

AUDITED COMBINED FINANCIAL STATEMENTS

New Jersey 529 College Savings Plan –  
Franklin Templeton Managed Investment Options

New Jersey Better Education Savings Trust – New Jersey Division  
of Investment Managed Investment Options

Year Ended June 30, 2010



NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST –  
New Jersey 529 College Savings Plan-  
Franklin Templeton Managed Investment Options

Combined Financial Statements and  
Supplemental Information

Year ended June 30, 2010

**Contents**

Report of Independent Auditors.....	1
Combined Financial Statements	
Combined Statement of Assets and Liabilities.....	2
Combined Statement of Operations.....	3
Combined Statements of Changes in Net Assets.....	4
Notes to Combined Financial Statements.....	5
Supplemental Information	
Financial Highlights.....	13
Statements of Investments.....	61
Combining Statements of Assets and Liabilities.....	85
Combining Statements of Operations.....	91
Combining Statements of Changes in Net Assets.....	98

## Report of Independent Auditors

To the Account Owners and Trustees of  
New Jersey Better Educational Savings Trust - New Jersey 529 College Savings Plan- Franklin Templeton Managed Investment Options- Age-Based Asset Allocations, Objective-Based Asset Allocations and Individual Portfolios:

We have audited the accompanying combined statement of assets and liabilities of the New Jersey Better Educational Savings Trust - New Jersey 529 College Savings Plan- Franklin Templeton Managed Investment Options (the "Plan") - Age-Based Asset Allocations, Objective-Based Asset Allocations and Individual Portfolios (three of the investment options of the Plan) as of June 30, 2010, and the related combined statement of operations for the year then ended, and the combined statements of changes in net assets for each of the two years in the period then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of June 30, 2010, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New Jersey Better Educational Savings Trust - New Jersey 529 College Savings Plan- Franklin Templeton Managed Investment Options- Age-Based Asset Allocations, Objective-Based Asset Allocations and Individual Portfolios at June 30, 2010, the results of their combined statement of operations for the year then ended, and the combined statements of changes in net assets for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplemental Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



September 21, 2010

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combined Statement of Assets and Liabilities  
June 30, 2010

Assets:

Investments in Underlying Funds:

Cost	\$ 2,188,171,847
Value	<u>\$ 1,962,696,903</u>

Cash

629,203

Receivables:

Investment securities sold	195,950
----------------------------	---------

Plan shares sold	1,001,730
------------------	-----------

Wrap agreement (at Fair Value)	<u>16,290</u>
--------------------------------	---------------

Total assets	<u><u>1,964,540,076</u></u>
--------------	-----------------------------

Liabilities:

Payables:

Investment securities purchased	81,028
---------------------------------	--------

Plan shares redeemed	924,753
----------------------	---------

Accrued expenses	<u>2,341,331</u>
------------------	------------------

Total liabilities	<u>3,347,112</u>
-------------------	------------------

Net assets, at value	<u><u>\$ 1,961,192,964</u></u>
----------------------	--------------------------------

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combined Statement of Operations  
for the year ended June 30, 2010

Investment income - dividends from Underlying Funds	<u>\$ 41,837,939</u>
Expenses:	
Program management fees (Note 2)	7,057,423
Sales fees (Note 2)	
Class A	1,899,358
Class B	2,313,913
Class C	4,458,096
Sub-advisory fees (Note 2)	<u>73,648</u>
Total expenses	15,802,438
Expenses waived/paid by affiliates (Note 3)	<u>(504,658)</u>
Net expenses	<u>15,297,780</u>
Net investment income	<u>26,540,159</u>
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Sale of investments in Underlying Funds	(23,760,680)
Realized gain on distributions by Underlying Funds	<u>183,246</u>
Net realized gain (loss)	<u>(23,577,434)</u>
Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrap Agreements	<u>203,112,079</u>
Net realized and unrealized gain (loss)	<u>179,534,645</u>
Net increase (decrease) in net assets resulting from operations	<u>\$ 206,074,804</u>

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combined Statements of Changes in Net Assets

