidelity Investments. He expected the SEC no action letter next week. Treasurer Georgie Thomas asked if she needed to call the SEC on the State's behalf. Mr. Pearlman said that a phone call from her to the SEC might, at this point be appropriate, but that it was not necessary to enlist the assistance of the legislative delegation in Washington.

Joseph Riley of Rath, Young and Pignatelli said that the launch date was reset with the Governor for July 1st at 1:00 p.m. in the Governor's Office. As long as we had the SEC no action letter no later than Friday morning on June 26th, the plan still could still be launched on July 1st. He felt that notification of the media was not a critical issue. A possible follow up launch date was discussed of July 7th. Everyone would be notified by fax as to the actual launch date.

Michael Ablowich of the Treasury Department stated that the Treasury Department had been re-reviewing all documents that had been approved with changes and stated that no substantive changes were necessary. The Treasury believed; however, that the Customer Agreement and the General Electronic Services Customer Agreement needed considerably more work. When the customer signs the participation agreement they are agreeing to certain policies and rules which are outside the scope of the services inherent within the UNIQUE College Investing Plan product. For example, several sections of both agreements indicated to customers that despite the fact that they were required to agree to and sign the agreement vast sections did not apply to them. From the Treasury's perspective this approach to creating an agreement is not consistent with the customer friendly approach we have taken in developing the plan. Mr. Pearlman responded that in order to make the launch date they would have to let the agreements stand as they were. Theresa Conway of Fidelity responded that they tried to make the agreements as customer friendly as possible. Edward MacKay said that they he felt he could speak for the Commission and ask Fidelity to continue to work with the Treasurer's Office to make these agreements as customer friendly and applicable as possible.

Lori Enos and Eileen Fazakas of Fidelity went over the promotion and the marketing of the Plan and all the activities that would occur on July 1, 1998. These included the launch event, a byline article by Georgie Thomas, public service announcements, UNIQUE kit distribution at Fidelity's Merrimack site, and direct mail to top NH employers and direct mail to inquirers of the plan or bonds at the State of New Hampshire Treasury Department.

A tentative marketing subcommittee meeting was scheduled on August 5th at 8:30 a.m. before the national launch. Edward MacKay entertained a motion to adjourn by Martha Gooze, which was seconded by Georgie Thomas. The motion was passed unanimously. The meeting adjourned at 10:17 a.m.