Annual Report
June 30, 2011

NextGen College Investing Plan®

Client Direct Series

BlackRock Portfolios:
Equity Index Portfolio, iShares Age-Based Portfolios, iShares Diversified Equity Portfolio, iShares Diversified Fixed Income Portfolio

Client Select Series

Allianz/PIMCO Portfolios:
Allianz Age-Based Portfolios, Allianz Capital Growth and Income Portfolio, Allianz Capital Income Portfolio, Allianz NFJ Dividend Value Portfolio, PIMCO Real Return Portfolio, PIMCO Total Return Portfolio

BlackRock Portfolios:
75% Equity Portfolio, Fixed Income Portfolio, Global Allocation Portfolio, Large Cap Core Portfolio, Large Cap Growth Portfolio

Eaton Vance Portfolio:
Large-Cap Value Portfolio

Franklin Templeton Portfolios:
Age-Based Portfolios, Growth Portfolio, Growth and Income Portfolio, Global Bond Portfolio, Mutual Shares Portfolio, Small Cap Value Portfolio, Small-Mid Cap Growth Portfolio

MainStay Portfolio:
Large Cap Growth Portfolio

MFS Portfolios:
Age-Based Portfolios, Equity Portfolio, Research International Portfolio, Value Portfolio

Thornburg Portfolio:
International Value Portfolio

Client Direct Series and Client Select Series

BlackRock Portfolios:
BlackRock Age-Based Portfolios, 100% Equity Portfolio

Franklin Templeton Portfolio:
Balanced Portfolio

MFS Portfolio:
Fixed Income Portfolio

Principal Plus Portfolio

Maine State Treasurer

Program Administrator

Merrill Lynch, Pierce, Fenner & Smith Incorporated, Program Manager

Requests for Information

Questions concerning any of the information provided in this annual report or requests for additional information concerning the NextGen College Investing Plan should be addressed to:

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NextGen College Investing Plan®

Dear College Investor:

Enclosed is the Annual Report of the NextGen College Investing Plan® ("NextGen®") for the fiscal year July 1, 2010 through June 30, 2011. The report provides information on the composition and performance of all the NextGen Portfolios through the period ended June 30, 2011.

The goal of providing a higher education is well worth pursuing, but financing a college degree requires planning. After housing, for many families higher education may be the single largest expense they will ever incur. That's why the NextGen plan provides participants with a broad range of investment choices designed to meet the differing needs of families investing for college.

A little planning today will go a long way toward providing the gift of a college education. As a person interested in the NextGen College Investing Plan, you are helping to make the dream a reality.

Sincerely,

Bruce L. Poliquin
Treasurer of State
Advisory Committee Chair

Elizabeth L. Bordowitz
Chief Executive Officer
Finance Authority of Maine

Richard J. Polimeni
Director
Merrill Lynch

Maine State Treasurer

Program Administrator

Merrill Lynch, Pierce, Fenner & Smith Incorporated, Program Manager

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To the Management of the Finance Authority of Maine and Maine Advisory Committee on College Savings:

In our opinion, the accompanying statement of fiduciary net assets and the related statement of changes in fiduciary net assets present fairly, in all material respects, the financial position of the NextGen College Investing Plan comprised of the Allianz Age-Based 0-8 Years Portfolio, Allianz Age-Based 9-11 Years Portfolio, Allianz Age-Based 12-14 Years Portfolio, Allianz Age-Based 15-16 Years Portfolio, Allianz Age-Based 17-18 Years Portfolio, Allianz Age-Based 19+ Years Portfolio, Allianz Capital Growth and Income Portfolio, Allianz Capital Income Portfolio, Allianz NFJ Dividend Value Portfolio, PIMCO Real Return Portfolio, PIMCO Total Return Portfolio, BlackRock Age-Based 0-7 Years Portfolio, BlackRock Age-Based 8-10 Years Portfolio, BlackRock Age-Based 11-13 Years Portfolio, BlackRock Age-Based 14-16 Years Portfolio, BlackRock Age-Based 17-19 Years Portfolio, BlackRock Age-Based 20+ Years Portfolio, BlackRock 75% Equity Portfolio, BlackRock 100% Equity Portfolio, BlackRock Equity Index Portfolio, BlackRock Fixed Income Portfolio, BlackRock Global Allocation Portfolio, BlackRock Large-Cap Core Portfolio, BlackRock Large Cap Growth Portfolio, iShares Age-Based 0-7 Years Portfolio, iShares Age-Based 8-10 Years Portfolio, iShares Age Based 11-13 Years Portfolio, iShares Age-Based 14-16 Years Portfolio, iShares Age-Based 17-19 Years Portfolio, iShares Age-Based 20+ Years Portfolio, iShares Diversified Equity Portfolio, iShares Diversified Fixed Income Portfolio, Eaton Vance Large Cap Value Portfolio, Franklin Templeton Age-Based 0-8 Years Portfolio, Franklin Templeton Age-Based 9-12 Years Portfolio, Franklin Templeton Age-Based 13-16 Years Portfolio, Franklin Templeton Age-Based 17-20 Years Portfolio, Franklin Templeton Age-Based 21+ Years Portfolio, Franklin Templeton Balanced Portfolio, Franklin Templeton Global Bond Portfolio, Franklin Templeton Growth Portfolio, Franklin Templeton Growth and Income Portfolio, Franklin Templeton Mutual Shares Portfolio, Franklin Templeton Small Cap Value Portfolio, Franklin Templeton Small-Mid Cap Growth Portfolio, MainStay Large Cap Growth Portfolio, MFS Age-Based 0-5 Years Portfolio, MFS Age-Based 6-10 Years Portfolio, MFS Age-Based 11-13 Years Portfolio, MFS Age-Based 14-15 Years Portfolio, MFS Age-Based 16-17 Years Portfolio, MFS Age-Based 18+ Years Portfolio, MFS Equity Portfolio, MFS Fixed Income Portfolio, MFS Research International Portfolio, MFS Value Portfolio, Thornburg International Value Portfolio, and Principal Plus Portfolio (collectively the "Portfolios") at June 30, 2011 and the changes in their net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America and government auditing standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of the Portfolios' securities at June 30, 2011 by correspondence with the transfer agent, custodian and contract issuer, provides a reasonable basis for our opinion.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2011 on our consideration of the Portfolios' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an

audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

As discussed in Note 1, the financial statements present only the Portfolios' and do not purport to, and do not, present fairly the fiduciary net assets or changes in fiduciary net assets of the Maine College Savings Program Fund held by the Treasurer of the State of Maine.

The accompanying Management's Discussion and Analysis on pages 6 through 8 is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming opinions on the Portfolios' financial statements that collectively comprise the NextGen College Investing Plan's financial statements. The computation of net asset value on the statements of fiduciary net assets and the combined totals on the statements of fiduciary net assets and statements of changes in fiduciary net assets are presented for purposes of additional analysis and are not a required part of the Portfolios' financial statements. Such information has been subjected to the auditing procedures applied in the audit of the Portfolios' financial statements and, in our opinion, is fairly stated in all material respects in relation to the Portfolios' financial statements taken as a whole. The Other Financial Information on page 60 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

PricewaterhouseCoopers LLP

Boston, MA
December 21, 2011

NextGen College Investing Plan®

Management's Discussion and Analysis (unaudited)

As management of the Maine College Savings Program, known as the NextGen College Investing Plan (the "Program"), we offer readers of the Financial Statements of the Program this discussion and analysis of the Program's financial performance for the fiscal year ended June 30, 2011. You should consider the information presented in this section in conjunction with the Program's Financial Statements and Notes to Financial Statements. As of June 30, 2011, the Program is comprised of 58 investment portfolios (the "Portfolios") in which participants may invest.

Financial Highlights

The assets held for individuals and organizations participating in the Program exceeded its liabilities at the close of the fiscal year by $5,982,763,912.

The Program had contributions of $1,728,788,623 (including both contributions to Program Accounts and exchanges of $978,859,494 among Program Portfolios) and withdrawals of $1,488,618,876 (including both withdrawals from Program Accounts and exchanges of $978,859,494 among Program Portfolios), providing for $240,169,747 of net contributions during the fiscal year ended June 30, 2011.

The Program earned $973,182,606 from investment operations and paid out $43,936,340 for operating expenses during the period.

NextGen Portfolio Performance Information

The Principal Plus Portfolio seeks to provide current income while maintaining stability of principal. The performance of the Principal Plus Portfolio depends on the interest rate of the guaranteed investment contract ("GIC") and the rate of return of the Cash Allocation Account, in which it invests.

All other Portfolios invest in either a single mutual fund or a combination of exchange traded funds or a combination of mutual funds. Some of the Portfolios investing in a combination of mutual funds also invest in the Cash Allocation Account, which invests in money market securities and certificates of deposits.

Participants provide instructions for the investment of contributions to purchase units of specific Portfolio(s). The performance of each Portfolio is net of Program fees and expenses.

The returns provided for the year ended June 30, 2011 for each Portfolio are presented by unit class. The total investment returns without fees and expenses are based on the net asset value per unit.

Overview of the Financial Statements

This report consists of two parts: Management's Discussion and Analysis (this section) and the basic Financial Statements. The basic Financial Statements are composed of a Statement of Fiduciary Net Assets and a Statement of Changes in Fiduciary Net Assets and Notes to Financial Statements that explain some of the information in the Financial Statements and provide more detailed information.

The Statement of Fiduciary Net Assets presents information on the Program's assets and liabilities, with the difference between the two reported as net assets as of June 30, 2011. This statement is prepared using the accrual basis of accounting. Contributions and redemptions are recognized on trade date; expenses and liabilities are recognized when incurred, regardless of when cash is disbursed.

The Statement of Changes in Fiduciary Net Assets presents information showing how the Program's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Financial Statements.

The Program is a private purpose trust fund, a type of fiduciary fund as defined by GASB Statement No. 34, *Basic Financial Statements and Analysis for State and Local Government*, as amended. The Program assets do not represent discretionary assets of the Finance Authority of Maine to finance its operations. The Program's assets can only be used for withdrawals by NextGen Participants, payment of administrative expenses and Program purposes.

Financial Analysis

To begin the financial analysis, a summary of the Program's assets and liabilities as of June 30, 2011 and June 30, 2010 is presented below:

As of June 30	2011	2010
Total Assets	$ 5,994,988,442	$ 4,823,248,929
Total Liabilities	12,224,530	9,901,030
Total Net Assets	$ 5,982,763,912	$ 4,813,347,899

The condensed financial information above is meant to provide a snapshot of the overall financial condition of the Program.

Investments comprise $5,982,144,150 of total assets. Other assets include receivables for units sold, receivables from Program Manager and receivables for securities sold for $8,794,430 and accrued income in the amount of $4,049,862. Liabilities consist of payables for securities purchased and units redeemed for $8,331,041 and Program expenses in the amount of $3,893,489.

As illustrated by the summary above, the Program's net assets increased by $1,169,416,013 in fiscal year 2011. This increase is primarily attributable to $240,169,747 of net contributions to the Program and fiscal year 2011 net increase in net assets resulting from operations of $929,246,266. Program expenses increased in fiscal year 2011 as a result of the increase in average daily net assets during the period.

Changes in net assets: The following represents the changes in net assets for the years ended June 30, 2011 and June 30, 2010.

	2011	2010
Additions		
Contributions - Units Sold*	$ 1,728,788,623	$ 1,707,707,180
Results from Investment Operations:		
Net change in appreciation in value of investments	975,376,224	580,510,438
Net realized loss on Underlying Fund shares sold	(102,639,081)	(174,381,176)
Dividend & interest income	96,217,889	95,375,030
Capital gain distributions from underlying fund shares sold	4,227,574	447,139
Total increase (decrease) from investment operations	973,182,606	501,951,431
Total additions	2,701,971,229	2,209,658,611
Deductions		
Withdrawals - Units Redeemed**	1,488,618,876	1,564,197,727
Management Fees	25,913,229	22,657,163
Management Fees waived	(71,491)	-
Portfolio Servicing Fees	9,990,448	8,823,577
Maine Administration Fees	8,104,154	7,027,848
Total deductions	1,532,555,216	1,602,706,315
Net Increase	1,169,416,013	606,952,296
Net assets at beginning of year	4,813,347,899	4,206,395,603
Net assets at end of year	$ 5,982,763,912	$ 4,813,347,899

* Contributions include both (1) any contributions to the Program made by Participants, and (2) any exchanges within the Program that result in a reinvestment of assets. For the year ended June 30, 2011, the Program had $978,859,494 of such exchanges. For the year ended June 30, 2011, contributions also include $25,000 in seed money contributed by the Program Manager to each of the iShares Portfolios managed by BlackRock in connection with the commencement of operations of those Portfolios, for a total of $200,000.

** Withdrawals include both (1) any Participant withdrawals from the Program, and (2) any exchanges among Portfolios within the Program. For the year ended June 30, 2011, the Program had $978,859,494 of such exchanges. For the year ended June 30, 2011, withdrawals also include the return to the Program Manager of $25,000 in seed money contributed to each of the iShares Age-Based 0-7 Years Portfolio, iShares Age-Based 8-10 Years Portfolio, iShares Diversified Equity Portfolio, and iShares Diversified Fixed Income Portfolio, for a total of $100,000.

The Program's net assets increased by approximately 24% in fiscal year 2011 compared to fiscal year 2010. The overall increase was primarily attributable to investment gains from operations as well as more net contributions to Program accounts. Investment gain from operations was $973,182,606 in fiscal year 2011 which was substantially higher compared to $501,951,431 of investment income in fiscal year 2010.

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Financial Statements

NextGen College Investing Plan®

Statement of Fiduciary Net Assets as of June 30, 2011

Assets:	
Current Assets:	
Investments, at value	$ 5,982,144,150
Receivable for securities sold	3,076,936
Receivable from Program Manager	463,392
Receivable for units sold	5,254,102
Receivable for accrued income	4,049,862
Total assets	5,994,988,442
Liabilities:	
Current Liabilities:	
Payable for securities purchased	2,581,956
Payable for units redeemed.	5,749,085
Payable for accrued expenses	3,893,489
Total liabilities	12,224,530
Total net assets	$ 5,982,763,912

NextGen College Investing Plan®

Statement of Changes in Fiduciary Net Assets for the Year Ended June 30, 2011

Additions	
Contributions - Units Sold	$ 1,728,788,623
Results from investment operations:	
Net change in appreciation in value of investments	975,376,224
Net realized loss on Underlying Fund shares sold.	(102,639,081)
Dividend & interest income	96,217,889
Capital gain distributions from underlying fund shares sold	4,227,574
Total increase from investment operations	973,182,606
Total additions	2,701,971,229
Deductions	
Withdrawals - Units Redeemed	1,488,618,876
Management Fees	25,913,229
Management Fees waived	(71,491)
Portfolio Servicing Fees	9,990,448
Maine Administration Fees	8,104,154
Total deductions	1,532,555,216
Net Increase	1,169,416,013
Net assets at beginning of year	4,813,347,899
Net assets at end of year	$ 5,982,763,912

See accompanying Notes to Financial Statements.

1. Organization and Operations:

The NextGen College Investing Plan (the "Program") was established in accordance with Chapter 417-E of Title 20-A of the Maine Revised Statutes Annotated of 1964, as amended (the "Act"), to encourage the investment of funds to be used for Qualified Higher Education Expenses at institutions of higher education. The Program is designed to comply with the requirements for treatment as a Qualified Tuition Program under Section 529 of the Internal Revenue Code of 1986, as amended (a "529 Savings Plan"). The Act authorizes FAME to administer the Program and act as administrator of the Maine College Savings Program Fund (the "Program Fund"). The Program Fund is held by the Treasurer of the State of Maine (the "Treasurer"), who invests it under the direction of and with the advice of a seven member Advisory Committee on College Savings, which is chaired by the Treasurer. FAME and the Treasurer have selected Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), a wholly owned subsidiary of Bank of America Corporation ("Bank of America"), to act as the Program Manager pursuant to the Program Management Agreement ("Management Agreement") dated May 27, 1999, as amended and restated as of September 20, 2010, among FAME, the Treasurer, Merrill Lynch and Financial Data Services, Inc. ("FDS"), also a subsidiary of Bank of America, which serves as Portfolio Servicing Agent for the Program. The Management Agreement provides that Merrill Lynch and FDS are responsible for providing certain administrative, recordkeeping and investment and marketing services for the Program. The Management Agreement provides that Merrill Lynch and FDS receive a Management Fee and a Portfolio Servicing Fee, respectively, for such services, which fees are described in more detail in Note 3. Transfer agent, audit, printing, certain legal and other expenses incurred by the Portfolios are paid by Merrill Lynch out of its Management Fee. Merrill Lynch and FDS are indirect, wholly owned subsidiaries of Bank of America. Merrill Lynch distributes certain products and services sponsored or advised by BlackRock, Inc. under a global distribution agreement. An executive officer of Merrill Lynch serves on the board of directors of BlackRock, Inc.

Pursuant to the Management Agreement, Merrill Lynch and FDS are authorized to delegate certain investment advisory, fund accounting, administrative, or other services thereunder to BlackRock Investment Management, LLC, BlackRock Capital Management, Inc. and their affiliates or to any of Merrill Lynch's parent, subsidiaries or affiliates. Merrill Lynch has delegated certain investment advisory responsibilities to BlackRock Investment Management, LLC and its affiliates ("BlackRock"). Merrill Lynch and FDS may also subcontract fund accounting or custody services to a Program Accounting Agent. The Program Accounting Agent is Bank of America, N.A., an affiliate of Bank of America.

