



Volume 2009, Issue 4

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Upcoming Holidays

UESP's office will be closed on:

- Thursday, November 26, 2009
- Friday, November 27, 2009
- Thursday, December 24, 2009 (closing at 3:00 p.m. MT)
- Friday, December 25, 2009
- Friday, January 1, 2010
- Monday, January 18, 2010

Contact UESP

Phone | 800.418.2551
 Fax | 800.214.2956
 Mailing Address | PO Box 145100,
 Salt Lake City, UT 84114-5100
 Online | www.uesp.org
 Hours | Monday through Friday,
 8:00 a.m. to 5:00 p.m. Mountain Time



Coming Soon: Online Withdrawal Requests

UESP's newest Account Access feature will allow account owners to request a withdrawal from their UESP account(s) online. Here's how it will work:

Once you log into www.uesp.org, you can request a qualified withdrawal up to \$24,999 from your UESP account(s).

Simply click *Withdraw Funds* to get started. The check can be sent to you, your beneficiary, or directly to the beneficiary's eligible educational institution.

For your security and the safety of your college funds, you'll need to answer a few questions before UESP can issue your check.

Once you've successfully submitted your request, the check will typically be mailed within five business days.

Certain withdrawal requests still need to be made using UESP's Withdrawal Request form (form 300), which is

available online at www.uesp.org. These include:

- » Non-qualified withdrawals
- » A withdrawal of \$25,000 or more
- » Multiple withdrawals for the same beneficiary totaling \$25,000 or more within a rolling 90-day period
- » Withdrawal requests within 15 days of an account owner change
- » Withdrawal requests for beneficiaries who are younger than 16 years of age
- » International requests
- » Rollovers out of UESP

If you have questions about making a withdrawal request online or need help with the process, please call us at 800.418.2551.

Check out Account Access at www.uesp.org. This new feature will be available soon!

Avoiding Online Contribution Hiccups

By logging into your UESP account online at www.uesp.org, you can make, change, and cancel scheduled contributions.

To make a successful contribution, please ensure that *your* bank account is the source of the contribution and that the account information is entered correctly.

Online Contributions by Non-Account Owners

Importantly, online features are intended to be used by UESP account owners. But on occasion, non-account owners attempt to make online contributions by logging into a family member's UESP account.

Because the name on the bank account is required to match the UESP account owner's name, the transaction is often

rejected. This can result in a fee for the account owner (not the contributor).

We encourage non-account owners to submit a contribution by check or to sign up for automated contributions by submitting a completed Automated Contributions Authorization/Change form (form 200), available online at www.uesp.org or by calling 800.418.2551.

Bank Account Information

When entering your bank information to make an online contribution, please double check the following:

- » your bank account number
- » your routing number
- » type of account (checking or savings)

Entering accurate information is key to making a successful contribution.

Non-Qualified Withdrawals

One of the great things about UESP is that you can withdraw your money anytime. But because 529s were designed specifically to help families save for qualified higher education expenses, the IRS imposes a 10 percent penalty tax on your earnings if you use the funds for something else.

Account owners are exempt from that penalty when their beneficiary is unable to use the money in their account due to:

- » receipt of a scholarship (up to the amount of the scholarship)
- » attendance at a military academy
- » disability
- » death

Even in these scenarios, however, the account owner is required to pay federal and state (where applicable) taxes on the earnings. Utah taxpayers are also required to recapture Utah state tax benefits they previously claimed for the affected beneficiary.

A Child's Future Is Much More Than a Gift

With the holidays just around the corner, consider giving a child something that will prepare them for their future. An investment in your children's or grandchildren's higher education is truly a gift you can be proud of.

Visit www.uesp.org to download a UESP gift notice after you make an online contribution.

Look for this button at
www.uesp.org



Year-End Deadlines for 2009

Contribution Deadlines

Contributions you want applied to the 2009 calendar year must be received at UESP's office before 5:00 p.m. Mountain Time (MT), Thursday, December 31, 2009. Mailed contributions postmarked on or before this date but received by UESP in 2010 will be recorded as 2010 tax year contributions and will not be eligible for the 2009 Utah state tax credit.