	Year Ended June 30,	
	2010	2009
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$ 26,540,159	\$ 29,432,433
Net realized gain (loss) from Underlying Funds	(23,577,434)	(40,794,132)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	203,112,079	(304,739,715)
Net increase (decrease) in net assets resulting from operations	<u>206,074,804</u>	<u>(316,101,414)</u>
Plan share transactions:		
Subscriptions	741,699,600	525,169,795
Redemptions	<u>(548,901,337)</u>	<u>(354,996,797)</u>
Net increase (decrease) in net assets resulting from plan share transactions	<u>192,798,263</u>	<u>170,172,998</u>
Net increase (decrease) in net assets	398,873,067	(145,928,416)
Net assets:		
Beginning of year	<u>1,562,319,897</u>	<u>1,708,248,313</u>
End of year	<u>\$ 1,961,192,964</u>	<u>\$ 1,562,319,897</u>

# **NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

## **New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options**

**Notes to Combined Financial Statements** *(continued)*  
**for the year ended June 30, 2010**

### **1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

The New Jersey Better Educational Savings Trust (“Trust”) was established by the State of New Jersey (“the State”) to allow Account Owners and Beneficiaries under the State’s New Jersey 529 College Savings Plan (“Program”) to qualify for federal tax benefits in a qualified tuition program under section 529 of the Internal Revenue Code of 1986, as amended. The New Jersey Higher Education Student Assistance Authority (“HESAA”) is responsible for establishing and maintaining the Program on behalf of the State. HESAA serves as a trustee of the Trust, administers the Program and is authorized to establish investment policies, select investment managers and the Program Manager, and adopt regulations and provide for the performance of other functions necessary for the operation of the Program and the various plans included in the Program.

In 2003, Franklin Templeton Distributors, Inc. (“FTDI”), a wholly-owned subsidiary of Franklin Resources, Inc., and HESAA entered into a Services Agreement under which FTDI serves as the Program Manager. FTDI provides, directly or through affiliates, certain distribution, investment management and administrative services relating to the Program. Franklin Advisers, Inc. (“Franklin Templeton”), an affiliate of FTDI, serves as the Investment Manager for the plans covered under this report, except for the S&P 500 Index Fund 529 Portfolio (“S&P Portfolio”). The S&P Portfolio is managed by J.P. Morgan Investment Management Inc.

These financial statements provide the combined financial results of the portfolios managed by Franklin Templeton that are available through the New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options offered to Account Owners under the plan names: NJBEST 529 College Savings Plan, and, Franklin Templeton 529 College Savings Plan (“Plans”). The supplemental information provides the financial results of the individual portfolios.

Under the Plans, an Account Owner establishes an Account in the name of a Beneficiary and may elect to allocate contributions among the “Portfolios” of the three types of investment options, known as the Age-Based Asset Allocations, Objective-Based Allocations, and Individual Portfolios. Within each Age-Based Asset Allocations (Growth, Conservative or Moderate), contributions are allocated among four age bands, based on the age of the Beneficiary. Each Age-Based Asset Allocation Investment Option invests in certain Franklin/Templeton/Mutual Series Mutual Funds (“the Funds”) in varying percentages, as determined by HESAA. The Objective-Based Allocations portfolios each offer a distinctive investment strategy. The Individual Portfolios invest solely in a single underlying Fund or account. In the case of the S&P 500 Index Fund 529 Portfolio, the portfolio invests in the J.P. Morgan Equity Index Fund which seeks investment results that correspond to the aggregate price and dividend performance of securities in the S&P 500 Index. The portfolios under these investment options, grouped by type, are as follows:

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

## New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements *(continued)*  
for the year ended June 30, 2010

### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Age-Based

##### Asset Allocations

##### Growth<sup>a</sup>

Newborn - 8 Years Portfolio  
Age 9 - 12 Years Portfolio  
Age 13-16 Years Portfolio  
Age 17+ Years Portfolio