Also pursuant to the Management Agreement, Merrill Lynch may propose to FAME and the Treasurer that investment options be offered in the Program by registered investment advisors other than BlackRock ("Sub-Advisors"). The Sub-Advisors approved by FAME and the Treasurer as of June 30, 2011 are Allianz Global Investors Solutions LLC ("Allianz"), Franklin Templeton Investments ("Franklin Templeton"), Massachusetts Financial Services Company ("MFS"), Eaton Vance Management ("Eaton Vance"), New York Life Investment Management ("MainStay") and Thornburg Investment Management, Inc. ("Thornburg").

FAME has also entered into an agreement with Evaluation Associates LLC ("EA") to provide independent investment consulting services to the Program. Effective July 1, 2011, FAME's agreement with EA was assigned to Callan Associates, Inc. ("Callan") as the result of the acquisition of EA's public consulting business by Callan.

The Program's investments are comprised of 58 different investment portfolios (the "Portfolios"). These Financial Statements report on the Portfolios, each of which invests in one or more underlying funds (the "Underlying Funds") managed by BlackRock or a Sub-Advisor (except for the Principal Plus Portfolio) recommended by the Program Manager and approved by FAME and the Treasurer. As of June 30, 2011, the Principal Plus Portfolio is invested in one guaranteed investment contract ("GIC") issued by Transamerica Life Insurance Company ("Transamerica") and the Cash Allocation Account. For more complete information, including charges, expenses and risks of investing in the Program, please refer to the current NextGen Client Select Series and Client Direct Series Program Descriptions and Participation Agreements.

The Program invests in the Cash Allocation Account and underlying mutual and exchange traded funds

("Underlying Funds") as follows as of June 30, 2011:

Allianz/PIMCO Portfolios:

Allianz Age-Based 0-8 Years Portfolio invests in the Allianz NFJ Large-Cap Value Fund, Allianz AGIC Opportunity Fund, Allianz AGIC Income & Growth Fund, Allianz AGIC Systematic Growth Fund, Allianz RCM Disciplined Equity Fund, Allianz RCM Large Cap-Growth Fund, Allianz NFJ Small-Cap Value Fund, Allianz AGIC Emerging Markets Opportunities Fund, Allianz AGIC International Fund, Allianz NFJ International Value Fund, Allianz RCM Global Resources Fund, PIMCO Commodity Real Return Strategy Fund, PIMCO Floating Income Fund, PIMCO Real Estate Real Return Strategy Fund and PIMCO Real Return Fund

Allianz Age-Based 9-11 Years Portfolio invests in the Allianz NFJ Large-Cap Value Fund, Allianz NFJ Small-Cap Value Fund, Allianz AGIC Income & Growth Fund, Allianz AGIC Opportunity Fund, Allianz NFJ International Value Fund, Allianz RCM Disciplined Equity Fund, Allianz RCM Large-Cap Growth Fund, Allianz AGIC Emerging Markets Opportunities Fund, Allianz AGIC International Fund, Allianz AGIC Systematic Growth Fund, Allianz RCM Global Resources Fund, PIMCO Foreign Bond Fund (Hedged), PIMCO Total Return Fund, PIMCO Real Return Fund, PIMCO Short-Term Bond Fund, PIMCO Floating Income Fund, PIMCO Commodity Real Return Strategy Fund and PIMCO Real Estate Real Return Strategy Fund

Allianz Age-Based 12-14 Years Portfolio invests in the Allianz NFJ Large-Cap Value Fund, Allianz NFJ Small-Cap Value Fund, Allianz AGIC Income & Growth Fund, Allianz AGIC Opportunity Fund, Allianz NFJ International Value Fund, Allianz RCM Disciplined Equity Fund, Allianz RCM Large-Cap Growth Fund, Allianz AGIC Emerging Markets Opportunities Fund, Allianz AGIC International Fund, Allianz AGIC Systematic Growth Fund, Allianz RCM Global Resources Fund, PIMCO Foreign Bond Fund (Hedged), PIMCO Total Return Fund, PIMCO Real Return Fund, PIMCO Short-Term Bond Fund, PIMCO Floating Income Fund, PIMCO Commodity Real Return Strategy Fund, PIMCO Real Estate Real Return Strategy Fund and Cash Allocation Account

Allianz Age-Based 15-16 Years Portfolio invests in the Allianz NFJ Large-Cap Value Fund, Allianz NFJ Small-Cap Value Fund, Allianz AGIC Income & Growth Fund, Allianz AGIC Opportunity Fund, Allianz NFJ International Value Fund, Allianz RCM Disciplined Equity Fund, Allianz RCM Large-Cap Growth Fund, Allianz AGIC Emerging Markets Opportunities Fund, Allianz AGIC International Fund, PIMCO Foreign Bond Fund (Hedged), PIMCO Total Return Fund, PIMCO Real Return Fund, PIMCO Short-Term Bond Fund, PIMCO Floating Income Fund, PIMCO Commodity Real Return Strategy Fund, PIMCO Real Estate Real Return Strategy Fund and Cash Allocation Account

Allianz Age-Based 17-18 Years Portfolio invests in the Allianz NFJ Large-Cap Value Fund, Allianz NFJ Small-Cap Value Fund, Allianz AGIC Income & Growth Fund, Allianz NFJ International Value Fund, Allianz RCM Disciplined Equity Fund, PIMCO Foreign Bond Fund (Hedged), PIMCO Total Return Fund, PIMCO Real Return Fund, PIMCO Short-Term Bond Fund, PIMCO Floating Income Fund, PIMCO Commodity Real Return Strategy Fund and Cash Allocation Account

Allianz Age-Based 19+ Years Portfolio invests in the PIMCO Foreign Bond Fund (Hedged), PIMCO Total Return Fund, PIMCO Real Return Fund, PIMCO Short-Term Bond Fund, PIMCO Floating Income Fund and Cash Allocation Account

Allianz Capital Growth and Income Portfolio invests in the Allianz NFJ Large-Cap Value Fund, Allianz AGIC Opportunity Fund, Allianz AGIC Systematic Growth Fund, Allianz RCM Disciplined Equity Fund, Allianz RCM Large-Cap Growth Fund, Allianz NFJ Small-Cap Value Fund, Allianz AGIC Emerging Markets Opportunities Fund, Allianz AGIC International Fund, Allianz NFJ International Value Fund, Allianz RCM Global Resources Fund, PIMCO Commodity Real Return Strategy Fund, PIMCO Real Estate Real Return Strategy Fund, PIMCO Foreign Bond Fund (Unhedged), PIMCO Investment Grade Corporate Bond Fund, PIMCO Diversified Income Fund and PIMCO Emerging Local Bond Fund

Allianz Capital Income Portfolio invests in the Allianz NFJ Large-Cap Value Fund, PIMCO Foreign Bond Fund (Hedged), PIMCO Total Return Fund, PIMCO Real Return Fund, PIMCO Short-Term Bond Fund, PIMCO Income Fund, PIMCO Diversified Income Fund and PIMCO Investment Grade Corporate Bond Fund

Allianz NFJ Dividend Value Portfolio invests in the Allianz NFJ Dividend Value Fund

PIMCO Real Return Portfolio invests in the PIMCO Real Return Fund

PIMCO Total Return Portfolio invests in the PIMCO Total Return Fund

BlackRock Portfolios:

BlackRock Age-Based 0-7 Years Portfolio invests in the BlackRock Basic Value Fund, BlackRock Capital Appreciation Fund, BlackRock Large Cap Core Fund, BlackRock S&P 500 Index Fund, BlackRock Value Opportunities Fund, BlackRock Small Cap Growth Fund II, BlackRock International Value Fund, BlackRock International Index Fund and BlackRock Total Return Fund

BlackRock Age-Based 8-10 Years Portfolio invests in the BlackRock Basic Value Fund, BlackRock Capital Appreciation Fund, BlackRock Large Cap Core Fund, BlackRock S&P 500 Index Fund, BlackRock Value Opportunities Fund, BlackRock Small Cap Growth Fund II, BlackRock International Value Fund, BlackRock International Index Fund, BlackRock Bond Portfolio and BlackRock Total Return Fund

BlackRock Age-Based 11-13 Years Portfolio invests in the BlackRock Basic Value Fund, BlackRock Capital Appreciation Fund, BlackRock Large Cap Core Fund, BlackRock S&P 500 Index Fund, BlackRock Value Opportunities Fund, BlackRock Small Cap Growth Fund II, BlackRock International Value Fund, BlackRock International Index Fund, BlackRock Bond Portfolio and BlackRock Total Return Fund

BlackRock Age-Based 14-16 Years Portfolio invests in the BlackRock Basic Value Fund, BlackRock Capital Appreciation Fund, BlackRock Large Cap Core Fund, BlackRock S&P 500 Index Fund, BlackRock Value Opportunities Fund, BlackRock Small Cap Growth Fund II, BlackRock International Value Fund, BlackRock International Index Fund, BlackRock Bond Portfolio and BlackRock Total Return Fund

BlackRock Age-Based 17-19 Years Portfolio invests in the BlackRock Basic Value Fund, BlackRock Capital Appreciation Fund, BlackRock Large Cap Core Fund, BlackRock S&P 500 Index Fund, BlackRock Value Opportunities Fund, BlackRock Small Cap Growth Fund II, BlackRock International Value Fund, BlackRock International Index Fund, BlackRock Short Term Bond Fund, BlackRock Total Return Fund

BlackRock Age-Based 20+ Years Portfolio invests in the BlackRock Basic Value Fund, BlackRock Capital Appreciation Fund, BlackRock Large Cap Core Fund, BlackRock S&P 500 Index Fund, BlackRock International Index Fund, BlackRock Short Term Bond Fund, BlackRock Total Return Fund and Cash Allocation Account

BlackRock 75% Equity Portfolio invests in the BlackRock Basic Value Fund, BlackRock Capital Appreciation Fund, BlackRock Large Cap Core Fund, BlackRock S&P 500 Index Fund, BlackRock Value Opportunities Fund, BlackRock Small Cap Growth Fund II, BlackRock International Value Fund, BlackRock International Index Fund, BlackRock Short Term Bond Fund, BlackRock Total Return Fund, BlackRock High Income Fund and Cash Allocation Account

BlackRock 100% Equity Portfolio invests in the BlackRock Basic Value Fund, BlackRock Capital Appreciation Fund, BlackRock Large Cap Core Fund, BlackRock S&P 500 Index Fund, BlackRock Value Opportunities Fund, BlackRock Small Cap Growth Fund II, BlackRock International Value Fund and BlackRock International Index Fund

BlackRock Equity Index Portfolio invests in the BlackRock S&P 500 Index Fund

BlackRock Fixed Income Portfolio invests in the BlackRock Short Term Bond Fund, BlackRock Total Return Fund, BlackRock High Income Fund and Cash Allocation Account

BlackRock Global Allocation Portfolio invests in the BlackRock Global Allocation Fund

BlackRock Large Cap Core Portfolio invests in the BlackRock Large Cap Core Fund

BlackRock Large Cap Growth Portfolio invests in the BlackRock Large Cap Growth Fund

iShares Age-Based 0-7 Years Portfolio invests in the iShares Russell 1000 Index Fund, iShares Russell 2000 Index Fund, iShares MSCI EAFE Index Fund, iShares MSCI Emerging Markets Index Fund, iShares Cohen & Steers Realty Majors Index Fund and iShares Barclays Aggregate Bond Fund

iShares Age-Based 8-10 Years Portfolio invests in the iShares Russell 1000 Index Fund, iShares Russell 2000 Index Fund, iShares MSCI EAFE Index Fund, iShares MSCI Emerging Markets Index Fund, iShares Cohen & Steers Realty Majors Index Fund and iShares Barclays Aggregate Bond Fund

iShares Age-Based 11-13 Years Portfolio invests in the iShares Russell 1000 Index Fund, iShares Russell 2000 Index Fund, iShares MSCI EAFE Index Fund, iShares MSCI Emerging Markets Index Fund, iShares Cohen & Steers Realty Majors Index Fund and iShares Barclays Aggregate Bond Fund

iShares Age-Based 14-16 Years Portfolio invests in the iShares Russell 1000 Index Fund, iShares Russell 2000 Index Fund, iShares MSCI EAFE Index Fund, iShares MSCI Emerging Markets Index Fund, iShares Cohen & Steers Realty Majors Index Fund and iShares Barclays Aggregate Bond Fund

iShares Age-Based 17-19 Years Portfolio invests in the iShares Russell 1000 Index Fund, iShares Russell 2000 Index Fund, iShares MSCI EAFE Index Fund, iShares MSCI Emerging Markets Index Fund, iShares Cohen & Steers Realty Majors Index Fund, iShares Barclays Aggregate Bond Fund, iShares Barclays Short Treasury Bond Fund and iShares Barclays 1-3 Year Treasury Bond Fund

iShares Age-Based 20+ Years Portfolio invests in the iShares Russell 1000 Index Fund, iShares Russell 2000 Index Fund, iShares MSCI EAFE Index Fund, iShares Barclays Aggregate Bond Fund, iShares Barclays Short Treasury Bond Fund and iShares Barclays 1-3 Year Treasury Bond Fund

iShares Diversified Equity Portfolio invests in the iShares Russell 1000 Index Fund, iShares Russell 2000 Index Fund, iShares MSCI EAFE Index Fund, iShares MSCI Emerging Markets Index Fund and iShares Cohen & Steers Realty Majors Index Fund

iShares Diversified Fixed Income Portfolio invests in iShares Barclays Aggregate Bond Fund, iShares Barclays Short Treasury Bond Fund, iShares Barclays 1-3 Year Treasury Bond Fund and iShares iBoxx $ High Yield Corporate Bond Fund

Eaton Vance Portfolio:

Eaton Vance Large-Cap Value Portfolio invests in the Eaton Vance Large-Cap Value Fund

Franklin Templeton Portfolios:

Franklin Templeton Age-Based 0-8 Years Portfolio invests in the Franklin Flex Cap Growth Fund, Franklin Small-Mid Cap Growth Fund, Mutual Shares Fund, Mutual European Fund and Templeton Foreign Fund

Franklin Templeton Age-Based 9-12 Years Portfolio invests in the Franklin Flex Cap Growth Fund, Franklin Small-Mid Cap Growth Fund, Mutual Shares Fund, Mutual European Fund, Templeton Foreign Fund, Franklin Total Return Fund, Franklin U.S. Government Securities Fund, Templeton Global Bond Fund, Franklin Strategic Income Fund and Cash Allocation Account

Franklin Templeton Age-Based 13-16 Years Portfolio invests in the Franklin Flex Cap Growth Fund, Franklin Small-Mid Cap Growth Fund, Mutual Shares Fund, Mutual European Fund, Templeton Foreign Fund, Franklin Total Return Fund, Franklin U.S. Government Securities Fund, Templeton Global Bond Fund, Franklin Strategic Income Fund and Cash Allocation Account

Franklin Templeton Age-Based 17-20 Years Portfolio invests in the Franklin Flex Cap Growth Fund, Franklin Small-Mid Cap Growth Fund, Mutual Shares Fund, Mutual European Fund, Templeton Foreign Fund, Franklin Total Return Fund, Franklin U.S. Government Securities Fund, Templeton Global Bond Fund, Franklin Strategic Income Fund and Cash Allocation Account

Franklin Templeton Age-Based 21+ Years Portfolio invests in the Franklin Total Return Fund, Franklin U.S. Government Securities Fund, Templeton Global Bond Fund, Franklin Strategic Income Fund and Cash Allocation Account

Franklin Templeton Balanced Portfolio invests in the Franklin U.S. Government Securities Fund, Franklin Small-Mid Cap Growth Fund, Franklin Total Return Fund, Franklin Flex Cap Growth Fund, Franklin Strategic Income Fund, Mutual Shares Fund, Mutual European Fund, Templeton Foreign Fund, Templeton Global Bond Fund and Cash Allocation Account

Franklin Templeton Global Bond Portfolio invests in the Templeton Global Bond Fund

Franklin Templeton Growth Portfolio invests in the Franklin Flex Cap Growth Fund, Franklin Small-Mid Cap Growth Fund, Mutual Shares Fund, Mutual European Fund and Templeton Foreign Fund

Franklin Templeton Growth and Income Portfolio invests in the Franklin Flex Cap Growth Fund, Franklin Small-Mid Cap Growth Fund, Mutual Shares Fund, Mutual European Fund, Templeton Foreign Fund, Franklin Total Return Fund, Franklin U.S. Government Securities Fund, Templeton Global Bond Fund, Franklin Strategic Income Fund and Cash Allocation Account

Franklin Templeton Mutual Shares Portfolio invests in the Mutual Shares Fund

Franklin Templeton Small Cap Value Portfolio invests in the Franklin Small Cap Value Fund

Franklin Templeton Small-Mid Cap Growth Portfolio invests in the Franklin Small-Mid Cap Growth Fund

MainStay Portfolio:

MainStay Large Cap Growth Portfolio invests in the MainStay Large Cap Growth Fund

MFS Portfolios:

MFS Age-Based 0-5 Years Portfolio invests in the MFS Growth Fund, MFS New Discovery Fund, MFS Value Fund, Massachusetts Investors Growth Stock Fund, Massachusetts Investors Trust, MFS Mid Cap Value Fund, MFS Research International Fund and MFS International New Discovery Fund

MFS Age-Based 6-10 Years Portfolio invests in the MFS Growth Fund, MFS Value Fund, Massachusetts Investors Growth Stock Fund, Massachusetts Investors Trust, MFS Mid Cap Value Fund, MFS Research International Fund, MFS International New Discovery Fund, MFS Government Securities Fund, MFS Research Bond Fund and MFS High Yield Opportunities Fund

MFS Age-Based 11-13 Years Portfolio invests in the MFS Growth Fund, MFS Value Fund, Massachusetts Investors Growth Stock Fund, Massachusetts Investors Trust, MFS Mid Cap Value Fund, MFS Research International Fund, MFS Government Securities Fund, MFS Research Bond Fund, MFS High Yield Opportunities Fund and Cash Allocation Account

MFS Age-Based 14-15 Years Portfolio invests in the MFS Value Fund, Massachusetts Investors Growth Stock Fund, Massachusetts Investors Trust, MFS Research International Fund, MFS Limited Maturity Fund, MFS Government Securities Fund, MFS Research Bond Fund and Cash Allocation Account

MFS Age-Based 16-17 Years Portfolio invests in the MFS Value Fund, Massachusetts Investors Growth Stock Fund, Massachusetts Investors Trust, MFS Research International Fund, MFS Limited Maturity Fund, MFS Government Securities Fund, MFS Research Bond Fund and Cash Allocation Account

MFS Age-Based 18+ Years Portfolio invests in the Massachusetts Investors Trust, MFS Value Fund, MFS Limited Maturity Fund, MFS Government Securities Fund, MFS Research Bond Fund and Cash Allocation Account

MFS Equity Portfolio invests in the MFS Growth Fund, MFS New Discovery Fund, MFS Value Fund, Massachusetts Investors Growth Stock Fund, Massachusetts Investors Trust, MFS Mid Cap Value Fund, MFS International New Discovery Fund and MFS Research International Fund

MFS Fixed Income Portfolio invests in the MFS Government Securities Fund, MFS Research Bond Fund and MFS High Yield Opportunities Fund

MFS Research International Portfolio invests in the MFS Research International Fund

MFS Value Portfolio invests in the MFS Value Fund

Thornburg Portfolio:

Thornburg International Value Portfolio invests in the Thornburg International Value Fund

Principal Plus Portfolio:

Principal Plus Portfolio invests in a Guaranteed Investment Contract issued by Transamerica and the Cash Allocation Account

2. Significant Accounting Policies

Basis of Accounting

The accompanying Financial Statements have been prepared in accordance with generally accepted principals and standards of Governmental Accounting Standards Board ("GASB"). As described in GASB Statement No. 34, the Program (as defined in the NextGen College Investing Plan Description – Client Select Series dated September 20, 2010 and Supplements dated October 18, 2010 and March 18, 2011 and the NextGen College Investing Plan Program Description – Client Direct Series dated September 20, 2010 and Supplements dated October 18, 2010 and March 18, 2011) is a private purpose trust fund, a type of fiduciary fund pursuant to that Statement.