Mailed contributions should be sent to:

UESP
PO Box 145100
Salt Lake City, UT 84114-5100

Contributions can be delivered in person or sent via overnight carrier to our office:

UESP
Board of Regents Building, Gateway 2
60 South 400 West
Salt Lake City, Utah 84101-1284

Contributions received by UESP during the final business days of 2009 will be applied to your account for the 2009 tax year, though they might not be invested until January 2010. These contributions will be reflected on your March 31, 2010, quarterly statement.

Here are some tips to make a successful year-end contribution:

- » Consider making your contribution online at www.uesp.org (before 5:00 p.m. MT, December 31, 2009).
- » Ensure adequate time if you are mailing a contribution.
- » Plan ahead to find parking if you are hand delivering a contribution.
- » Clearly write the account number and beneficiary's name on the front of your check to ensure proper processing.

Other Deadlines

For other types of transactions, please be mindful of these deadlines to have your request applied to the 2009 calendar year. Be aware that pending transactions in your account(s) may affect the processing of any additional requests.

Rollovers. Rollover requests can take several weeks to process, depending on the other institution. Funds from incoming rollovers must be received

before 5:00 p.m. (MT), Monday, December 28, 2009.

Internal Transfers. Please remit transfer requests using the Internal Transfer form (form 400) to UESP before 5:00 p.m. (MT), Monday, December 28, 2009.

New Accounts. All efforts will be made to process new accounts received before 5:00 p.m. (MT), Thursday, December 31, 2009. However, UESP cannot guarantee the new account will make the 2009 year-end processing deadline.

Option Changes. Option change requests made online and requests using the Investment Option Change form (form 405) should be submitted before 5:00 p.m. (MT), Thursday, December 31, 2009.

Withdrawals. Withdrawal requests made online and requests using the Withdrawal Request form (form 300) should be submitted before 5:00 p.m. (MT), Thursday, December 31, 2009.

Utah State Tax Benefits for 2009

The State of Utah offers tax benefits for contributions made to UESP accounts. To qualify, the account owner must be a Utah resident/taxpayer and the beneficiary on the account must have been designated as such before their 19th birthday. These benefits may be claimed for the life of the beneficiary's account.

While a beneficiary may accumulate \$346,500 in all UESP accounts, annual tax benefits may only be claimed by the account owner on contributions up to \$1,740 for individuals, trusts, and corporations and up to \$3,480 for joint tax filers.

For the 2009 tax year, the maximum Utah state tax credit for Utah taxpayers is \$87 per beneficiary for individual filers and Utah-based trusts; joint tax filers can claim a credit up to \$174 per beneficiary. Utah-based corporations can claim a deduction up to \$1,740 per beneficiary.

Look for 2010 Utah state tax benefit information to be posted on UESP's Web site in the coming weeks.

Frequently Asked Questions

Q How do I contribute a check that's been written out to me or to the beneficiary?

A 1. Write "payable to UESP" on the back of the check.

2. The payee must endorse (sign) the next line.

For checks written to a minor who cannot yet sign their name, a parent or guardian should endorse the check, then write "Parent/Guardian of [Child's Name], Minor" below the endorsement.

3. Write the UESP account number and beneficiary's name on the front of the check.

4. Mail it to: *UESP, PO Box 145100, Salt Lake City, UT, 84114-5100.*

Q Which form do I send with a contribution check?

A To help keep fees low and save a bit of paper, no form or deposit slip is required to make a contribution. Simply write the beneficiary's name and account number on the front of the check.

Business Unusual

Behind the scenes, UESP has been preparing for possible events that could cause a disruption to our day-to-day operations. Whether that's a pandemic or a natural disaster, UESP is prepared to continue basic operations.

In the event of a disaster, account owners who need to perform or request a transaction should try to do so online at www.uesp.org or by calling us at 800.418.2551.

During times like these, we will process your requests as soon as possible.