##### Conservative<sup>b</sup>

Newborn - 8 Years Portfolio  
Age 9 - 12 Years Portfolio  
Age 13-16 Years Portfolio  
Age 17+ Years Portfolio

##### Moderate<sup>b</sup>

Newborn - 8 Years Portfolio  
Age 9 - 12 Years Portfolio  
Age 13-16 Years Portfolio  
Age 17+ Years Portfolio

##### Objective-Based Allocations

Franklin Templeton Corefolio Portfolio  
Franklin Templeton Founding Funds 529 Portfolio  
Growth Portfolio  
Growth and Income Portfolio  
Income Portfolio

##### Individual Portfolios

Franklin Growth 529 Portfolio  
Franklin Income 529 Portfolio  
Franklin Small-Mid Cap Growth  
529 Portfolio  
Franklin Templeton Stable Value  
529 Portfolio  
Mutual Shares 529 Portfolio  
S&P 500 Index Fund 529 Portfolio  
Templeton Growth 529 Portfolio

The Age-Based Growth, Conservative and Moderate Asset Allocations and Objective-Based Allocations, excluding the Franklin Templeton Founding Funds 529 Portfolio, offer four classes of Trust Shares: Class A, Class B, Class C and Direct sold Trust Shares. Within the Individual Portfolios, the Franklin Templeton Stable Value 529 Portfolio and the S&P 500 Index Fund 529 Portfolio also offer four classes of Trust Shares. The remaining Individual Portfolios, as well as Franklin Templeton Founding Funds 529 Portfolio, offer three classes of shares: Class A, Class B and Class C shares. Each class of shares differs by its initial sales load, contingent deferred sales charges and annual asset-based sales fees. The Direct sold Trust Shares class is only available to New Jersey residents who invest in the NJBEST 529 College Savings Plan without a financial advisor.

<sup>a</sup> Effective April 23, 2010, the Age-Based Portfolios existing prior to December 18, 2009, were renamed the Age-Based Growth Asset Allocation Portfolios as follows:

Age-Based Growth Asset Allocation Newborn-8 Years Portfolio  
Age-Based Growth Asset Allocation Age 9-12 Years Portfolio  
Age-Based Growth Asset Allocation Age 13-16 Years Portfolio  
Age-Based Growth Asset Allocation Age 17+ Years Portfolio

<sup>b</sup> Effective December 18, 2009, the following additional Age-Based Asset Allocations were added to the Program, initially offering Direct sold Trust Shares, and began offering Class A, Class B and Class C Trust Shares on April 23, 2010:

Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio  
Age-Based Conservative Asset Allocation Age 9-12 Years Portfolio  
Age-Based Conservative Asset Allocation 13-16 Years Portfolio  
Age-Based Conservative Asset Allocation 17+ Years Portfolio

Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio  
Age-Based Moderate Asset Allocation Age 9-12 Years Portfolio  
Age-Based Moderate Asset Allocation 13-16 Years Portfolio  
Age-Based Moderate Asset Allocation 17+ Years Portfolio

# **NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

## **New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options**

**Notes to Combined Financial Statements** *(continued)*  
**for the year ended June 30, 2010**

### **1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

The following summarizes the Trust's significant accounting policies.

#### **a. Financial Instrument Valuation**

Net asset value per share is calculated as of the close of trading of the NYSE. Investments in the Underlying Funds are valued at their net asset value each trading day.

#### **b. Security Transactions, Investment Income and Expenses**

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on an average cost basis. Estimated expenses are accrued daily. Dividend income and realized gain distributions by Underlying Funds are recorded on the ex-date as dividend income and realized gain from underlying funds, respectively.

The Portfolios indirectly bear their proportionate share of expenses from the Underlying Funds. Since the Underlying Funds have varied expense levels and the Portfolios may own different proportions of the Underlying Funds at different times, the amount of expenses incurred indirectly by the Portfolios will vary.

Realized and unrealized gains and losses and net investment income, other than class specific expenses, are allocated daily to each class of shares based upon the relative proportion of net assets of each class.