The Program's Financial Statements are presented on the flow of economic resource, measurement focus and the accrual basis of accounting in conformity with U.S. generally accepted accounting principles. Under this method of accounting, revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows. Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support a government's own programs. Under GASB Statement No. 34, a private purpose trust fund is a fiduciary fund used to report all trust arrangements, other than pension (and other employee benefit) trust funds and investment trust funds, under which principal and income benefit individuals, private organizations, or other governments.

Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, FAME has elected not to adopt Financial Accounting Standards Board ("FASB') statements and interpretations issued after November 30, 1989, unless GASB specifically adopts such FASB statements or interpretations.

In December 2010, GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued and is effective for fiscal periods beginning after December 15, 2011. This Statement also supersedes Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, thereby eliminating the election provided in paragraph 7 of that Statement for enterprise funds and business-type activities to apply post-November 30, 1989 FASB Statements and Interpretations that do not conflict with or contradict GASB pronouncements. However, those entities can continue to apply, as other accounting literature, post-November 30, 1989 FASB pronouncements that do not conflict with or contradict GASB pronouncements, including this Statement. Management is currently evaluating the impact the statement will have on the financial statements when adopted.

The preparation of the Financial Statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in

the Financial Statements and accompanying Notes. Actual results could differ from the Program management's estimates.

The following is a summary of significant accounting policies followed by the Program.

(a) Security Valuation – Investments in Underlying Funds are valued at the closing net asset value per unit of each Underlying Fund on the day of valuation. The value of the GIC issued by Transamerica (the initial underlying investment for the Principal Plus Portfolio) is the sum of the net cash contributions to the deposit account plus interest credited minus withdrawals (the "Contract Value").

(b) Security Transactions and Investment Income – Security transactions are recorded on the trade dates. Realized gains and losses on security transactions are determined on the identified cost basis. Dividend income and capital gain distributions from the Underlying Funds, if any, are recorded on the ex-dividend date.

(c) Expenses – Expenses included in the accompanying Financial Statements reflect the expenses of each Portfolio and do not include any expenses associated with the Underlying Funds. Each Portfolio indirectly bears its proportional share of the expenses of the Underlying Funds in which it invests. Accordingly, each Portfolio's investment return will be net of the expenses of the Underlying Funds and the expenses attributable to the Portfolio.

(d) Federal Income Tax – The Program has been designed to comply with the requirements for treatment as a Qualified Tuition Program under Section 529 of the Internal Revenue Code of 1986, as amended. Therefore, no federal income tax provision is required. The earnings portion of non-qualified withdrawals may be subject to a 10% additional tax in addition to applicable federal and state income tax. It is the distributee's responsibility to report any taxable event on their personal tax returns.

(e) Units – Contributions by a Participant are evidenced through the issuance of Units in the particular Portfolio. Contributions and withdrawals are subject to terms and limitations defined in the Participation Agreement between the Participant and the Program. Contributions are invested in Units of the assigned Portfolio on the next business day following the credit of the contribution to the Participant's account. Withdrawals are based on the net asset value calculated for such Portfolio on the business day following the day on which the Program Manager accepts and processes the withdrawal request.

Each Portfolio seeks to achieve its respective investment objective by investing in one or more Underlying Funds or Principal Plus Portfolio Investments (collectively, the "Portfolio Investments"), managed by a Sub-Advisor (except for the Principal Plus Portfolio).

All Portfolios, except for the BlackRock Equity Index Portfolio and the iShares Portfolios, are currently offered in the Client Select Series. The Client Select Series is available through Merrill Lynch Financial Advisors. Maine Participants or other Participants opening accounts for Maine Designated Beneficiaries may purchase the Client Select Series through certain Maine Distribution Agents. In addition, as of June 30, 2011 some of the BlackRock, MFS and Franklin Templeton Portfolios, as well as the Principal Plus Portfolio, were also offered in the Client Direct Series. The Client Direct Series is available by telephone, through the Program's internet websites, by contacting FAME, or through certain Maine Distribution Agents. Each Portfolio has its own expense structure. Included in the net assets of the Client Select Series - G Unit Class of the Principal Plus Portfolio is the portion of the Maine Administration Fee utilized by FAME with respect to the Maine Matching Grant Program, which is designed to segregate in a separate account assets which may be distributed to certain Participants who are either residents of the State of Maine or who open accounts for a Designated Beneficiary who is a resident of the State of Maine. The H Unit Class, a unit class not available to investors, was created in the BlackRock Age-Based 0-7 Years Portfolio in the Client Direct Series effective July 14, 2008 for the purpose of investing funds received from the Alfond Scholarship Foundation for Harold Alfond College Challenge Grants awarded for the benefit of eligible Designated Beneficiaries.

Each Series may be offered through additional or different distribution channels, as determined by FAME and the Program Manager. One Series may not offer some or all Portfolios available through the other Series. For example, the Client Select Series currently offers Portfolios that are not available through the Client Direct Series, and the Client Direct Series currently offers one Portfolio that is not available through the Client Select Series. Expenses associated with the Client Select Series may differ from expenses associated with the Client Direct Series.

3. Program Expenses:

The Management Agreement provides that Merrill Lynch receives a monthly fee for providing various administrative, record-keeping, investment and marketing services (the "Management Fee"). The Management Fee is charged based on the daily net asset value of the assets under management in the Program. The Management Fee may be reduced or waived by Merrill Lynch at any time, on a temporary or permanent basis. During the year ended June 30, 2011, the Management Fee was:

All Portfolios except Principal Plus Portfolio

A Unit Class	–
C Unit Class	.65%
G Unit Class	.15%
S Unit Class (with a target equity allocation of less than 40%) (1)	.25%
S Unit Class (with a target equity allocation of 40% or greater)	.55%
Direct Units (except BlackRock Equity Index Portfolio and iShares Portfolios)	.10%
Direct Units (iShares Portfolios)	.21%
Direct Units (BlackRock Equity Index Portfolio)	.07%
H Unit Class	.10%

(1) Subsequent to the period, it was identified that the expense accrual rate had not been updated on September 20, 2010 to reflect changes to the target asset allocations of the BlackRock Age-Based 14-16 Years Portfolio. The BlackRock Age-Based 14-16 Years Portfolio was reimbursed for the S Unit Class.

Principal Plus Portfolio

A Unit Class (until 11/19/10)	.20%
A Unit Class (effective 11/20/10)	.25%
C Unit Class (until 11/19/10)	.40%
C Unit Class (effective 11/20/10) (2)	.25%
G Unit Class	.15%
S Unit Class (until 11/19/10)	.40%
S Unit Class (effective 11/20/10) (2)	.25%
Direct Units	.10%

(2) Subsequent to the period, it was identified that expense accrual rates for the Principal Plus Portfolio had not been updated on November 20, 2010. The Principal Plus Portfolio was reimbursed for the C Unit Class and for the S Unit Class.

The Management Agreement provides that FDS receives a monthly fee as the Portfolio Servicing Agent of the Program (the "Portfolio Servicing Fee"). The Portfolio Servicing Fee is charged based on the daily net asset value of the assets under management in the Program. The Portfolio Servicing Fee during the year ended June 30, 2011 was:

All Portfolios except Principal Plus Portfolio

A Unit Class	.10%
C Unit Class	.20%
G Unit Class	.20%
S Unit Class	.20%
Direct Units (except BlackRock Equity Index Portfolio)	.10%
Direct Units (BlackRock Equity Index Portfolio)	-
H Unit Class	.10%

Principal Plus Portfolio

A Unit Class	.10%
C Unit Class (until 11/19/10)	.20%
C Unit Class (effective 11/20/10) (2)	.10%
G Unit Class	.20%
S Unit Class (until 11/19/10)	.20%
S Unit Class (effective 11/20/10) (2)	.10%
Direct Units	.10%

(2) Subsequent to the period, it was identified that expense accrual rates for the Principal Plus Portfolio had not been updated on November 20, 2010. The Principal Plus Portfolio was reimbursed for the C Unit Class and for the S Unit Class.

In addition, the Management Agreement provides that FAME receives a monthly fee as administrator of the Program (the "Maine Administration Fee"). The Maine Administration Fee is charged based on the daily net asset value of the assets under management in the Program. The Maine Administration Fee during the year ended June 30, 2011 was:

All Portfolios except Principal Plus Portfolio

A Unit Class	.15%
C Unit Class	.15%
G Unit Class	.15%
S Unit Class	.15%
Direct Units (except iShares Portfolios)	-
Direct Units (iShares Portfolios)	.05%
H Unit Class	-

Principal Plus Portfolio

A Unit Class	.125%
C Unit Class	.125%
G Unit Class	.125%
S Unit Class	.125%
Direct Units	-

4. Investments

Investments are reported at fair value and are accounted for by the Program accordingly, with changes in fair value included in investment earnings.

FAME has approved one investment, the Cash Allocation Account (the "Account"), for Portfolios investing in cash equivalent securities. The Account is a separate account that seeks current income, preservation of capital and liquidity. The assets of the Account are invested in a diversified portfolio of money market securities and certificates of deposits issued by Maine financial institutions ("Maine CDs"). BlackRock Capital Management, Inc. is responsible for the selection and management of the money market securities, other than Maine CDs.

The Treasurer will select the financial institutions from which any Maine CDs are purchased and is responsible for ensuring that any Maine CDs are insured by the Federal Deposit Insurance Corporation ("FDIC") or are fully collateralized. The Treasurer will also determine the percentage of assets of the Account that is invested in Maine CDs.

The Program's Investments for the Principal Plus Portfolio currently consist of a GIC issued by Transamerica and the Cash Allocation Account. Transamerica guarantees principal, accumulated interest and a future interest rate of the GIC. The Principal Plus Portfolio Investments are not secured by any collateral, except that portion of the Cash Allocation Account consisting of Maine CDs which are FDIC insured or fully collateralized. Under the GIC, Transamerica sets the interest rate and announces every March 1, June 1, September 1 and December 1 the interest rate that will be credited during the following three-month period.

The following table represents a calculation of the net increase (decrease) in the value of investments during the year ended June 30, 2011.

Portfolio	Value at End of the Year	Less Cost of Investments Purchased During the Year	Plus Proceeds of Investments Sold During the Year	Less Value at Beginning of the Year	Change in Value of Investments During the Year
Allianz Age-Based 0-8 Years Portfolio*	$7,133,719	$(7,772,201)	$762,253	$-	$123,771
Allianz Age-Based 9-11 Years Portfolio*	2,488,193	(3,031,977)	558,400	-	14,616
Allianz Age-Based 12-14 Years Portfolio*	2,687,583	(2,810,792)	137,421	-	14,212
Allianz Age-Based 15-16 Years Portfolio*	1,614,826	(1,710,922)	98,968	-	2,872
Allianz Age-Based 17-18 Years Portfolio*	862,649	(958,978)	97,508	-	1,179
Allianz Age-Based 19+ Years Portfolio*	413,913	(595,386)	182,154	-	681
Allianz Capital Growth and Income Portfolio	12,372,862	(7,496,306)	410,243	4,044,357	1,242,442
Allianz Capital Income Portfolio	2,855,151	(2,437,194)	447,035	859,523	5,469
Allianz NFJ Dividend Value Portfolio	7,211,290	(5,174,696)	121,779	1,492,460	665,913
PIMCO Real Return Portfolio	10,919,688	(6,905,962)	991,758	4,759,513	245,971
PIMCO Total Return Portfolio	35,530,608	(22,259,600)	1,704,227	15,806,309	(831,074)
BlackRock Age-Based 0-7 Years Portfolio	312,441,055	(85,960,616)	121,099,619	262,004,575	85,575,483
BlackRock Age-Based 8-10 Years Portfolio	266,750,630	(115,909,928)	131,189,951	220,569,903	61,460,750
BlackRock Age-Based 11-13 Years Portfolio	320,571,848	(179,548,267)	175,772,970	262,332,639	54,463,912
BlackRock Age-Based 14-16 Years Portfolio	315,293,389	(226,368,955)	223,211,664	274,323,271	37,812,827
BlackRock Age-Based 17-19 Years Portfolio	265,209,289	(157,567,904)	140,613,682	230,340,178	17,914,889
BlackRock Age-Based 20+ Years Portfolio	109,937,178	(39,577,507)	20,052,144	89,170,163	1,241,652
BlackRock 75% Equity Portfolio	274,590,606	(21,588,985)	30,707,927	226,842,810	56,866,738
BlackRock 100% Equity Portfolio	355,773,223	(22,776,259)	41,771,846	282,840,842	91,927,968
BlackRock Equity Index Portfolio	1,990,727	(373,172)	40,711	1,270,946	387,320
BlackRock Fixed Income Portfolio	133,871,711	(16,748,655)	24,776,854	137,763,036	4,136,874
BlackRock Global Allocation Portfolio	646,623,705	(129,452,540)	6,029,118	440,872,119	82,328,164
BlackRock Large Cap Core Portfolio	32,658,306	(3,531,886)	4,030,068	24,277,582	8,878,906
BlackRock Large Cap Growth Portfolio	29,416,705	(5,007,796)	2,407,014	19,411,604	7,404,319
iShares Age-Based 0-7 Years Portfolio*	573,469	(611,971)	55,568	-	17,066
iShares Age-Based 8-10 Years Portfolio*	162,410	(185,820)	27,376	-	3,966
iShares Age Based 11-13 Years Portfolio*	90,258	(87,155)	83	-	3,186

Portfolio	Value at End of the Year	Less Cost of Investments Purchased During the Year	Plus Proceeds of Investments Sold During the Year	Less Value at Beginning of the Year	Change in Value of Investments During the Year
iShares Age-Based 14-16 Years Portfolio*	$114,857	$(112,403)	$202	$-	$2,656
iShares Age-Based 17-19 Years Portfolio*	53,286	(51,808)	89	-	1,567
iShares Age-Based 20+ Years Portfolio*	34,238	(34,183)	312	-	367
iShares Diversified Equity Portfolio*	469,852	(468,399)	23,248	-	24,701
iShares Diversified Fixed Income Portfolio*	160,267	(184,392)	27,315	-	3,190
Eaton Vance Large-Cap Value Portfolio	5,706,998	(3,254,710)	305,014	2,147,779	609,523
Franklin Templeton Age-Based 0-8 Years Portfolio	300,652,666	(31,153,973)	61,548,400	250,923,779	80,123,314
Franklin Templeton Age-Based 9-12 Years Portfolio	290,881,406	(42,741,371)	34,024,535	227,462,905	54,701,665
Franklin Templeton Age-Based 13-16 Years Portfolio	303,679,488	(50,776,082)	32,182,879	244,056,497	41,029,788
Franklin Templeton Age-Based 17-20 Years Portfolio	210,727,335	(46,153,673)	25,719,023	174,287,667	16,005,018
Franklin Templeton Age-Based 21+ Years Portfolio	40,912,841	(17,073,410)	7,260,839	30,844,657	255,613
Franklin Templeton Balanced Portfolio	130,037,674	(12,686,656)	17,234,430	116,017,193	18,568,255
Franklin Templeton Global Bond Portfolio	18,732,955	(12,084,436)	163,165	6,103,011	708,673
Franklin Templeton Growth Portfolio	182,799,952	(16,675,783)	18,672,163	141,848,219	42,948,113
Franklin Templeton Growth and Income Portfolio	212,355,667	(16,006,400)	24,960,143	179,929,706	41,379,704
Franklin Templeton Mutual Shares Portfolio	12,481,434	(2,743,578)	1,536,497	9,015,801	2,258,552
Franklin Templeton Small Cap Value Portfolio	21,425,741	(2,881,404)	1,710,354	14,949,713	5,304,978
Franklin Templeton Small-Mid Cap Growth Portfolio	11,457,495	(4,973,066)	200,467	4,438,398	2,246,498
MainStay Large Cap Growth Portfolio*	5,183,813	(5,017,798)	20,853	-	186,868
MFS Age-Based 0-5 Years Portfolio	48,197,386	(6,787,837)	12,131,933	40,086,249	13,455,233
MFS Age-Based 6-10 Years Portfolio	131,776,719	(18,942,010)	22,710,325	106,734,038	28,810,996
MFS Age-Based 11-13 Years Portfolio	98,247,126	(20,463,425)	19,024,591	80,369,275	16,439,017
MFS Age-Based 14-15 Years Portfolio	65,501,859	(18,307,316)	15,697,145	54,957,255	7,934,433
MFS Age-Based 16-17 Years Portfolio	65,467,774	(18,056,004)	16,441,235	56,805,502	7,047,503

Portfolio	Value at End of the Year	Less Cost of Investments Purchased During the Year	Plus Proceeds of Investments Sold During the Year	Less Value at Beginning of the Year	Change in Value of Investments During the Year
MFS Age-Based 18+ Years Portfolio	$78,140,458	$(22,593,259)	$11,370,702	$63,209,303	$3,708,598
MFS Equity Portfolio	227,390,580	(14,489,989)	28,658,107	182,206,328	59,352,370
MFS Fixed Income Portfolio	52,875,930	(8,015,422)	8,856,625	52,067,571	1,649,562
MFS Research International Portfolio	47,606,661	(3,681,946)	6,848,161	36,489,775	14,283,101
MFS Value Portfolio	13,048,136	(3,598,610)	1,029,858	8,074,118	2,405,266
Thornburg International Value Portfolio	16,612,764	(9,305,635)	307,259	5,593,358	2,021,030
Principal Plus Portfolio	239,365,801	(34,156,891)	20,372,712	225,581,622	-
Total**	**$5,982,144,150**	**$(1,509,923,299)**	**$1,316,336,922**	**$4,813,181,549**	**$975,376,224**

* Commenced operations September 20, 2010.