A New Look for Your Quarterly Account Statement

UESP's September 30, 2009, quarterly account statement has a new look (see the example on the right). We've given additional details, summarized other ones, and reorganized the layout to make your UESP investments easier to track.

A brief explanation guide was included with your September 30, 2009, statement. Account owners who receive their statements online received an e-mail notification with a link to a pdf of the guide.


More Accolades for UESP

A recent study performed by savingforcollege.com ranks UESP in the top ten of best 529 plans for one-, three-, and five-year performance. In producing its rankings, savingforcollege.com compared the reported investment performance of a subset of portfolios from each 529 savings plan.

"UESP works hard to offer responsible investment options to account owners," says Lynne Ward, UESP Director. "We're pleased to see that our recent ranking bears this out."

EXAMPLE OF NEW QUARTERLY STATEMENT

Quarterly Account Statement
For quarter ended September 30, XXXX



Utah Educational Savings Plan®

Account Number XXXXXXXXX
Page 1 of 2

Want the details for each transaction?
Log into UESP's online Account Access, click the account number, then click *Detail* next to the specific transaction

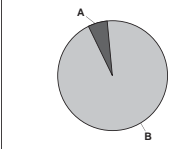
Activity Summary		
	This Quarter	Total Year
Beginning Balance	\$2,487.05	\$1,756.32
Contributions	\$300.00	\$900.00
UESP Dividends	\$13.87	\$35.47
Withdrawals	\$0.00	\$0.00
Transfers/Exchanges	\$0.00	\$0.00
Market Gain/(Loss)	\$45.15	\$162.83
Administrative Fees	\$(4.62)	\$(13.17)
Ending Balance	\$2,841.45	\$2,841.45

Underlying Fund Balances					
Fund	Units	Price	Amount	Legend	%
Inst. Total Bond Mkt Index	2.62319	\$50.34	\$132.05	A	5%
Inst. Index - S&P 500	19.41523	\$139.55	\$2,709.40	B	95%
Total			\$2,841.45		100%

This represents what you hold in UESP. You do not own the listed funds.

Account Activity for Quarter Ended September 30, XXXX							
Fund	Value on 06/30/XX	+ Contributions	+ UESP Dividends	- Withdrawals / Fees	± Transfers / Exchanges	± Mkt. Gain / (Loss)	= Value on 09/30/XX
Inst. Total Bond Mkt Index	\$113.81	\$15.00	\$1.41	\$(0.21)	\$0.000	\$2.040	\$132.05
Inst. Index - S&P 500	\$2,373.24	\$285.00	\$12.46	\$(4.41)	\$0.000	\$43.110	\$2,709.40
Total	\$2,487.05	\$300.00	\$13.87	\$(4.62)	\$0.00	\$45.15	\$2,841.45

Current Asset Allocation	
Account Type	Individual
Account Owner/Agent	John Smith Jr.
Investment Option	3 - S&P Index/Bonds
Beneficiary	Jane Smith
Agreement Date	January 3, XXXX
Primary Successor	Julie Smith
Secondary Successor	Alan Smith



UESP is a Section 529 plan administered and managed by the Utah State Board of Regents and the Utah Higher Education Assistance Authority (UHEAA). Read the Program Description for more information and consider all investment objectives, risks, charges, and expenses before investing. Call 800.418.2551 for a copy of the Program Description or visit www.uesp.org.

Investments are not guaranteed by UESP, the Utah State Board of Regents, UHEAA, or any other state or federal agency. However, FDIC insurance is provided for the FDIC-insured savings account. Please read the Program Description to learn about UESP's FDIC-insured savings account. Your investment could lose value.

Non-Utah taxpayers and residents: You should determine whether the state in which you or your beneficiary pay taxes or live offers a 529 plan that provides state tax or other benefits not otherwise available to you by investing in UESP. You should consider such state tax treatment and benefits, if any, before investing in UESP.