#### **c. Guarantees and Indemnifications**

Under the Trust's organizational documents, its trustee is indemnified by the Trust against certain liabilities arising out of the performance of its duties to the Trust. Additionally, in the normal course of business, the Trust, on behalf of the Portfolios, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

#### **d. Derivative Financial Instruments**

The Franklin Stable Value 529 Portfolio ("Stable Value Portfolio") may invest in derivatives in order to manage risk or gain exposure to various other investments or markets. Derivatives are financial contracts based on an underlying or notional amount, require no initial investment or an initial net investment that is smaller than would normally be required to have a similar response to changes in market factors, and require or permit net settlement. Derivatives may contain various risks including the potential inability of the counterparty to fulfill their obligations under the terms of the contract, the potential for an illiquid secondary market, and the potential for market movements which may expose the Stable Value Portfolio to gains or losses in excess of the amounts shown on the Statement of Assets and Liabilities.

# **NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

## **New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options**

**Notes to Combined Financial Statements** *(continued)*  
**for the year ended June 30, 2010**

### **1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

#### **d. Derivative Financial Instruments** *(continued)*

The Stable Value Portfolio enters into Wrap Agreements with insurance companies, banks or other financial institutions (“Wrap Providers”) that are rated, at the time of purchase, the equivalent of at least AA- or better, by a rating agency. A Wrap Agreement is a derivative instrument that is designed to protect some or all of a portfolio from investment losses. While the Stable Value Portfolio seeks to preserve the value of its investments through Wrap Agreements, there is no guarantee that the Stable Value Portfolio will not lose money during any period. There is no active trading market for Wrap Agreements, and none is expected to develop. The value of the wrap contract is determined by a present value discounting of the difference between the contractual wrap fee rate and the re-bid rate. The annual dollar differential in the fee level is discounted using a duration matched swap rate that approximates the risk free rate of interest. Inputs used in the calculation of the fair valuation of the wrap contracts include the book value of the wrap contract, contractual wrap fee rate, re-bid wrap fee rate, wrap portfolio duration, and the swap rate matched to the wrapped fixed income portfolio duration (present value discount factors).

As of June 30, 2010, Stable Value Portfolio has Wrap Agreements with State Street Bank and Bank of America, the Wrap Providers. The terms of the Wrap Agreements also require the Stable Value Portfolio to maintain minimum cash and cash equivalent percentages. Throughout the term of the Wrap Agreements, the Stable Value Portfolio will pay quarterly the Wrap Providers an annualized wrap fee based on the Wrap Agreements’ book value balance. The crediting rate used in computing the book value is the actual yield of the covered assets, plus or minus the unrealized gain or loss on the covered assets, based on fluctuations in the market value of the covered assets amortized over the duration of the covered assets. At June 30, 2010, the covered assets included Stable Value Portfolio’s holdings in the Franklin Limited Maturity U.S. Government Securities Fund, Advisor Class. The crediting rate is calculated by a formula specified by each Wrap Agreement and is adjusted periodically. The crediting rate used for each of the Stable Value Portfolio’s Wrap Agreements is net of the wrap fee.

A default by the issuer of a portfolio security or a Wrap Provider on its obligations may result in a decrease in the value of the portfolio assets and, consequently, the shares of the Stable Value Portfolio. Wrap Agreements generally do not protect the portfolio from loss if an issuer of portfolio securities defaults on payments of interest or principal. Additionally, a Stable Value Portfolio shareholder may realize more or less than the actual investment return on the portfolio securities depending upon the timing of the shareholder’s purchases and redemption of shares, as well as those of other shareholders.

The Stable Value Portfolio’s investments and Wrap Agreements are reflected at fair market value, as defined by generally accepted accounting principles, in the accompanying financial statements. Net asset value for purposes of valuing transactions by Plan participants, however, continues to be calculated utilizing Wrap Agreements valued at contract value. See Note 5 regarding other derivative information.