** Amounts may not total due to rounding.

For all Portfolios, the following represents the 1 year average annual return (unless otherwise noted) less the Management Fee, Portfolio Servicing Fee and Maine Administration Fees (if any), as well as fees and expenses of the Underlying Funds, based on net asset value per Unit for the year ended June 30, 2011. Past performance is no guarantee of future performance. Investment returns will fluctuate with market conditions.

CLIENT DIRECT SERIES PORTFOLIOS	
Portfolio	
BlackRock Age-Based 0-7 Years Portfolio	28.31%
BlackRock Age-Based 0-7 Years Portfolio (H Unit Class)	28.26%
BlackRock Age-Based 8-10 Years Portfolio	22.97%
BlackRock Age-Based 11-13 Years Portfolio	17.68%
BlackRock Age-Based 14-16 Years Portfolio	12.67%
BlackRock Age-Based 17-19 Years Portfolio	8.97%
BlackRock Age-Based 20+ Years Portfolio	2.59%
BlackRock 100% Equity Portfolio	33.20%
BlackRock Equity Index Portfolio	30.18%
iShares Age-Based 0-7 Years Portfolio (a) (b)	15.20%
iShares Age-Based 8-10 Years Portfolio (a) (b)	13.20%
iShares Age Based 11-13 Years Portfolio (a)	8.70%
iShares Age-Based 14-16 Years Portfolio (a)	6.30%
iShares Age-Based 17-19 Years Portfolio (a)	4.20%
iShares Age-Based 20+ Years Portfolio (a)	1.10%
iShares Diversified Equity Portfolio (a) (b)	18.80%
iShares Diversified Fixed Income Portfolio (a) (b)	2.80%
Franklin Templeton Balanced Portfolio	18.19%
MFS Fixed Income Portfolio	7.74%
Principal Plus Portfolio (c)	1.95%

CLIENT SELECT SERIES PORTFOLIOS				
	Class			
Portfolio	**A Unit**	**C Unit**	**G Unit**	**S Unit**
Allianz Age-Based 0-8 Years Portfolio (a)	12.50%	13.10%		
Allianz Age-Based 9-11 Years Portfolio (a)	7.60%	11.10%		
Allianz Age-Based 12-14 Years Portfolio (a)	3.90%	5.20%		
Allianz Age-Based 15-16 Years Portfolio (a)	2.20%	2.90%		
Allianz Age-Based 17-18 Years Portfolio (a)	1.70%	1.40%		
Allianz Age-Based 19+ Years Portfolio (a)	1.20%	0.60%		
Allianz Capital Growth and Income Portfolio	27.50%	26.34%		
Allianz Capital Income Portfolio	7.85%	7.13%		
Allianz NFJ Dividend Value Portfolio	31.18%	30.36%		
PIMCO Real Return Portfolio	7.16%	6.31%		
PIMCO Total Return Portfolio	5.24%	4.40%		
BlackRock Age-Based 0-7 Years Portfolio	28.01%	26.97%	27.60%	27.15%
BlackRock Age-Based 8-10 Years Portfolio	22.58%	21.68%	22.24%	21.87%
BlackRock Age-Based 11-13 Years Portfolio	17.40%	16.52%	17.15%	16.68%
BlackRock Age-Based 14-16 Years Portfolio	12.29%	11.57%	12.03%	11.87%
BlackRock Age-Based 17-19 Years Portfolio	8.71%	7.83%	8.46%	8.30%
BlackRock Age-Based 20+ Years Portfolio	2.48%	1.70%	2.22%	2.06%
BlackRock 75% Equity Portfolio	26.22%	25.19%	25.84%	25.33%
BlackRock 100% Equity Portfolio	32.84%	31.88%	32.42%	32.06%
BlackRock Fixed Income Portfolio	6.23%	5.51%	6.00%	5.89%
BlackRock Global Allocation Portfolio	18.92%	17.99%		
BlackRock Large Cap Core Portfolio	34.18%	33.13%		
BlackRock Large Cap Growth Portfolio	35.07%	34.13%		
Eaton Vance Large-Cap Value Portfolio	22.79%	22.02%		
Franklin Templeton Age-Based 0-8 Years Portfolio	30.22%	29.21%	29.94%	29.35%
Franklin Templeton Age-Based 9-12 Years Portfolio	24.03%	23.09%	23.72%	23.24%
Franklin Templeton Age-Based 13-16 Years Portfolio	17.90%	17.07%	17.57%	17.16%
Franklin Templeton Age-Based 17-20 Years Portfolio	11.64%	10.78%	11.35%	11.22%

CLIENT SELECT SERIES PORTFOLIOS				
	Class			
Portfolio	**A Unit**	**C Unit**	**G Unit**	**S Unit**
Franklin Templeton Age-Based 21+ Years Portfolio	5.57%	4.83%	5.32%	5.25%
Franklin Templeton Balanced Portfolio	17.90%	17.04%		17.15%
Franklin Templeton Global Bond Portfolio	13.43%	12.63%		
Franklin Templeton Growth Portfolio	30.14%	29.25%	29.86%	29.42%
Franklin Templeton Growth and Income Portfolio	24.03%	23.15%		23.23%
Franklin Templeton Mutual Shares Portfolio	23.00%	21.91%		
Franklin Templeton Small Cap Value Portfolio	34.19%	33.20%		
Franklin Templeton Small-Mid Cap Growth Portfolio	42.24%	41.13%		
MainStay Large Cap Growth Portfolio (a)	18.90%	17.80%		
MFS Age-Based 0-5 Years Portfolio	33.07%	32.02%		32.10%
MFS Age-Based 6-10 Years Portfolio	26.98%	26.09%		26.20%
MFS Age-Based 11-13 Years Portfolio	20.47%	19.51%		19.61%
MFS Age-Based 14-15 Years Portfolio	14.83%	13.99%		14.11%
MFS Age-Based 16-17 Years Portfolio	13.22%	12.47%		12.91%
MFS Age-Based 18+ Years Portfolio	7.51%	6.78%		7.17%
MFS Equity Portfolio	33.07%	32.02%		32.08%
MFS Fixed Income Portfolio	7.47%	6.72%	7.18%	7.11%
MFS Research International Portfolio	34.84%	33.81%		
MFS Value Portfolio	26.42%	25.56%		
Thornburg International Value Portfolio	29.31%	28.59%		
Principal Plus Portfolio (c)	1.72%	1.58%	1.68%	1.54%
Principal Plus Portfolio (Matching Grant Program Funds) (c)			1.79%	

(a) Returns shown for Portfolios that have an inception date within 1 year are cumulative, not average annualized. Commenced operations on September 20, 2010.
(b) Performance shown reflects the one-time contribution of unrealized gain on seed money invested at the Portfolio's inception in connection with the withdrawal of such seed money. Without that contribution, the Portfolio's performance would have been lower.
(c) Prior to November 20, 2010, the Principal Plus Portfolio invested exclusively in one guaranteed investment contract (“GIC”) issued by Transamerica. Beginning November 20, 2010, the Principal Plus Portfolio added the Cash Allocation Account ("Account") as a new investment and began investing new contributions in the Account while maintaining the investment in the GIC. If a portion of the Principal Plus Portfolio had been invested in the Account prior to November 20, 2010, the performance of the Principal Plus Portfolio would have been lower.

The following represents the investment percentages by sector for each Portfolio as of June 30, 2011:

Percentage of Investments						
Portfolio	Equity Funds	Fixed Income Funds	Money Market Funds	Alternative Investments	Liabilities in Excess of Other Assets	Total
Allianz Age-Based 0-8 Years Portfolio	70.4%	19.6%	0.0%	10.0%	0.0%	100%
Allianz Age-Based 9-11 Years Portfolio	60.1%	31.4%	0.0%	8.5%	0.0%	100%
Allianz Age-Based 12-14 Years Portfolio	28.3%	61.8%	5.9%	4.1%	-0.1%	100%
Allianz Age-Based 15-16 Years Portfolio	14.1%	72.0%	11.9%	2.1%	-0.1%	100%
Allianz Age-Based 17-18 Years Portfolio	5.6%	77.1%	16.9%	0.5%	-0.1%	100%
Allianz Age-Based 19+ Years Portfolio	0.0%	80.2%	19.9%	0.0%	-0.1%	100%
Allianz Capital Growth and Income Portfolio	63.9%	23.4%	0.0%	12.8%	-0.1%	100%
Allianz Capital Income Portfolio	5.5%	94.6%	0.0%	0.0%	-0.1%	100%
Allianz NFJ Dividend Value Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
PIMCO Real Return Portfolio	0.0%	100.1%	0.0%	0.0%	-0.1%	100%
PIMCO Total Return Portfolio	0.0%	100.1%	0.0%	0.0%	-0.1%	100%
BlackRock Age-Based 0-7 Years Portfolio	82.2%	17.8%	0.0%	0.0%	0.0%	100%
BlackRock Age-Based 8-10 Years Portfolio	63.5%	36.6%	0.0%	0.0%	-0.1%	100%
BlackRock Age-Based 11-13 Years Portfolio	48.6%	51.4%	0.0%	0.0%	0.0%	100%
BlackRock Age-Based 14-16 Years Portfolio	33.3%	66.8%	0.0%	0.0%	-0.1%	100%
BlackRock Age-Based 17-19 Years Portfolio	22.3%	63.4%	14.4%	0.0%	-0.1%	100%
BlackRock Age-Based 20+ Years Portfolio	6.1%	30.3%	63.7%	0.0%	-0.1%	100%
BlackRock 75% Equity Portfolio	78.9%	20.4%	0.8%	0.0%	-0.1%	100%
BlackRock 100% Equity Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
BlackRock Equity Index Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
BlackRock Fixed Income Portfolio	0.0%	99.1%	0.9%	0.0%	0.0%	100%
BlackRock Global Allocation Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
BlackRock Large Cap Core Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
BlackRock Large Cap Growth Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
iShares Age-Based 0-7 Years Portfolio	74.1%	20.0%	0.0%	6.0%	-0.1%	100%
iShares Age-Based 8-10 Years Portfolio	56.1%	40.0%	0.0%	4.0%	-0.1%	100%

Percentage of Investments						
Portfolio	Equity Funds	Fixed Income Funds	Money Market Funds	Alternative Investments	Liabilities in Excess of Other Assets	Total
iShares Age Based 11-13 Years Portfolio	42.1%	55.0%	0.0%	3.0%	-0.1%	100%
iShares Age-Based 14-16 Years Portfolio	28.1%	70.0%	0.0%	2.0%	-0.1%	100%
iShares Age-Based 17-19 Years Portfolio	19.1%	80.0%	0.0%	1.0%	-0.1%	100%
iShares Age-Based 20+ Years Portfolio	5.1%	95.0%	0.0%	0.0%	-0.1%	100%
iShares Diversified Equity Portfolio	93.1%	0.0%	0.0%	6.9%	0.0%	100%
iShares Diversified Fixed Income Portfolio	0.0%	100.1%	0.0%	0.0%	-0.1%	100%
Eaton Vance Large-Cap Value Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
Franklin Templeton Age-Based 0-8 Years Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
Franklin Templeton Age-Based 9-12 Years Portfolio	78.5%	17.5%	4.1%	0.0%	-0.1%	100%
Franklin Templeton Age-Based 13-16 Years Portfolio	54.7%	36.7%	8.6%	0.0%	0.0%	100%
Franklin Templeton Age-Based 17-20 Years Portfolio	28.5%	58.0%	13.6%	0.0%	-0.1%	100%
Franklin Templeton Age-Based 21+ Years Portfolio	0.0%	80.9%	19.1%	0.0%	0.0%	100%
Franklin Templeton Balanced Portfolio	55.1%	36.5%	8.5%	0.0%	-0.1%	100%
Franklin Templeton Global Bond Portfolio	0.0%	100.1%	0.0%	0.0%	-0.1%	100%
Franklin Templeton Growth Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
Franklin Templeton Growth and Income Portfolio	78.7%	17.4%	4.0%	0.0%	-0.1%	100%
Franklin Templeton Mutual Shares Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
Franklin Templeton Small Cap Value Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
Franklin Templeton Small-Mid Cap Growth Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
MainStay Large Cap Growth Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
MFS Age-Based 0-5 Years Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
MFS Age-Based 6-10 Years Portfolio	82.9%	17.2%	0.0%	0.0%	-0.1%	100%
MFS Age-Based 11-13 Years Portfolio	64.5%	31.4%	4.2%	0.0%	-0.1%	100%

Percentage of Investments						
Portfolio	Equity Funds	Fixed Income Funds	Money Market Funds	Alternative Investments	Liabilities in Excess of Other Assets	Total
MFS Age-Based 14-15 Years Portfolio	49.7%	41.4%	8.9%	0.0%	0.0%	100%
MFS Age-Based 16-17 Years Portfolio	44.5%	46.5%	9.0%	0.0%	0.0%	100%
MFS Age-Based 18+ Years Portfolio	22.9%	58.3%	18.8%	0.0%	0.0%	100%
MFS Equity Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
MFS Fixed Income Portfolio	0.0%	100.1%	0.0%	0.0%	-0.1%	100%
MFS Research International Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
MFS Value Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
Thornburg International Value Portfolio	100.1%	0.0%	0.0%	0.0%	-0.1%	100%
Principal Plus Portfolio	0.0%	0.0%	4.4%	95.6%	0.0%	100%

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, the statement requires state and local governments to disclose information covering five principal areas: (a) custodial credit risk; (b) investment credit risk, including credit quality information issued by rating agencies; (c) concentration of credit risk; (d) interest rate disclosures that include investment maturity information, and (e) foreign securities risk.

(a) Custodial Credit Risk – Is the risk that, in the event of the failure of a counterparty to a transaction, the Program will not be able to recover the value of its investment of collateral securities that are in the possession of an outside party. The Program primarily invests in open-end mutual funds and also invests in exchange traded funds, which do not bear custodial credit risk; hence, the Program's exposure to custodial credit risk arising from its investments in mutual funds and exchange traded funds is considered to be insignificant.

The Program does, however, make some investments in other entities, including investments held by the Principal Plus Portfolio and the Cash Allocation Account (the "Account"), which are described below.

The Principal Plus Portfolio invests in the Account and a single GIC issued by Transamerica as of June 30, 2011. According to Chapter 1 of the GASB Comprehensive Implementation Guide 2008-2009, an investment in a GIC is a contractual investment rather than a security and is not deemed to be subject to custodial credit risk.

The Account is a separate account that was established as part of the Program by FAME. The Account is managed exclusively for the Program and its Portfolios. All the Account's investments are held in either the name of the Account or the Account's Agent's name, thereby minimizing the custodial credit risk.

(b) Investment Credit Risk – Is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Program has not established an investment policy that specifically limits its exposure to credit risk and its investments in fixed income mutual funds and exchange traded funds, the Principal Plus Portfolio and the Account may bear credit risk.

The GIC in which the Principal Plus Portfolio invests has not been rated by any of the nationally recognized statistical rating organizations ("NRSROs").

The assets of the Account are invested in high-quality, short-term (not more than 762 days) money-market securities consisting primarily of direct U.S. Government obligations, U.S. Government agency securities, obligations of domestic and foreign banks, U.S. dollar denominated commercial paper, other

short-term debt securities issued by U.S. and foreign entities, and repurchase agreements. In addition, the Account invests in Maine CDs in accordance with instructions from FAME and the Treasurer. All Maine CDs are FDIC insured or fully collateralized. Credit quality ratings, if any, as determined by NRSROs for the Account's investments, are disclosed in the Account's audited financial statements.