Utah Educational Savings Plan

Investment Option Performance as of September 30, 2009

	Latest Month	Latest Three Months	Latest Quarter End ¹	Year to Date ²	Average Annual Return ³				Inception Date
					One Year	Three Year	Five Year	Since Inception	
AGE-BASED INVESTMENT OPTIONS									
2: S&P/Bonds/Savings									
Age 0-3	3.58%	14.94%	14.94%	18.43%	-6.23%	-5.18%	0.81%	-0.51%	9/20/99
Age 4-6	3.32%	13.75%	13.75%	17.08%	-4.52%	-4.00%	1.22%	0.15%	9/20/99
Age 7-9	3.05%	12.56%	12.56%	15.73%	-2.81%	-2.82%	1.63%	0.82%	9/20/99
Age 10-12	2.79%	11.38%	11.38%	14.38%	-1.10%	-1.64%	2.03%	1.48%	9/20/99
Age 13-15	2.29%	9.24%	9.24%	11.87%	0.59%	-0.16%	2.49%	2.21%	9/20/99
Age 16+	1.48%	5.75%	5.75%	7.76%	3.55%	2.36%	3.29%	3.47%	9/20/99
College Enrolled ⁴	0.04%	0.15%	0.15%	0.70%	1.27%	3.18%	3.21%	3.12%	9/20/99
3: S&P/Bonds									
Age 0-3	3.71%	15.53%	15.53%	19.10%	-7.08%	-5.77%	0.61%	-0.84%	9/20/99
Age 4-6	3.71%	15.53%	15.53%	19.10%	-7.08%	-5.77%	0.61%	-0.84%	9/20/99
Age 7-9	3.71%	15.53%	15.53%	19.10%	-7.08%	-5.77%	0.61%	-0.84%	9/20/99
Age 10-12	3.58%	14.94%	14.94%	18.43%	-6.23%	-5.18%	0.81%	-0.51%	9/20/99
Age 13-15	3.32%	13.75%	13.75%	17.08%	-4.52%	-4.00%	1.22%	0.15%	9/20/99
Age 16+	3.05%	12.56%	12.56%	15.73%	-2.81%	-2.82%	1.63%	0.82%	9/20/99
College Enrolled ⁴	2.79%	11.38%	11.38%	14.38%	-1.10%	-1.64%	2.03%	1.48%	9/20/99
7: Diversified—A									
Age 0-3	4.91%	18.42%	18.42%	25.32%	-4.44%	-4.64%	2.41%	7.68%	4/1/03
Age 4-6	4.91%	18.42%	18.42%	25.32%	-4.44%	-4.64%	2.41%	7.68%	4/1/03
Age 7-9	4.15%	15.47%	15.47%	21.37%	-1.55%	-2.51%	2.86%	7.03%	4/1/03
Age 10-12	3.38%	12.52%	12.52%	17.43%	1.34%	-0.38%	3.31%	6.37%	4/1/03
Age 13-15	2.62%	9.56%	9.56%	13.49%	4.23%	1.75%	3.77%	5.72%	4/1/03
Age 16+	1.85%	6.61%	6.61%	9.55%	7.12%	3.88%	4.22%	5.06%	4/1/03
College Enrolled ⁴	0.04%	0.15%	0.15%	0.70%	1.27%	3.18%	3.21%	2.72%	4/1/03
8: Diversified—B									
Age 0-3	4.00%	15.19%	15.19%	21.75%	-0.37%	-2.18%	3.49%	7.62%	4/1/03
Age 4-6	3.63%	13.75%	13.75%	19.73%	0.93%	-1.16%	3.64%	7.22%	4/1/03
Age 7-9	3.27%	12.31%	12.31%	17.71%	2.23%	-0.13%	3.79%	6.82%	4/1/03
Age 10-12	2.91%	10.87%	10.87%	15.70%	3.52%	0.89%	3.93%	6.42%	4/1/03
Age 13-15	2.44%	9.07%	9.07%	13.19%	3.95%	1.63%	3.94%	5.85%	4/1/03
Age 16+	1.97%	7.28%	7.28%	10.68%	4.37%	2.37%	3.94%	5.28%	4/1/03
College Enrolled ⁴	0.04%	0.15%	0.15%	0.70%	1.27%	3.18%	3.21%	2.72%	4/1/03
9: Diversified—Bonds Emphasis									
Age 0-3	2.95%	10.95%	10.95%	15.58%	3.15%	0.79%	3.74%	6.23%	4/1/03
Age 4-6	2.58%	9.49%	9.49%	13.59%	4.52%	1.83%	3.92%	5.87%	4/1/03
Age 7-9	2.21%	8.04%	8.04%	11.59%	5.89%	2.88%	4.11%	5.50%	4/1/03
Age 10-12	1.73%	6.23%	6.23%	9.11%	6.39%	3.64%	4.15%	4.97%	4/1/03
Age 13-15	1.25%	4.42%	4.42%	6.62%	6.89%	4.40%	4.19%	4.44%	4/1/03
Age 16+	0.78%	2.61%	2.61%	4.14%	7.38%	5.16%	4.23%	3.90%	4/1/03
College Enrolled ⁴	0.04%	0.15%	0.15%	0.70%	1.27%	3.18%	3.21%	2.72%	4/1/03
STATIC INVESTMENT OPTIONS									
1: PTIF⁵	0.03%	0.12%	0.12%	0.57%	1.14%	3.27%	3.47%	3.96%	11/1/96
4: S&P Index	3.71%	15.53%	15.53%	19.10%	-7.08%	-5.77%	0.61%	-0.84%	9/20/99
5: Bonds	1.09%	3.66%	3.66%	5.61%	10.00%	6.01%	4.67%	4.65%	9/9/02
6: 10% International	4.91%	18.42%	18.42%	25.32%	-4.44%	-4.64%	2.41%	7.68%	4/1/03
10: 30% International	4.15%	17.22%	17.22%	22.69%	-3.93%	N/A	N/A	-3.93%	10/1/08
11: FDIC-Insured Savings	0.04%	0.15%	0.15%	N/A	N/A	N/A	N/A	0.58%	2/11/09