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

## New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements *(continued)*  
for the year ended June 30, 2010

### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### e. Income Taxes

The Trust is established to be a qualified tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax, and does not expect to have any unrelated business income subject to tax. Accordingly, no provision has been made for income taxes. The Trust recognizes in its financial statements the effects including penalties and interest, if any, of a tax position taken on tax returns (or expected to be taken) when it's more likely than not (a greater than 50% probability), based on the technical merits, that the tax position will be sustained upon examination by the tax authorities. As of June 30, 2010, and for all open tax years, the Trust has determined that no provision for income tax is required in the Trust's financial statements. Open tax years are those that remain subject to examination and are based on each tax jurisdiction statute of limitation. The Trust is not aware of any tax position for which it is reasonably possible that the total amounts of unrecognized tax effects will significantly change in the next twelve months.

#### f. Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

### 2. MANAGEMENT AGREEMENTS

The Portfolios pay annual Program management fees based on the average daily net assets of each portfolio as follows:

<b>Investment Option</b>	<b>FTDI Management Fee</b>	<b>HESAA Administrative Fee</b>	<b>Total Program Fee</b>
New Jersey 529 College Savings Plan - New Jersey Resident Accounts	0.25%	0.15%	0.40%
New Jersey 529 College Savings Plan - Non-New Jersey Resident Accounts	0.35%	0.05%	0.40%

Effective January 1, 2010, FTDI and HESAA have agreed to set the current rate of the Program Management Fee at 0.20% per year for the Direct sold Trust Shares of each Portfolio until further notice.

The Portfolios pay annual asset-based sales fees to FTDI of up to 0.25%, 1.00%, and 1.00% per year of their average daily net assets of Class A, Class B, and Class C, respectively, for costs incurred in marketing the Portfolios' shares.

Stable Value Portfolio pays Dwight Asset Management a sub-advisory fee of 0.10% based on average daily net assets.

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

## New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements *(continued)*  
for the year ended June 30, 2010

### 2. MANAGEMENT AGREEMENTS (continued)

Franklin Templeton Services, LLC (“FTS”) an affiliate of FTDI provides accounting services for the Trust. Franklin Templeton Investor Services, LLC, (“FTI”), an affiliate of FTDI and FTS performs transfer agency services for the Trust. No fees are paid by the Trust for accounting or transfer agency services.

### 3. WAIVER AND EXPENSE REIMBURSEMENTS

Effective July 1, 2009, in order to prevent a negative yield in Class A, Class B and Class C shares of the Stable Value Portfolio during the calculation of net asset value, FTDI and HESAA have voluntarily agreed to waive or limit their respective fees and assume as their own other expenses otherwise payable by the Stable Value Portfolio and if necessary, make a capital infusion into the Stable Value Portfolio. These waivers, expense reimbursements and capital infusions are voluntary and may be modified or discontinued by FTDI or HESAA at any time, and without further notice. There is no guarantee that the Stable Value Portfolio will be able to avoid a negative yield.

### 4. INVESTMENTS

At June 30, 2010, the net unrealized depreciation of portfolio investments was \$225,474,944 consisting of gross unrealized appreciation of \$32,138,971 and gross unrealized depreciation of \$257,613,915.

Purchases and sales of portfolio securities (excluding short term securities) for the year ended June 30, 2010 aggregated \$412,049,624 and \$218,237,773 respectively.

For a list of each portfolio’s investments at June 30, 2010, please see the Statement of Investments for each portfolio in the Supplemental Information.

### 5. OTHER DERIVATIVE INFORMATION

At June 30, 2010, Wrap Agreements are reflected on the Statement of Assets and Liabilities as follows:

Asset Derivatives		
Derivative Contracts Not Accounted for as Hedging Instruments	Statement of Assets and Liabilities Location	Fair Value Amount
Other Contracts	Wrap Agreements	\$ 16,290

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

## New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options

Notes to Combined Financial Statements (continued)  
for the year ended June 30, 2010

### 5. OTHER DERIVATIVE INFORMATION (continued)

For the year ended June 30, 2010, the effect of wrap agreements on the Trust's Statement of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Statement of Operations Location	Realized Gain (Loss) for the Year Ended June 30, 2010	Change in Unrealized Appreciation (Depreciation) for the Year Ended June 30, 2010	Average Amount Outstanding During the Year <sup>a</sup>
Other Contracts	Net change in unrealized appreciation (depreciation) on Investments in Underlying Funds and Wrap Agreements	\$ -	\$ (4,346)	\$ 12,589,537

<sup>a</sup> Represents the average book value amount for wrap agreements outstanding during the year.