(c) Concentration of Credit Risk – Is the risk of loss attributed to the magnitude of the Program's investments in a single issuer. The Program has not established an investment policy that specifically limits its exposure to concentration of credit risk because, as noted above, the Program principally invests in mutual funds which have been excluded by GASB Statement No. 40 from its concentration of credit risk disclosure requirements.

(d) Interest Rate Risk – Is the risk that changes in interest rates will adversely affect the fair value of an investment. The Program has not established an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Program's investments in fixed income mutual funds and exchange traded funds, the GIC and the assets held by the Account are subject to the interest rate risk: their value will generally increase when interest rates decline and decrease when interest rates increase. Prices of longer term securities generally change more in response to interest rate changes than the prices of shorter term securities.

(e) Foreign Securities Risk – Certain underlying mutual funds and exchange traded funds invest in foreign securities and the Program is subject to classification of risk under GASB Statement No. 40. There are certain additional risks involved when investing in foreign securities that are not inherent to investments in domestic securities. These risks may include foreign currency exchange rate fluctuations, adverse political and economic developments and the possible prevention of currency exchange or other foreign governmental laws or restrictions. In addition, the liquidity of foreign securities may be more limited than that of domestic securities.

5. Related Party Transactions

FAME and the Treasurer have selected Merrill Lynch, an indirect wholly owned subsidiary of Bank of America, to act as the Program Manager pursuant to the Management Agreement dated May 27, 1999, as amended and restated as of September 20, 2010, among FAME, the Treasurer, Merrill Lynch and FDS, which serves as Portfolio Servicing Agent for the Program. The Management Agreement provides that Merrill Lynch and FDS are responsible for providing certain administrative, recordkeeping and investment and marketing services for the Program. The Management Agreement provides that Merrill Lynch and FDS receive a Management Fee and a Portfolio Servicing Fee, respectively, for such services, which are described in more detail in Note 3. Transfer agent, audit, printing, certain legal and other expenses incurred by the Portfolios are paid by Merrill Lynch out of its Management Fee. During the period, Merrill Lynch made a one-time investment of seed money at the inception of the iShares Portfolios.

Pursuant to the Management Agreement, Merrill Lynch and FDS are authorized to delegate certain investment advisory, fund accounting, administrative, or other services thereunder to BlackRock Investment Management, LLC or BlackRock Capital Management, Inc. and their affiliates or to any of Merrill Lynch's parent, subsidiaries or affiliates. Merrill Lynch has delegated certain investment advisory responsibilities to BlackRock Investment Management, LLC and its affiliates ("BlackRock"). Merrill Lynch and FDS may also subcontract fund accounting or custody services to a Program Accounting Agent. The Program Accounting Agent is Bank of America, N.A., a subsidiary of Bank of America.

Also pursuant to the Management Agreement, Merrill Lynch may propose to FAME and the Treasurer that investment options be offered in the Program by registered investment advisors other than BlackRock, or their affiliates ("Sub-Advisors"). The Sub-Advisors approved by FAME and the Treasurer as of June 30, 2011 are Allianz Global Investors Solutions LLC ("Allianz"), Franklin Templeton Investments ("Franklin Templeton"), New York Life Investment Management ("MainStay"), Massachusetts Financial Services Company ("MFS"), Eaton Vance Management ("Eaton Vance"), and Thornburg Investment Management, Inc. ("Thornburg").

6. Subsequent Events

Pursuant to a change in Maine law which became effective September 28, 2011, Chapter 417-E of Title 20-A of the Maine Revised Statutes Annotated of 1964 is amended to reflect that beginning July 1, 2012, the Program Fund will be held by FAME, which shall invest it under the direction of and with the advice of the Advisory Committee on College Savings. Until then, the Program Fund will continue to be held by the Treasurer.

Effective July 1, 2011, FAME's agreement with Evaluation Associates LLC ("EA") to provide independent investment consulting services to the Program was assigned to Callan Associates, Inc. ("Callan") as the result of the acquisition of EA's public consulting business by Callan.

The NextGen College Investing Plan Client Direct Series Program Description and Participation Agreement dated September 20, 2010 as supplemented October 18, 2010 and March 18, 2011 was further supplemented on August 5, 2011 to give notice of changes affecting certain BlackRock Underlying Funds. The NextGen College Investing Plan Client Direct Series Program Description and Participation Agreement dated September 20, 2010 as supplemented October 18, 2010 and March 18, 2011 and August 5, 2011 was amended and restated as of September 26, 2011. Among other changes and updates, certain changes were made to target Underlying Fund allocations in the BlackRock Portfolios, including the addition of new Underlying Funds.

The NextGen College Investing Plan Client Select Series Program Description and Participation Agreement dated September 20, 2010 as supplemented October 18, 2010 and March 18, 2011 was further supplemented on August 5, 2011 to give notice of changes affecting certain BlackRock and Allianz/PIMCO Underlying Funds. The NextGen College Investing Plan Client Select Series Program Description and Participation Agreement dated September 20, 2010 as supplemented October 18, 2010 and March 18, 2011 and August 5, 2011 was amended and restated as of September 26, 2011. Among other changes and updates, certain changes were made to target Underlying Fund allocations in certain BlackRock Portfolios and the Allianz/PIMCO Portfolios, including the addition of new Underlying Funds, and certain changes were made to target asset allocations in certain Allianz/PIMCO Portfolios.

Combining Statements

NextGen College Investing Plan®

Combining Statements of Fiduciary Net Assets as of June 30, 2011

	Total
Assets:	
Investments, at Value	$ 5,982,144,150
Receivable for Securities Sold	3,076,936
Receivable from Program Manager (a)	463,392
Receivable for Units Sold	5,254,102
Receivable for Accrued Income	4,049,862
Total assets	5,994,988,442
Liabilities:	
Payable for Securities Purchased	2,581,956
Payable for Units Redeemed	5,749,085
Payable for Accrued Expenses	3,893,489
Total liabilities	12,224,530
Total net assets:	$ 5,982,763,912

(a) See accompanying Note #3 to the Financial Statements.

Allianz/PIMCO Portfolios	BlackRock Portfolios	Franklin Templeton Porfolios	MFS Portfolios	Eaton Vance Large-Cap Value Portfolio	MainStay Portfolio	Thornburg International Value Portfolio	Principal Plus Portfolio
$ 84,090,482	$3,066,787,009	$1,736,144,654	$ 828,252,629	$ 5,706,998	$ 5,183,813	$ 16,612,764	$ 239,365,801
52,938	1,546,071	955,010	417,335	-	-	-	105,582
-	185,928	-	-	-	-	-	277,464
223,012	2,775,542	1,141,851	693,720	226	82,081	36,371	301,299
174,211	2,746,464	446,175	683,012	-	-	-	-
84,540,643	3,074,041,014	1,738,687,690	830,046,696	5,707,224	5,265,894	16,649,135	240,050,146
157,834	1,292,611	383,028	440,089	226	82,081	26,098	199,989
118,116	3,029,003	1,713,832	670,969	-	-	10,273	206,892
54,382	1,973,095	1,163,173	557,851	3,681	3,248	10,115	127,944
330,332	6,294,709	3,260,033	1,668,909	3,907	85,329	46,486	534,825
$ 84,210,311	$3,067,746,305	$1,735,427,657	$ 828,377,787	$ 5,703,317	$ 5,180,565	$ 16,602,649	$ 239,515,321

NextGen College Investing Plan®

Combining Statements of Fiduciary Net Assets as of June 30, 2011

	Allianz Age-Based 0-8 Years Portfolio	Allianz Age-Based 9-11 Years Portfolio	Allianz Age-Based 12-14 Years Portfolio	Allianz Age-Based 15-16 Years Portfolio
Assets:				
Investments, at Value	$ 7,133,719	$ 2,488,193	$ 2,687,583	$ 1,614,826
Receivable for Securities Sold	-	333	-	9,865
Receivable for Units Sold	20,439	10,181	10,789	-
Receivable for Accrued Income	5,731	2,542	3,927	2,699
Total Assets	7,159,889	2,501,249	2,702,299	1,627,390
Liabilities:				
Payable for Securities Purchased	20,439	-	10,789	-
Payable for Units Redeemed	-	10,514	-	9,865
Payable for Accrued Expenses	3,628	1,582	1,659	1,060
Total Liabilities	24,067	12,096	12,448	10,925
Net Assets	$ 7,135,822	$ 2,489,153	$ 2,689,851	$ 1,616,465
Net Assets Consist of:				
Client Select Series:				
A Unit Class				
Net Assets	$ 3,260,872	$ 664,309	$ 665,776	$ 361,396
Units Outstanding	289,894	61,757	64,105	35,353
Net Asset Value Per Unit (a) (b)	$ 11.25	$ 10.76	$ 10.39	$ 10.22
C Unit Class				
Net Assets	$ 3,874,950	$ 1,824,844	$ 2,024,075	$ 1,255,069
Units Outstanding	342,746	164,214	192,348	122,006
Net Asset Value Per Unit (a) (b)	$ 11.31	$ 11.11	$ 10.52	$ 10.29

(a) Redemption price per Unit is equal to net asset value less any applicable contingent deferred sales charge.
(b) Net asset value per Unit may not recalculate due to rounding of fractional shares.

Allianz Age-Based 17-18 Years Portfolio	Allianz Age-Based 19+ Years Portfolio	Allianz Capital Growth and Income Portfolio	Allianz Capital Income Portfolio	Allianz NFJ Dividend Value Portfolio	PIMCO Real Return Portfolio	PIMCO Total Return Portfolio	Allianz/PIMCO Totals
$ 862,649	$ 413,913	$ 12,372,862	$ 2,855,151	$ 7,211,290	$ 10,919,688	$ 35,530,608	$ 84,090,482
-	-	-	-	-	27,504	15,236	52,938
9,865	-	51	-	32,596	45,222	93,869	223,012
1,306	626	10,060	9,342	-	54,157	83,821	174,211
873,820	414,539	12,382,973	2,864,493	7,243,886	11,046,571	35,723,534	84,540,643
9,865	-	51	-	32,596	43,608	40,486	157,834
-	-	-	-	-	29,118	68,619	118,116
568	280	7,720	2,146	4,214	7,455	24,070	54,382
10,433	280	7,771	2,146	36,810	80,181	133,175	330,332
$ 863,387	$ 414,259	$ 12,375,202	$ 2,862,347	$ 7,207,076	$ 10,966,390	$ 35,590,359	$ 84,210,311
$ 91,439	$ 29,351	$ 3,562,535	$ 329,537	$ 2,354,737	$ 2,422,314	$ 7,571,292	
8,992	2,900	290,990	29,232	189,821	218,632	685,938	
$ 10.17	$ 10.12	$ 12.24	$ 11.27	$ 12.41	$ 11.08	$ 11.04	
$ 771,948	$ 384,908	$ 8,812,667	$ 2,532,810	$ 4,852,339	$ 8,544,076	$ 28,019,067	
76,133	38,274	717,935	227,850	395,036	780,089	2,567,609	
$ 10.14	$ 10.06	$ 12.28	$ 11.12	$ 12.28	$ 10.95	$ 10.91	

NextGen College Investing Plan®

Combining Statements of Fiduciary Net Assets as of June 30, 2011

	BlackRock Age-Based 0-7 Years Portfolio	BlackRock Age-Based 8-10 Years Portfolio	BlackRock Age-Based 11-13 Years Portfolio	BlackRock Age-Based 14-16 Years Portfolio	BlackRock Age-Based 17-19 Years Portfolio
Assets:					
Investments, at Value	$ 312,441,055	$ 266,750,630	$ 320,571,848	$ 315,293,389	$ 265,209,289
Receivable for Securities Sold	135,048	29,223	411,693	159,282	71,661
Receivable from Program Manager (c)	-	-	-	185,928	-
Receivable for Units Sold	126,472	352,851	184,965	575,534	617,071
Receivable for Accrued Income	186,702	312,825	493,789	601,707	447,904
Total Assets	312,889,277	267,445,529	321,662,295	316,815,840	266,345,925
Liabilities:					
Payable for Securities Purchased	3,083	165,115	26,174	188,891	248,130
Payable for Units Redeemed	258,437	216,958	570,484	545,925	440,602
Payable for Accrued Expenses	193,922	181,558	211,326	212,652	161,626
Total Liabilities	455,442	563,631	807,984	947,468	850,358
Net Assets	$ 312,433,835	$ 266,881,898	$ 320,854,311	$ 315,868,372	$ 265,495,567
Net Assets Consist of:					
Client Direct Series:					
Direct Unit Class					
Net Assets	$ 7,976,004	$ 5,716,638	$ 7,723,166	$ 6,100,197	$ 6,128,439
Units Outstanding	807,131	562,356	738,896	571,975	560,491
Net Asset Value Per Unit (b)	$ 9.88	$ 10.17	$ 10.45	$ 10.67	$ 10.93
H Unit Class					
Net Assets	$ 5,460,617				
Units Outstanding	491,179				
Net Asset Value Per Unit (b)	$ 11.12				
Client Select Series:					
A Unit Class					
Net Assets	$ 81,257,918	$ 38,604,079	$ 40,064,172	$ 35,313,709	$ 20,517,031
Units Outstanding	5,793,490	2,799,970	2,953,894	2,683,424	1,595,561
Net Asset Value Per Unit (a) (b)	$ 14.03	$ 13.79	$ 13.56	$ 13.16	$ 12.86
C Unit Class					
Net Assets	$ 205,337,890	$ 149,329,220	$ 163,796,257	$ 165,045,415	$ 130,074,537
Units Outstanding	15,358,976	11,471,239	12,688,725	13,165,988	10,614,808
Net Asset Value Per Unit (a) (b)	$ 13.37	$ 13.02	$ 12.91	$ 12.54	$ 12.25
G Unit Class					
Net Assets	$ 286,762	$ 1,764,087	$ 35,299,287	$ 31,649,902	$ 28,486,970
Units Outstanding	19,505	117,142	2,307,558	2,097,558	1,883,027
Net Asset Value Per Unit (a) (b)	$ 14.70	$ 15.06	$ 15.30	$ 15.09	$ 15.13
S Unit Class					
Net Assets	$ 12,114,644	$ 71,467,874	$ 73,971,429	$ 77,759,149	$ 80,288,590
Units Outstanding	940,785	5,280,192	5,423,567	5,767,474	5,804,265
Net Asset Value Per Unit (a) (b)	$ 12.88	$ 13.54	$ 13.64	$ 13.48	$ 13.83

(a) Redemption price per Unit is equal to net asset value less any applicable contingent deferred sales charge.
(b) Net asset value per Unit may not recalculate due to rounding of fractional shares.
(c) See accompanying Note #3 to the Financial Statements.

BlackRock Age-Based 20+Years Portfolio	BlackRock 75% Equity Portfolio	BlackRock 100% Equity Portfolio	BlackRock Equity Index Portfolio	BlackRock Fixed Income Portfolio	BlackRock Global Allocation Portfolio	BlackRock Large Cap Core Portfolio	BlackRock Large Cap Growth Portfolio
$ 109,937,178	$ 274,590,606	$ 355,773,223	$ 1,990,727	$ 133,871,711	$ 646,623,705	$ 32,658,306	$ 29,416,705
-	31,824	461,824	5,448	230,210	-	9,858	-
-	-	-	-	-	-	-	-
306,115	6,214	11,347	1,060	5,760	554,225	4,630	23,023
78,864	186,317	-	-	438,356	-	-	-
110,322,157	274,814,961	356,246,394	1,997,235	134,546,037	647,177,930	32,672,794	29,439,728
235,984	435	-	-	-	396,183	-	22,341
70,132	37,603	473,171	6,509	235,970	158,042	14,488	682
64,134	184,048	218,256	109	84,558	421,486	20,628	18,332
370,250	222,086	691,427	6,618	320,528	975,711	35,116	41,355
$ 109,951,907	$ 274,592,875	$ 355,554,967	$ 1,990,617	$ 134,225,509	$ 646,202,219	$32,637,678	$ 29,398,373
$ 2,553,678		$ 10,286,900	$ 1,990,617				
239,022		1,051,150	206,867				
$ 10.68		$ 9.79	$ 9.62				
$ 6,080,828	$ 29,910,945	$ 48,643,442		$ 16,144,843	$ 164,433,233	$ 8,808,298	$ 8,296,189
507,333	2,106,845	3,407,482		1,230,399	10,549,903	639,146	840,974
$ 11.99	$ 14.20	$ 14.28		$ 13.12	$ 15.59	$ 13.78	$ 9.86
$ 45,087,909	$ 130,854,566	$ 151,563,355		$ 69,562,820	$ 481,768,986	$ 23,829,380	$ 21,102,184
3,960,706	9,678,865	11,136,770		5,588,041	32,350,310	1,813,242	2,200,621
$ 11.38	$ 13.52	$ 13.61		$ 12.45	$ 14.89	$ 13.14	$ 9.59
$ 16,829,613	$ 30,173,926	$ 59,094,008		$ 5,842,488			
1,218,063	2,181,159	4,726,755		344,502			
$ 13.82	$ 13.83	$ 12.50		$ 16.96			
$ 39,399,879	$ 83,653,438	$ 85,967,262		$ 42,675,358			
3,057,814	6,284,886	7,123,362		2,609,737			
$ 12.88	$ 13.31	$ 12.07		$ 16.35			