Important Information Regarding Investments in UESP

Returns are based on a \$10,000 account balance for non-Utah residents and are net of all fees. Actual performance for Utah residents may be higher. These performance numbers are of the investment options, not individual accounts. If you are not a Utah taxpayer, please see if the state where you or your beneficiary live or pay taxes offers a 529 plan that provides tax or other benefits not otherwise available to you through UESP. Past performance does not guarantee future results. The value of your UESP account may vary depending on market conditions and the performance of the investment option you select. It could be more or less than the amount you contribute; in short, your investment could lose value.

Except for the underlying investment in the FDIC-insured savings account held in trust by UESP at Zions First National Bank (Bank), investments in UESP are not insured by the Federal Deposit Insurance Corporation (FDIC). Subject to the application of Bank and FDIC rules and regulations to each account owner, investments in the FDIC-insured savings account will retain their value, whether in Option 11 or when allocated to portions of Options 2, 7, 8, and 9. Funds in the savings account are insured by the FDIC on a pass-through basis to each account owner up to the maximum amount set by federal law—currently \$250,000 through December 31, 2013, and \$100,000 thereafter. The amount of FDIC insurance provided to an account owner is based on the total of (1) the value of an account owner's investments in UESP's FDIC-insured savings account plus (2) the value of other accounts held (if any) at the Bank, as determined by the Bank and by FDIC regulations.

¹ UESP quarterly reporting periods end each March 31, June 30, September 30, and December 31.

² Year-to-date calculations are based on a calendar year—January 1 to the current month end date.

³ Average Annual Return for the trailing 12 months, 36 months, and 60 months.

⁴ UESP will reallocate the funds to the College Enrolled investment bracket on age-based accounts when a qualified withdrawal request is submitted by the account owner indicating that the beneficiary is enrolled in an eligible educational institution.

⁵ Public Treasurer's Investment Fund (PTIF) is a pool of money managed by the Utah State Treasurer in short-term investments.