NextGen College Investing Plan®

Combining Statements of Fiduciary Net Assets as of June 30, 2011

	iShares Age-Based 0-7 Years Portfolio	iShares Age-Based 8-10 Years Portfolio
Assets:		
Investments, at Value	$ 573,469	$ 162,410
Receivable for Securities Sold	-	-
Receivable from Program Manager (b)	-	-
Receivable for Units Sold	5,429	13
Receivable for Accrued Income	-	-
Total Assets	578,898	162,423
Liabilities:		
Payable for Securities Purchased	5,429	13
Payable for Units Redeemed	-	-
Payable for Accrued Expenses	153	47
Total Liabilities	5,582	60
Net Assets	$ 573,316	$ 162,363
Net Assets Consist of:		
Client Direct Series:		
Direct Unit Class		
Net Assets	$ 573,316	$ 162,363
Units Outstanding	49,779	14,343
Net Asset Value Per Unit (a)	$ 11.52	$ 11.32

(a) Net asset value per Unit may not recalculate due to rounding of fractional shares.
(b) See accompanying Note #3 to the Financial Statements.

iShares Age-Based 11-13 Years Portfolio	iShares Age-Based 14-16 Years Portfolio	iShares Age-Based 17-19 Years Portfolio	iShares Age-Based 20+ Years Portfolio	iShares Diversified Equity Portfolio	iShares Diversified Fixed Income Portfolio	BlackRock Totals
$ 90,258	$ 114,857	$ 53,286	$ 34,238	$ 469,852	$ 160,267	$ 3,066,787,009
-	-	-	-	-	-	1,546,071
-	-	-	-	-	-	185,928
13	125	-	-	610	85	2,775,542
-	-	-	-	-	-	2,746,464
90,271	114,982	53,286	34,238	470,462	160,352	3,074,041,014
13	125	-	-	610	85	1,292,611
-	-	-	-	-	-	3,029,003
26	28	16	10	133	47	1,973,095
39	153	16	10	743	132	6,294,709
$ 90,232	$ 114,829	$ 53,270	$ 34,228	$ 469,719	$ 160,220	$ 3,067,746,305
$ 90,232	$ 114,829	$ 53,270	$ 34,228	$ 469,719	$ 160,220	
8,304	10,806	5,114	3,387	39,523	15,582	
$ 10.87	$ 10.63	$ 10.42	$ 10.11	$ 11.88	$ 10.28	

NextGen College Investing Plan®

Combining Statements of Fiduciary Net Assets as of June 30, 2011

	Franklin Templeton Age-Based 0-8 Years Portfolio	Franklin Templeton Age-Based 9-12 Years Portfolio	Franklin Templeton Age-Based 13-16 Years Portfolio	Franklin Templeton Age-Based 17-20 Years Portfolio	Franklin Templeton Age-Based 21+ Years Portfolio
Assets:					
Investments, at Value	$ 300,652,666	$ 290,881,406	$ 303,679,488	$ 210,727,335	$ 40,912,841
Receivable for Securities Sold	104,782	178,374	18,586	-	35,539
Receivable for Units Sold	135,585	154,580	271,792	327,415	320
Receivable for Accrued Income	-	56,568	123,952	135,044	36,383
Total Assets	300,893,033	291,270,928	304,093,818	211,189,794	40,985,083
Liabilities:					
Payable for Securities Purchased	-	-	22,310	214,051	320
Payable for Units Redeemed	240,367	332,954	268,068	113,364	35,539
Payable for Accrued Expenses	190,173	198,169	213,511	135,490	24,611
Total Liabilities	430,540	531,123	503,889	462,905	60,470
Net Assets	$ 300,462,493	$ 290,739,805	$ 303,589,929	$ 210,726,889	$ 40,924,613
Net Assets Consist of:					
Client Direct Series:					
Direct Unit Class					
Net Assets					
Units Outstanding					
Net Asset Value Per Unit (b)					
Client Select Series:					
A Unit Class					
Net Assets	$ 82,992,269	$ 46,926,174	$ 41,373,188	$ 19,481,738	$ 3,150,930
Units Outstanding	5,264,092	2,990,403	2,695,834	1,319,294	224,537
Net Asset Value Per Unit (a) (b)	$ 15.77	$ 15.69	$ 15.35	$ 14.77	$ 14.03
C Unit Class					
Net Assets	$ 196,862,263	$ 164,043,142	$ 177,701,122	$ 119,076,190	$ 17,612,537
Units Outstanding	13,086,035	10,949,142	12,166,560	8,518,638	1,330,344
Net Asset Value Per Unit (a) (b)	$ 15.04	$ 14.98	$ 14.61	$ 13.98	$ 13.24
G Unit Class					
Net Assets	$ 10,032	$ 880,890	$ 1,045,315	$ 821,185	$ 262,808
Units Outstanding	748	64,186	75,490	59,774	19,546
Net Asset Value Per Unit (a) (b)	$ 13.41	$ 13.72	$ 13.85	$ 13.74	$ 13.45
S Unit Class					
Net Assets	$ 20,597,929	$ 78,889,599	$ 83,470,304	$ 71,347,776	$ 19,898,338
Units Outstanding	1,522,825	5,490,626	5,224,997	4,208,949	1,167,839
Net Asset Value Per Unit (a) (b)	$ 13.53	$ 14.37	$ 15.98	$ 16.95	$ 17.04

(a) Redemption price per Unit is equal to net asset value less any applicable contingent deferred sales charge.
(b) Net asset value per Unit may not recalculate due to rounding of fractional shares.

Franklin Templeton Balanced Portfolio	Franklin Templeton Global Bond Portfolio	Franklin Templeton Growth Portfolio	Franklin Templeton Growth and Income Portfolio	Franklin Templeton Mutual Shares Portfolio	Franklin Templeton Small Cap Value Portfolio	Franklin Templeton Small-Mid Cap Value Portfolio	Franklin Templeton Totals
$ 130,037,674	$ 18,732,955	$ 182,799,952	$ 212,355,667	$ 12,481,434	$ 21,425,741	$ 11,457,495	$1,736,144,654
64,406	20,019	114,829	416,210	-	2,265	-	955,010
6,160	137,167	10,353	33,505	17,757	21,899	25,318	1,141,851
53,080	-	-	41,148	-	-	-	446,175
130,161,320	18,890,141	182,925,134	212,846,530	12,499,191	21,449,905	11,482,813	1,738,687,690
3,381	88,411	-	-	15,498	13,739	25,318	383,028
67,185	68,774	125,182	449,715	2,259	10,425	-	1,713,832
89,131	12,468	121,086	150,303	8,235	13,186	6,810	1,163,173
159,697	169,653	246,268	600,018	25,992	37,350	32,128	3,260,033
$ 130,001,623	$ 18,720,488	$ 182,678,866	$ 212,246,512	$ 12,473,199	$ 21,412,555	$ 11,450,685	$1,735,427,657
$ 6,996,397							
546,789							
$ 12.80							
$ 13,630,701	$ 3,879,824	$ 34,428,095	$ 23,269,108	$ 3,024,830	$ 6,260,323	$ 3,354,855	
887,786	330,465	2,183,919	1,483,147	338,659	599,770	326,810	
$ 15.35	$ 11.74	$ 15.76	$ 15.69	$ 8.93	$ 10.44	$ 10.27	
$ 65,121,232	$ 14,840,664	$ 102,426,343	$ 107,402,995	$ 9,448,369	$ 15,152,232	$ 8,095,830	
4,451,241	1,270,523	6,798,060	7,185,958	1,087,935	1,493,270	813,424	
$ 14.63	$ 11.68	$ 15.07	$ 14.95	$ 8.68	$ 10.15	$ 9.95	
		$ 1,435,442					
		93,732					
		$ 15.31					
$ 44,253,293		$ 44,388,986	$ 81,574,409				
2,816,936		3,297,904	5,377,660				
$ 15.71		$ 13.46	$ 15.17				

NextGen College Investing Plan®

Combining Statements of Fiduciary Net Assets as of June 30, 2011

	MFS Age-Based 0-5 Years Portfolio	MFS Age-Based 6-10 Years Portfolio	MFS Age-Based 11-13 Years Portfolio	MFS Age-Based 14-15 Years Portfolio
Assets:				
Investments, at Value	$ 48,197,386	$ 131,776,719	$ 98,247,126	$ 65,501,859
Receivable for Securities Sold	106,341	9,039	161,019	-
Receivable for Units Sold	29,580	191,219	82,657	205,534
Receivable for Accrued Income	-	85,167	105,737	75,878
Total Assets	48,333,307	132,062,144	98,596,539	65,783,271
Liabilities:				
Payable for Securities Purchased	-	116,186	34,528	166,467
Payable for Units Redeemed	135,921	84,072	209,149	39,067
Payable for Accrued Expenses	31,030	91,374	69,878	47,141
Total Liabilities	166,951	291,632	313,555	252,675
Net Assets	$ 48,166,356	$ 131,770,512	$ 98,282,984	$ 65,530,596
Net Assets Consist of:				
Client Direct Series:				
Direct Unit Class				
Net Assets				
Units Outstanding				
Net Asset Value Per Unit (b)				
Client Select Series:				
A Unit Class				
Net Assets	$ 12,835,492	$ 20,781,293	$ 11,777,352	$ 7,294,428
Units Outstanding	853,033	1,379,557	791,106	511,820
Net Asset Value Per Unit (a) (b)	$ 15.05	$ 15.06	$ 14.89	$ 14.25
C Unit Class				
Net Assets	$ 35,273,813	$ 78,261,881	$ 54,950,805	$ 36,051,422
Units Outstanding	2,444,253	5,436,721	3,868,041	2,649,687
Net Asset Value Per Unit (a) (b)	$ 14.43	$ 14.40	$ 14.21	$ 13.61
G Unit Class				
Net Assets				
Units Outstanding				
Net Asset Value Per Unit (a) (b)				
S Unit Class				
Net Assets	$ 57,051	$ 32,727,338	$ 31,554,827	$ 22,184,746
Units Outstanding	5,501	2,818,097	2,331,209	1,568,246
Net Asset Value Per Unit (a) (b)	$ 10.37	$ 11.61	$ 13.54	$ 14.15

(a) Redemption price per Unit is equal to net asset value less any applicable contingent deferred sales charge.
(b) Net asset value per Unit may not recalculate due to rounding of fractional shares.

MFS Age-Based 16-17 Years Portfolio	MFS Age-Based 18+ Years Portfolio	MFS Equity Portfolio	MFS Fixed Income Portfolio	MFS Research International Portfolio	MFS Value Portfolio	MFS Totals
$ 65,467,774	$ 78,140,458	$ 227,390,580	$ 52,875,930	$ 47,606,661	$ 13,048,136	$ 828,252,629
60,148	1,713	7,539	3,295	65,170	3,071	417,335
22,404	64,556	18,325	6,774	593	72,078	693,720
84,587	125,398	-	206,245	-	-	683,012
65,634,913	78,332,125	227,416,444	53,092,244	47,672,424	13,123,285	830,046,696
-	39,538	10,397	1,455	-	71,518	440,089
82,553	26,731	15,467	8,614	65,763	3,632	670,969
42,174	47,851	156,629	32,716	31,088	7,970	557,851
124,727	114,120	182,493	42,785	96,851	83,120	1,668,909
$ 65,510,186	$ 78,218,005	$ 227,233,951	$ 53,049,459	$ 47,575,573	$ 13,040,165	$ 828,377,787
			$ 2,280,534			
			174,356			
			$ 13.08			
$ 5,647,246	$ 5,988,316	$ 28,851,698	$ 5,513,407	$ 12,044,388	$ 3,842,404	
422,632	445,207	1,917,140	383,321	1,388,541	420,325	
$ 13.36	$ 13.45	$ 15.05	$ 14.38	$ 8.67	$ 9.14	
$ 35,399,776	$ 35,985,771	$ 97,846,088	$ 26,564,714	$ 35,531,185	$ 9,197,761	
2,783,537	2,822,409	6,780,109	1,945,271	4,214,103	1,034,713	
$ 12.72	$ 12.75	$ 14.43	$ 13.66	$ 8.43	$ 8.89	
			$ 704,054			
			50,188			
			$ 14.03			
$ 24,463,164	$ 36,243,918	$ 100,536,165	$ 17,986,750			
1,674,384	2,501,675	9,881,924	1,047,247			
$ 14.61	$ 14.49	$ 10.17	$ 17.18			

NextGen College Investing Plan®

Combining Statements of Fiduciary Net Assets as of June 30, 2011

	Eaton Vance Large-Cap Value Portfolio	MainStay Large Cap Growth Portfolio	Thornburg International Value Portfolio	Principal Plus Portfolio
Assets:				
Investments, at Value	$ 5,706,998	$ 5,183,813	$ 16,612,764	$ 239,365,801
Receivable for Securities Sold	-	-	-	105,582
Receivable from Program Manager (c)	-	-	-	277,464
Receivable for Units Sold	226	82,081	36,371	301,299
Receivable for Accrued Income	-	-	-	-
Total Assets	5,707,224	5,265,894	16,649,135	240,050,146
Liabilities:				
Payable for Securities Purchased	226	82,081	26,098	199,989
Payable for Units Redeemed	-	-	10,273	206,892
Payable for Accrued Expenses	3,681	3,248	10,115	127,944
Total Liabilities	3,907	85,329	46,486	534,825
Net Assets	$ 5,703,317	$ 5,180,565	$ 16,602,649	$ 239,515,321
Net Assets Consist of:				
Client Direct Series:				
Direct Unit Class				
Net Assets				$ 3,953,597
Units Outstanding				343,644
Net Asset Value Per Unit (b)				$ 11.50
Client Select Series:				
A Unit Class				
Net Assets	$ 1,349,366	$ 1,050,943	$ 5,020,920	$ 42,960,287
Units Outstanding	119,829	88,374	429,665	3,454,608
Net Asset Value Per Unit (a) (b)	$ 11.26	$ 11.89	$ 11.69	$ 12.44
C Unit Class				
Net Assets	$ 4,353,951	$ 4,129,622	$ 11,581,729	$ 140,526,921
Units Outstanding	390,879	350,612	1,001,672	11,522,266
Net Asset Value Per Unit (a) (b)	$ 11.14	$ 11.78	$ 11.56	$ 12.20
G Unit Class				
Net Assets				$ 6,182,515
Units Outstanding				485,258
Net Asset Value Per Unit (a) (b)				$ 12.74
G Unit Class Matching Grant Program Funds				
Net Assets				$ 2,587,557
Units Outstanding				175,151
Net Asset Value Per Unit (b)				$ 14.77
S Unit Class				
Net Assets				$ 43,304,444
Units Outstanding				3,459,219
Net Asset Value Per Unit (a) (b)				$ 12.52

(a) Redemption price per Unit is equal to net asset value less any applicable contingent deferred sales charge.
(b) Net asset value per Unit may not recalculate due to rounding of fractional shares.
(c) See accompanying Note #3 to the Financial Statements.

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NextGen College Investing Plan®

Combining Statements of Changes in Fiduciary Net Assets for the Year Ended June 30, 2011

	Total	Allianz/PIMCO Portfolios*	BlackRock Portfolios**
ADDITIONS			
Contributions - Units Sold			
Total Contributions	$1,728,788,623	$ 62,022,791	$ 904,927,528
Results from Investment Operations			
Dividend Income	91,321,221	1,807,603	45,743,617
Interest Income	4,896,668	-	-
Net Realized Gain (Loss) on Underlying Fund Shares Sold	(102,639,081)	41,311	(68,065,725)
Capital Gain Distributions from Underlying Fund Shares	4,227,574	1,393,814	1,534,699
Net Change in Appreciation (Depreciation) in Value of Investments	975,376,224	1,486,052	510,456,501
Total Increase (Decrease) from Investment Operations	973,182,606	4,728,780	489,669,092
Total Additions	2,701,971,229	66,751,571	1,394,596,620
DEDUCTIONS			
Withdrawals - Units Redeemed			
Total Redemptions	1,488,618,876	9,084,498	777,215,805
Expenses			
Management Fees	25,913,229	271,822	12,974,797
Management Fees waived	(71,491)	-	-
Management Fees, net	25,841,738	271,822	12,974,797
Portfolio Servicing Fees	9,990,448	96,354	5,163,679
Maine Administration Fees	8,104,154	81,803	4,164,242
Total Expenses	43,936,340	449,979	22,302,718
Total Deductions	1,532,555,216	9,534,477	799,518,523
Net Increase	1,169,416,013	57,217,094	595,078,097
Net assets at end of year			
Beginning of Year	4,813,347,899	26,993,217	2,472,668,208
End of Year	$5,982,763,912	$ 84,210,311	$3,067,746,305

* Includes the Allianz Age-Based 0-8 Years, 9-11 Years, 12-14 Years, 15-16 Years, 17-18 Years and 19+ Years Portfolios for the period September 20, 2010 (commencement of operations) to June 30, 2011.

** Includes iShares Age-Based 0-7 Years, 8-10 Years, 11-13 Years, 14-16 Years, 17-19 Years and 20+ Years Portfolios and the iShares Diversified Equity Portfolio and iShares Diversified Fixed Income Portfolio for the period September 20, 2010 (commencement of operations) to June 30, 2011.

*** For the period September 20, 2010 (commencement of operations) to June 30, 2011.

Franklin Templeton Portfolios	MFS Portfolios	Eaton Vance Large-Cap Value Portfolio	MainStay Portfolio***	Thornburg International Value Portfolio	Principal Plus Portfolio
$ 445,954,533	$ 223,141,230	$ 3,483,976	$ 5,037,302	$ 9,807,690	$ 74,413,573
30,732,789	12,869,520	44,632	-	118,663	4,397
-	-	-	-	-	4,896,668
(22,737,620)	(11,937,980)	25,492	3,243	32,198	-
514,205	784,856	-	-	-	-
305,530,171	155,086,079	609,523	186,868	2,021,030	-
314,039,545	156,802,475	679,647	190,111	2,171,891	4,901,065
759,994,078	379,943,705	4,163,623	5,227,413	11,979,581	79,314,638
410,604,989	226,352,046	572,762	32,638	882,746	63,873,392
8,039,190	3,893,170	20,601	8,804	49,376	655,469
-	(58,677)	-	-	-	(12,814)
8,039,190	3,834,493	20,601	8,804	49,376	642,655
2,946,749	1,447,600	7,191	2,975	18,407	307,493
2,391,706	1,161,095	6,032	2,431	16,216	280,629
13,377,645	6,443,188	33,824	14,210	83,999	1,230,777
423,982,634	232,795,234	606,586	46,848	966,745	65,104,169
336,011,444	147,148,471	3,557,037	5,180,565	11,012,836	14,210,469
1,399,416,213	681,229,316	2,146,280	-	5,589,813	225,304,852
$1,735,427,657	$ 828,377,787	$ 5,703,317	$ 5,180,565	$ 16,602,649	$ 239,515,321

NextGen College Investing Plan®

Combining Statements of Changes in Fiduciary Net Assets for the Year Ended June 30, 2011

	Allianz Age-Based 0-8 Years Portfolio*	Allianz Age-Based 9-11 Years Portfolio*	Allianz Age-Based 12-14 Years Portfolio*	Allianz Age-Based 15-16 Years Portfolio*
ADDITIONS				
Contributions - Units Sold				
Client Select Series Participants				
A Unit Class	$ 3,312,010	$ 750,005	$ 756,754	$ 358,838
C Unit Class	3,993,579	2,117,575	2,102,798	1,360,215
Total Contributions	7,305,589	2,867,580	2,859,552	1,719,053
Results from Investment Operations				
Dividend Income	136,494	46,708	23,951	12,965
Net Realized Gain (Loss) on Underlying Fund Shares Sold	(58,014)	(1,432)	877	176
Capital Gain Distributions from Underlying Fund Shares	11,416	5,168	5,027	2,706
Net Change in Appreciation (Depreciation) in Value of Investments	123,771	14,616	14,212	2,872
Net Increase (Decrease) from Investment Operations	213,667	65,060	44,067	18,719
Total Additions	7,519,256	2,932,640	2,903,619	1,737,772
DEDUCTIONS				
Withdrawals - Units Redeemed				
Client Select Series Withdrawals				
A Unit Class	130,767	102,920	99,101	230
C Unit Class	235,371	333,284	107,418	116,893
Total Redemptions	366,138	436,204	206,519	117,123
Expenses (Note 3)(a)				
Management Fees	9,544	4,367	4,458	2,550
Portfolio Servicing Fees	3,982	1,570	1,528	889
Maine Administration Fees	3,770	1,346	1,263	745
Total Expenses	17,296	7,283	7,249	4,184
Total Deductions	383,434	443,487	213,768	121,307
Net Increase (Decrease)	7,135,822	2,489,153	2,689,851	1,616,465
Net Assets				
Beginning of Year	-	-	-	-
End of Year	$ 7,135,822	$ 2,489,153	$ 2,689,851	$ 1,616,465

(a) Does not reflect expenses of the Underlying Funds borne indirectly.

* For the period September 20, 2010 (commencement of operations) to June 30, 2011.

Allianz Age-Based 17-18 Years Portfolio*	Allianz Age-Based 19+ Years Portfolio*	Allianz Capital Growth and Income Portfolio	Allianz Capital Income Portfolio	Allianz NFJ Dividend Value Portfolio	PIMCO Real Return Portfolio	PIMCO Total Return Portfolio	Allianz/ PIMCO Totals
$ 93,715	$ 30,319	$ 1,759,290	$ 210,575	$ 1,854,123	$ 1,665,352	$ 5,500,355	$ 16,291,336
880,562	573,942	5,518,741	2,213,791	3,324,621	5,612,088	18,033,543	45,731,455
974,277	604,261	7,278,031	2,424,366	5,178,744	7,277,440	23,533,898	62,022,791
5,911	2,624	324,629	70,571	124,510	271,541	787,699	$ 1,807,603
(1,376)	(2,480)	25,948	19,521	10,229	40,446	7,416	41,311
2,052	1,641	48,955	35,463	-	-	1,281,386	1,393,814
1,179	681	1,242,442	5,469	665,913	245,971	(831,074)	1,486,052
7,766	2,466	1,641,974	131,024	800,652	557,958	1,245,427	4,728,780
982,043	606,727	8,920,005	2,555,390	5,979,396	7,835,398	24,779,325	66,751,571
2,607	1,309	15,876	9,594	88,099	464,271	1,356,289	2,271,063
113,467	189,864	507,480	525,344	145,202	1,105,364	3,433,748	6,813,435
116,074	191,173	523,356	534,938	233,301	1,569,635	4,790,037	9,084,498
1,647	822	39,531	11,948	17,771	39,823	139,361	271,822
526	265	14,669	3,899	6,741	13,899	48,386	96,354
409	208	12,880	3,092	6,013	11,658	40,419	81,803
2,582	1,295	67,080	18,939	30,525	65,380	228,166	449,979
118,656	192,468	590,436	553,877	263,826	1,635,015	5,018,203	9,534,477
863,387	414,259	8,329,569	2,001,513	5,715,570	6,200,383	19,761,122	57,217,094
-	-	4,045,633	860,834	1,491,506	4,766,007	15,829,237	26,993,217
$ 863,387	$ 414,259	$ 12,375,202	$ 2,862,347	$ 7,207,076	$ 10,966,390	$ 35,590,359	$ 84,210,311

NextGen College Investing Plan®

Combining Statements of Changes in Fiduciary Net Assets for the Year Ended June 30, 2011

	BlackRock Age-Based 0-7 Years Portfolio	BlackRock Age-Based 8-10 Years Portfolio	BlackRock Age-Based 11-13 Years Portfolio	BlackRock Age-Based 14-16 Years Portfolio	BlackRock Age-Based 17-19 Years Portfolio
ADDITIONS					
Contributions - Units Sold					
Client Direct Series Participants					
Direct Unit Class	$ 2,578,610	$ 2,077,839	$ 2,922,007	$ 2,354,157	$ 2,384,573
H Unit Class	2,348,075	-	-	-	-
Total Client Direct Series Contributions	4,926,685	2,077,839	2,922,007	2,354,157	2,384,573
Client Select Series Participants					
A Unit Class	22,145,182	18,483,770	19,486,494	18,716,150	10,990,729
C Unit Class	50,219,683	71,203,303	74,349,020	77,355,835	67,691,984
G Unit Class	92,252	407,512	11,064,582	11,524,368	12,541,582
S Unit Class	276,442	19,603,998	24,850,059	26,925,941	33,724,320
Total Client Select Series Contributions	72,733,559	109,698,583	129,750,155	134,522,294	124,948,615
Total Contributions	77,660,244	111,776,422	132,672,162	136,876,451	127,333,188
Results from Investment Operations					
Dividend Income	3,831,119	4,452,430	6,271,710	6,716,115	5,090,982
Net Realized Gain (Loss) on Underlying Fund Shares Sold	(17,606,995)	(16,219,309)	(13,926,667)	(10,804,239)	(2,474,479)
Capital Gain Distributions from Underlying Fund Shares	-	105,522	522,523	906,654	-
Net Change in Appreciation (Depreciation) in Value of Investments	85,575,483	61,460,750	54,463,912	37,812,827	17,914,889
Net Increase (Decrease) from Investment Operations	71,799,607	49,799,393	47,331,478	34,631,357	20,531,392
Total Additions	149,459,851	161,575,815	180,003,640	171,507,808	147,864,580
DEDUCTIONS					
Withdrawals - Units Redeemed					
Client Direct Series Withdrawals					
Direct Unit Class	1,681,710	2,458,602	2,056,349	1,979,836	2,853,702
H Unit Class	1,158	-	-	-	-
Total Client Direct Series Withdrawals	1,682,868	2,458,602	2,056,349	1,979,836	2,853,702
Client Select Series Withdrawals					
A Unit Class	15,702,021	14,592,247	15,107,915	11,889,660	7,566,805
C Unit Class	59,132,726	56,811,754	59,784,290	62,714,956	49,710,168
G Unit Class	186,790	11,222,992	12,785,474	13,611,395	13,503,419
S Unit Class	19,909,365	28,165,834	29,508,710	37,685,012	37,418,281
Total Client Select Series Withdrawals	94,930,902	110,792,827	117,186,389	125,901,023	108,198,673
Total Redemptions	96,613,770	113,251,429	119,242,738	127,880,859	111,052,375
Expenses (Note 3)(a)					
Management Fees	1,397,674	1,272,014	1,437,284	1,291,653	993,328
Portfolio Servicing Fees	516,941	460,214	560,190	562,455	464,819
Maine Administration Fees	433,035	366,384	442,300	440,742	357,201
Total Expenses	2,347,650	2,098,612	2,439,774	2,294,850	1,815,348
Total Deductions	98,961,420	115,350,041	121,682,512	130,175,709	112,867,723
Net Increase	50,498,431	46,225,774	58,321,128	41,332,099	34,996,857
Net Assets					
Beginning of Year	261,935,404	220,656,124	262,533,183	274,536,273	230,498,710
End of Year	$ 312,433,835	$ 266,881,898	$ 320,854,311	$ 315,868,372	$ 265,495,567

(a) Does not reflect expenses of the Underlying Funds borne indirectly.

BlackRock Age-Based 20+Years Portfolio	BlackRock 75% Equity Portfolio	BlackRock 100% Equity Portfolio	BlackRock Equity Index Portfolio	BlackRock Fixed Income Portfolio	BlackRock Global Allocation Portfolio	BlackRock Large Cap Core Portfolio	BlackRock Large Cap Growth Portfolio
$ 1,398,546	$ -	$ 858,991	$ 362,387	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
1,398,546	-	858,991	362,387	-	-	-	-
3,906,379	3,933,312	5,658,408	-	2,834,233	45,827,516	1,545,722	1,615,351
30,460,270	18,378,676	22,248,068	-	11,221,579	126,086,969	3,825,570	5,031,609
7,247,336	497,596	366,779	-	290,430	-	-	-
19,782,126	904,047	1,231,572	-	1,351,240	-	-	-
61,396,111	23,713,631	29,504,827	-	15,697,482	171,914,485	5,371,292	6,646,960
62,794,657	23,713,631	30,363,818	362,387	15,697,482	171,914,485	5,371,292	6,646,960
970,028	3,895,655	2,589,888	27,619	5,607,942	6,147,828	142,301	-
281,681	(2,310,926)	(3,315,055)	(6,979)	(1,051,971)	440,652	(781,051)	(307,109)
-	-	-	-	-	-	-	-
1,241,652	56,866,738	91,927,968	387,320	4,136,874	82,328,164	8,878,906	7,404,319
2,493,361	58,451,467	91,202,801	407,960	8,692,845	88,916,644	8,240,156	7,097,210
65,288,018	82,165,098	121,566,619	770,347	24,390,327	260,831,129	13,611,448	13,744,170
1,305,603	-	927,849	49,434	-	-	-	-
-	-	-	-	-	-	-	-
1,305,603	-	927,849	49,434	-	-	-	-
2,886,647	2,859,449	5,118,944	-	3,769,532	11,277,205	1,777,363	916,006
17,572,971	13,717,984	17,088,786	-	14,100,956	39,445,612	3,230,181	2,634,078
6,452,184	4,860,310	9,786,955	-	1,072,488	-	-	-
15,642,811	10,903,086	13,204,014	-	8,417,147	-	-	-
42,554,613	32,340,829	45,198,699	-	27,360,123	50,722,817	5,007,544	3,550,084
43,860,216	32,340,829	46,126,548	49,434	27,360,123	50,722,817	5,007,544	3,550,084
355,406	1,270,636	1,444,793	1,165	572,702	2,687,137	134,675	114,841
184,748	489,111	610,240	-	257,931	964,744	49,303	42,272
140,735	387,216	483,666	-	205,819	827,008	42,876	36,906
680,889	2,146,963	2,538,699	1,165	1,036,452	4,478,889	226,854	194,019
44,541,105	34,487,792	48,665,247	50,599	28,396,575	55,201,706	5,234,398	3,744,103
20,746,913	47,677,306	72,901,372	719,748	(4,006,248)	205,629,423	8,377,050	10,000,067
89,204,994	226,915,569	282,653,595	1,270,869	138,231,757	440,572,796	24,260,628	19,398,306
$ 109,951,907	$ 274,592,875	$ 355,554,967	$ 1,990,617	$ 134,225,509	$ 646,202,219	$ 32,637,678	$ 29,398,373

NextGen College Investing Plan®

Combining Statements of Changes in Fiduciary Net Assets for the Year Ended June 30, 2011

	iShares Age-Based 0-7 Years Portfolio*	iShares Age-Based 8-10 Years Portfolio*
ADDITIONS		
Contributions - Units Sold		
Client Direct Series Participants		
Direct Unit Class (b)	$ 618,309	$ 186,107
H Unit Class	-	-
Total Client Direct Series Contributions (b)	618,309	186,107
Client Select Series Participants		
A Unit Class	-	-
C Unit Class	-	-
G Unit Class	-	-
S Unit Class	-	-
Total Client Select Series Contributions	-	-
Total Contributions (b)	618,309	186,107
Results from Investment Operations		
Dividend Income	-	-
Net Realized Gain (Loss) on Underlying Fund Shares Sold	7,986	3,327
Capital Gain Distributions from Underlying Fund Shares	-	-
Net Change in Appreciation (Depreciation) in Value of Investments	17,066	3,966
Net Increase (Decrease) from Investment Operations	25,052	7,293
Total Additions (b)	643,361	193,400
DEDUCTIONS		
Withdrawals - Units Redeemed		
Client Direct Series Withdrawals		
Direct Unit Class (c)	69,290	30,772
H Unit Class	-	-
Total Client Direct Series Withdrawals (c)	69,290	30,772
Client Select Series Withdrawals		
A Unit Class	-	-
C Unit Class	-	-
G Unit Class	-	-
S Unit Class	-	-
Total Client Select Series Withdrawals	-	-
Total Redemptions (c)	69,290	30,772
Expenses (Note 3)(a)		
Management Fees	440	154
Portfolio Servicing Fees	210	74
Maine Administration Fees	105	37
Total Expenses	755	265
Total Deductions (c)	70,045	31,037
Net Increase	573,316	162,363
Net Assets		
Beginning of Year	-	-
End of Year	$ 573,316	$ 162,363

(a) Does not reflect expenses of the Underlying Funds borne indirectly.

(b) Includes seed money contributed by the Program Manager in the amount of $25,000 to each iShares Portfolio, for a total of $200,000 under "BlackRock Totals".

(c) Includes withdrawals of seed money by the Program Manager of $25,000 from the iShares Age-Based 0-7 Years Portfolio, iShares Age-Based 8-10 Years Portfolio, iShares Diversified Equity Portfolio, and iShares Diversified Fixed Income Portfolio, for a total of $100,000 under "BlackRock Totals".

* For the period September 20, 2010 (commencement of operations) to June 30, 2011.

iShares Age-Based 11-13 Years Portfolio*	iShares Age-Based 14-16 Years Portfolio*	iShares Age-Based 17-19 Years Portfolio*	iShares Age-Based 20+ Years Portfolio*	iShares Diversified Equity Portfolio*	iShares Diversified Fixed Income Portfolio*	BlackRock Totals
$ 87,231	$ 112,554	$ 51,808	$ 34,211	$ 469,504	$ 184,625	$ 16,681,459
-	-	-	-	-	-	2,348,075
87,231	112,554	51,808	34,211	469,504	184,625	19,029,534
-	-	-	-	-	-	155,143,246
-	-	-	-	-	-	558,072,566
-	-	-	-	-	-	44,032,437
-	-	-	-	-	-	128,649,745
-	-	-	-	-	-	885,897,994
87,231	112,554	51,808	34,211	469,504	184,625	904,927,528
-	-	-	-	-	-	45,743,617
6	9	3	4	4,626	761	(68,065,725)
-	-	-	-	-	-	1,534,699
3,186	2,656	1,567	367	24,701	3,190	510,456,501
3,192	2,665	1,570	371	29,327	3,951	489,669,092
90,423	115,219	53,378	34,582	498,831	188,576	1,394,596,620
51	258	-	275	28,332	28,061	13,470,124
-	-	-	-	-	-	1,158
51	258	-	275	28,332	28,061	13,471,282
-	-		-	-	-	93,463,794
-	-		-	-	-	395,944,462
-	-		-	-	-	73,482,007
-	-	-	-	-	-	200,854,260
-	-	-	-	-	-	763,744,523
51	258	-	275	28,332	28,061	777,215,805
82	77	63	46	455	172	12,974,797
39	37	30	22	217	82	5,163,679
19	18	15	11	108	41	4,164,242
140	132	108	79	780	295	22,302,718
191	390	108	354	29,112	28,356	799,518,523
90,232	114,829	53,270	34,228	469,719	160,220	595,078,097
-	-	-	-	-	-	2,472,668,208
$ 90,232	$ 114,829	$ 53,270	$ 34,228	$ 469,719	$ 160,220	$ 3,067,746,305

NextGen College Investing Plan®

Combining Statements of Changes in Fiduciary Net Assets for the Year Ended June 30, 2011

	Franklin Templeton Age-Based 0-8 Years Portfolio	Franklin Templeton Age-Based 9-12 Years Portfolio	Franklin Templeton Age-Based 13-16 Years Portfolio	Franklin Templeton Age-Based 17-20 Years Portfolio	Franklin Templeton Age-Based 21+ Years Portfolio
ADDITIONS					
Contributions - Units Sold					
Client Direct Series Participants					
Direct Unit Class	$ -	$ -	$ -	$ -	$ -
Total Client Direct Series Contributions	-	-	-	-	-
Client Select Series Participants					
A Unit Class	20,091,881	18,784,462	16,418,403	8,449,202	2,102,267
C Unit Class	39,673,704	60,264,463	66,470,861	51,450,255	11,432,445
G Unit Class	-	209,667	410,080	304,390	238,911
S Unit Class	273,672	18,914,346	21,766,132	24,050,037	10,438,768
Total Client Select Series Contributions	60,039,257	98,172,938	105,065,476	84,253,884	24,212,391
Total Contributions	60,039,257	98,172,938	105,065,476	84,253,884	24,212,391
Results from Investment Operations					
Dividend Income	3,580,161	4,662,647	6,366,839	5,475,768	1,203,587
Net Realized Gain (Loss) on Underlying Fund Shares Sold	(9,732,964)	(3,488,730)	(2,777,230)	(823,100)	419,068
Capital Gain Distributions from Underlying Fund Shares	-	67,038	143,685	151,024	37,583
Net Change in Appreciation (Depreciation) in Value of Investments	80,123,314	54,701,665	41,029,788	16,005,018	255,613
Net Increase (Decrease) from Investment Operations	73,970,511	55,942,620	44,763,082	20,808,710	1,915,851
Total Additions	134,009,768	154,115,558	149,828,558	105,062,594	26,128,242
DEDUCTIONS					
Withdrawals - Units Redeemed					
Client Direct Series Withdrawals					
Direct Unit Class	-	-	-	-	-
Total Client Direct Series Withdrawals	-	-	-	-	-
Client Select Series Withdrawals					
A Unit Class	16,430,896	13,357,751	9,374,394	5,378,891	1,368,464
C Unit Class	46,252,565	49,550,001	51,101,059	34,416,049	7,639,182
G Unit Class	3,956	260,573	293,257	190,167	63,165
S Unit Class	19,319,092	25,291,813	27,065,061	27,190,188	6,741,246
Total Client Select Series Withdrawals	82,006,509	88,460,138	87,833,771	67,175,295	15,812,057
Total Redemptions	82,006,509	88,460,138	87,833,771	67,175,295	15,812,057
Expenses (Note 3)(a)					
Management Fees	1,356,506	1,386,966	1,489,763	847,518	137,426
Portfolio Servicing Fees	501,137	493,130	520,603	362,123	65,860
Maine Administration Fees	432,133	400,973	417,233	284,043	51,323
Total Expenses	2,289,776	2,281,069	2,427,599	1,493,684	254,609
Total Deductions	84,296,285	90,741,207	90,261,370	68,668,979	16,066,666
Net Increase	49,713,483	63,374,351	59,567,188	36,393,615	10,061,576
Net Assets					
Beginning of Year	250,749,010	227,365,454	244,022,741	174,333,274	30,863,037
End of Year	$ 300,462,493	$ 290,739,805	$ 303,589,929	$ 210,726,889	$ 40,924,613

(a) Does not reflect expenses of the Underlying Funds borne indirectly.

Franklin Templeton Balanced Portfolio	Franklin Templeton Global Bond Portfolio	Franklin Templeton Growth Portfolio	Franklin Templeton Growth and Income Portfolio	Franklin Templeton Mutual Shares Portfolio	Franklin Templeton Small Cap Value Portfolio	Franklin Templeton Small-Mid Cap Growth Value Portfolio	Franklin Templeton Totals
$ 1,182,078	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,182,078
1,182,078	-	-	-	-	-	-	1,182,078
2,033,724	2,886,077	5,629,728	2,577,154	569,362	1,148,219	1,509,687	82,200,166
8,790,572	9,288,016	13,886,844	13,608,216	2,296,742	2,732,591	3,879,636	283,774,345
-	-	59,172	-	-	-	-	1,222,220
527,399	-	509,820	1,095,550	-	-	-	77,575,724
11,351,695	12,174,093	20,085,564	17,280,920	2,866,104	3,880,810	5,389,323	444,772,455
12,533,773	12,174,093	20,085,564	17,280,920	2,866,104	3,880,810	5,389,323	445,954,533
2,894,418	619,968	2,066,372	3,518,364	293,129	51,536	-	30,732,789
(976,823)	11,412	(2,337,049)	(2,448,552)	(398,528)	(198,431)	13,307	(22,737,620)
64,914	-	-	49,961	-	-	-	514,205
18,568,255	708,673	42,948,113	41,379,704	2,258,552	5,304,978	2,246,498	305,530,171
20,550,764	1,340,053	42,677,436	42,499,477	2,153,153	5,158,083	2,259,805	314,039,545
33,084,537	13,514,146	62,763,000	59,780,397	5,019,257	9,038,893	7,649,128	759,994,078
1,061,347	-	-	-	-	-	-	1,061,347
1,061,347	-	-	-	-	-	-	1,061,347
1,421,637	206,682	3,767,929	2,334,314	494,028	783,905	167,257	55,086,148
8,324,102	585,852	10,206,878	11,855,952	972,988	1,633,747	407,209	222,945,584
-	-	64,424	-	-	-	-	875,542
7,216,652	-	6,390,361	11,421,955	-	-	-	130,636,368
16,962,391	792,534	20,429,592	25,612,221	1,467,016	2,417,652	574,466	409,543,642
18,023,738	792,534	20,429,592	25,612,221	1,467,016	2,417,652	574,466	410,604,989
653,149	61,108	843,575	1,087,584	53,174	87,366	35,055	8,039,190
231,810	21,137	305,512	380,879	19,140	32,415	13,003	2,946,749
178,310	17,606	252,037	301,732	16,440	28,460	11,416	2,391,706
1,063,269	99,851	1,401,124	1,770,195	88,754	148,241	59,474	13,377,645
19,087,007	892,385	21,830,716	27,382,416	1,555,770	2,565,893	633,940	423,982,634
13,997,530	12,621,761	40,932,284	32,397,981	3,463,487	6,473,000	7,015,188	336,011,444
116,004,093	6,098,727	141,746,582	179,848,531	9,009,712	14,939,555	4,435,497	1,399,416,213
$ 130,001,623	$ 18,720,488	$ 182,678,866	$ 212,246,512	$ 12,473,199	$ 21,412,555	$ 11,450,685	$1,735,427,657

NextGen College Investing Plan®

Combining Statements of Changes in Fiduciary Net Assets for the Year Ended June 30, 2011

	MFS Age-Based 0-5 Years Portfolio	MFS Age-Based 6-10 Years Portfolio	MFS Age-Based 11-13 Years Portfolio	MFS Age-Based 14-15 Years Portfolio
ADDITIONS				
Contributions - Units Sold				
Client Direct Series Participants				
Direct Unit Class	$ -	$ -	$ -	$ -
Total Client Direct Series Contributions	-	-	-	-
Client Select Series Participants				
A Unit Class	3,841,560	7,330,279	5,747,812	4,196,780
C Unit Class	10,036,458	24,332,604	23,289,773	21,256,883
G Unit Class	-	-	-	-
S Unit Class	86,584	501,762	9,466,181	11,405,259
Total Client Select Series Contributions	13,964,602	32,164,645	38,503,766	36,858,922
Total Contributions	13,964,602	32,164,645	38,503,766	36,858,922
Results from Investment Operations				
Dividend Income	326,285	1,898,443	1,759,897	1,257,096
Net Realized Gain (Loss) on Underlying Fund Shares Sold	(1,311,181)	(1,701,920)	(1,759,663)	(721,702)
Capital Gain Distributions from Underlying Fund Shares	137,280	-	-	-
Net Change in Appreciation (Depreciation) in Value of Investments	13,455,233	28,810,996	16,439,017	7,934,433
Net Increase (Decrease) from Investment Operations	12,607,617	29,007,519	16,439,251	8,469,827
Total Additions	26,572,219	61,172,164	54,943,017	45,328,749
DEDUCTIONS				
Withdrawals - Units Redeemed				
Client Direct Series Withdrawals				
Direct Unit Class	-	-	-	-
Total Client Direct Series Withdrawals	-	-	-	-
Client Select Series Withdrawals				
A Unit Class	4,788,054	4,857,991	3,721,126	3,407,280
C Unit Class	13,063,167	19,301,678	19,622,628	18,148,742
G Unit Class	-	-	-	-
S Unit Class	249,203	10,915,410	12,935,387	12,689,930
Total Client Select Series Withdrawals	18,100,424	35,075,079	36,279,141	34,245,952
Total Redemptions	18,100,424	35,075,079	36,279,141	34,245,952
Expenses (Note 3)(a)				
Management Fees	216,813	656,622	492,843	336,683
Management Fees waived (S Unit Class)	-	-	-	-
Management Fees, net	216,813	656,622	492,843	336,683
Portfolio Servicing Fees	78,845	231,240	171,168	117,009
Maine Administration Fees	68,215	187,173	135,813	92,701
Total Expenses	363,873	1,075,035	799,824	546,393
Total Deductions	18,464,297	36,150,114	37,078,965	34,792,345
Net Increase	8,107,922	25,022,050	17,864,052	10,536,404
Net Assets				
Beginning of Year	40,058,434	106,748,462	80,418,932	54,994,192
End of Year	$ 48,166,356	$ 131,770,512	$ 98,282,984	$ 65,530,596

(a) Does not reflect expenses of the Underlying Funds borne indirectly.

MFS Age-Based 16-17 Years Portfolio	MFS Age-Based 18+ Years Portfolio	MFS Equity Portfolio	MFS Fixed Income Portfolio	MFS Research International Portfolio	MFS Value Portfolio	MFS Totals
$ -	$ -	$ -	$ 322,372	$ -	$ -	$ 322,372
-	-	-	322,372	-	-	322,372
3,728,005	2,692,572	2,638,408	1,058,490	1,613,674	1,124,658	33,972,238
20,260,051	18,320,228	12,633,951	4,370,579	4,186,297	2,787,151	141,473,975
-	-	-	38,435	-	-	38,435
11,623,909	13,497,575	262,709	490,231	-	-	47,334,210
35,611,965	34,510,375	15,535,068	5,957,735	5,799,971	3,911,809	222,818,858
35,611,965	34,510,375	15,535,068	6,280,107	5,799,971	3,911,809	223,141,230
1,332,771	1,551,237	1,535,020	2,466,729	585,821	156,221	12,869,520
(647,821)	(350,101)	(2,728,263)	(210,151)	(2,250,664)	(256,514)	(11,937,980)
-	-	647,576	-	-	-	784,856
7,047,503	3,708,598	59,352,370	1,649,562	14,283,101	2,405,266	155,086,079
7,732,453	4,909,734	58,806,703	3,906,140	12,618,258	2,304,973	156,802,475
43,344,418	39,420,109	74,341,771	10,186,247	18,418,229	6,216,782	379,943,705
-	-	-	196,443	-	-	196,443
-	-	-	196,443	-	-	196,443
2,495,329	1,516,609	2,842,711	773,145	2,137,034	256,603	26,795,882
16,657,526	11,314,444	10,983,771	4,444,626	4,811,833	905,520	119,253,935
-	-	-	46,369	-	-	46,369
15,050,147	11,152,513	13,523,798	3,543,029	-	-	80,059,417
34,203,002	23,983,566	27,350,280	8,807,169	6,948,867	1,162,123	226,155,603
34,203,002	23,983,566	27,350,280	9,003,612	6,948,867	1,162,123	226,352,046
320,767	275,623	1,111,982	217,956	214,846	49,035	3,893,170
(58,677)	-	-	-	-	-	(58,677)
262,090	275,623	1,111,982	217,956	214,846	49,035	3,834,493
127,563	129,714	398,476	98,006	77,394	18,185	1,447,600
99,213	101,033	318,606	75,868	66,511	15,962	1,161,095
488,866	506,370	1,829,064	391,830	358,751	83,182	6,443,188
34,691,868	24,489,936	29,179,344	9,395,442	7,307,618	1,245,305	232,795,234
8,652,550	14,930,173	45,162,427	790,805	11,110,611	4,971,477	147,148,471
56,857,636	63,287,832	182,071,524	52,258,654	36,464,962	8,068,688	681,229,316
$ 65,510,186	$ 78,218,005	$ 227,233,951	$ 53,049,459	$ 47,575,573	$ 13,040,165	$ 828,377,787

NextGen College Investing Plan®

Combining Statements of Changes in Fiduciary Net Assets for the Year Ended June 30, 2011

	Eaton Vance Large-Cap Value Portfolio	MainStay Large Cap Growth Portfolio*	Thornburg International Value Portfolio	Principal Plus Portfolio
ADDITIONS				
Contributions - Units Sold				
Client Direct Series Participants				
Direct Unit Class Match	$ -	$ -	$ -	$ 151,059
Direct Unit Class	-	-	-	1,552,383
Total Client Direct Series Contributions	-	-	-	1,703,442
Client Select Series Participants				
A Unit Class	923,366	1,031,204	3,054,218	14,263,806
C Unit Class	2,560,610	4,006,098	6,753,472	47,234,088
G Unit Class	-	-	-	1,285,690
S Unit Class	-	-	-	9,926,547
Total Client Select Series Contributions	3,483,976	5,037,302	9,807,690	72,710,131
Total Contributions	3,483,976	5,037,302	9,807,690	74,413,573
Results from Investment Operations				
Dividend Income	44,632	-	118,663	4,397
Interest Income	-	-	-	4,896,668
Net Realized Gain (Loss) on Underlying Fund Shares Sold	25,492	3,243	32,198	-
Capital Gain Distributions from Underlying Fund Shares	-	-	-	-
Net Change in Appreciation (Depreciation) in Value of Investments	609,523	186,868	2,021,030	-
Net Increase (Decrease) from Investment Operations	679,647	190,111	2,171,891	4,901,065
Total Additions	4,163,623	5,227,413	11,979,581	79,314,638
DEDUCTIONS				
Withdrawals - Units Redeemed				
Client Direct Series Withdrawals				
Direct Unit Class Match	-	-	-	100,331
Direct Unit Class	-	-	-	657,465
Total Client Direct Series Withdrawals	-	-	-	757,796
Client Select Series Withdrawals				
A Unit Class	74,769	13,710	240,656	11,133,686
C Unit Class	497,993	18,928	642,090	35,804,799
G Unit Class	-	-	-	2,491,966
S Unit Class	-	-	-	13,685,145
Total Client Select Series Withdrawals	572,762	32,638	882,746	63,115,596
Total Redemptions	572,762	32,638	882,746	63,873,392
Expenses (Note 3)(a)				
Management Fees	20,601	8,804	49,376	655,469
Management Fees waived (A Unit Class)	-	-	-	(12,814)
Management Fees, net	20,601	8,804	49,376	642,655
Portfolio Servicing Fees	7,191	2,975	18,407	307,493
Maine Administration Fees	6,032	2,431	16,216	280,629
Total Expenses	33,824	14,210	83,999	1,230,777
Total Deductions	606,586	46,848	966,745	65,104,169
Net Increase	3,557,037	5,180,565	11,012,836	14,210,469
Net Assets				
Beginning of Year	2,146,280	-	5,589,813	225,304,852
End of Year	$ 5,703,317	$ 5,180,565	$ 16,602,649	$ 239,515,321

(a) Does not reflect expenses of the Underlying Funds borne indirectly.

* For the period of September 20, 2010 (commencement of operations) to June 30, 2011.

Other Financial Information

The following information is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the NextGen College Investing Plan.

Benefits Available to Maine Residents

FAME uses a portion of the Maine Administration Fee ("Matching Grant Program Funds") to provide matching grants to accounts opened by Maine residents or for Designated Beneficiaries who are Maine residents. Matching grants included an Initial Matching Grant of $200 and previously included an Annual Matching Grant of up to $200 for contributions made prior to January 1, 2010 if income eligible. Effective January 1, 2011, matching grants also include a NextStep Matching Grant on contributions made within the first 24 months of account opening, up to a maximum $400 grant, and a one-time $50 Automated Funding Grant for enrolling in an automated funding option. Another grant called the First Step Grant is no longer available. Other restrictions and conditions apply to matching grants.

Matching grants remain the property of FAME and may only be withdrawn for Qualified Higher Education Expenses. Matching Grant Program Funds, including earnings, will be fully used before other contributions to the Participant's Account or earnings thereon, if any, are used for Qualified Higher Education Expenses. Matching Grant Program Funds are invested at the discretion of FAME. Matching Grant Program Funds are included in the net assets of the Principal Plus Portfolio of the Client Select Series - G Unit Class. As of June 30, 2011, Matching Grant Funds were $2,587,557. FAME may use the Maine Administration Fee to fund all or a portion of eligible matching grant applications in its discretion.

FAME has also entered into an Administration Agreement with the Alfond Scholarship Foundation ("ASF") dated as of June 18, 2008, pursuant to which FAME administers the Harold Alfond College Challenge ("HACC"). The HACC provides a $500 grant ("HACC Grant") to each Maine resident baby named as a Designated Beneficiary on a NextGen Account by the baby's first birthday. HACC Grants, including earnings thereon, if any, are not the property of Account Participants or Designated Beneficiaries and may only be withdrawn for Qualified Higher Education Expenses of Designated Beneficiaries. HACC Grant funds are invested at the discretion of ASF. On July 14, 2008, the H Unit Class, a unit class not available to investors, was created in the BlackRock Age-Based 0-7 Years Portfolio within the Client Direct Series for the purpose of investing HACC Grants awarded for the benefit of eligible Designated Beneficiaries.

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