### 6. FAIR VALUE MEASUREMENTS

The Trust follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Trust's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Trust's investments and are summarized in the following fair value hierarchy:

Level 1 – quoted prices in active markets for identical securities

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speed, credit risk, etc.)

Level 3 – significant unobservable inputs (including the Trust's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

Assets:	Level 1	Level 2	Level 3	Total
Investments in Securities:				
Open End Mutual Funds	\$ 1,808,814,338	\$ -	\$ -	\$ 1,808,814,338
Short Term Investments	153,882,565	-	-	153,882,565
Total Investments in Securities	\$ 1,962,696,903	\$ -	\$ -	\$ 1,962,696,903
Wrap Agreements	\$ -	\$ 16,290	\$ -	\$ 16,290

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan –**  
**Franklin Templeton Managed Investment Options**

**Notes to Combined Financial Statements** *(continued)*  
**for the year ended June 30, 2010**

**7. SUBSEQUENT EVENTS**

The Trust has evaluated subsequent events through September 21, 2010, the issuance date of the financial statements and determined that no events have occurred that require disclosure.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

**Financial Highlights**

Age-Based Growth Asset Allocation Newborn-8 Years Portfolio	Class A				
	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.70	\$ 18.09	\$ 20.70	\$ 16.92	\$ 14.97
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.10	0.09	0.14	0.08	0.10
Net realized and unrealized gain (loss)	2.06	(4.48)	(2.75)	3.70	1.85
Total from investment operations	2.16	(4.39)	(2.61)	3.78	1.95
Net asset value, end of year	\$ 15.86	\$ 13.70	\$ 18.09	\$ 20.70	\$ 16.92
Total return <sup>d</sup>	15.77%	(24.27)%	(12.61)%	22.34%	13.03%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	0.62%	0.65%	0.73%	0.41%	0.59%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 160,509	\$ 142,940	\$ 167,689	\$ 155,272	\$ 96,450
	Class B				
	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.05	\$ 17.37	\$ 20.02	\$ 16.49	\$ 14.70
Income from investment operations <sup>a</sup> :					
Net investment (loss) <sup>b,c</sup>	(0.02)	(0.01)	- <sup>f</sup>	(0.06)	(0.03)
Net realized and unrealized gain (loss)	1.97	(4.31)	(2.65)	3.59	1.82
Total from investment operations	1.95	(4.32)	(2.65)	3.53	1.79
Net asset value, end of year	\$ 15.00	\$ 13.05	\$ 17.37	\$ 20.02	\$ 16.49
Total return <sup>d</sup>	14.94%	(24.87)%	(13.24)%	21.41%	12.18%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment loss <sup>c</sup>	(0.13)%	(0.10)%	(0.02)%	(0.34)%	(0.16)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 54,041	\$ 53,192	\$ 67,488	\$ 66,196	\$ 46,670

<sup>a</sup>The amount shown for a share outstanding throughout the year may not correlate with the Statement of Operations for the year due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>f</sup>Amount rounds to less than \$0.01 per share.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<b>Class C</b>				
	<b>Year Ended June 30,</b>				
<b>Age-Based Growth Asset Allocation Newborn-8 Years Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.23	\$ 17.59	\$ 20.27	\$ 16.69	\$ 14.88
Income from investment operations <sup>a</sup> :					
Net investment loss <sup>b,c</sup>	(0.02)	(0.01)	- <sup>d</sup>	(0.06)	(0.02)
Net realized and unrealized gain (loss)	1.98	(4.35)	(2.68)	3.64	1.83
Total from investment operations	1.96	(4.36)	(2.68)	3.58	1.81
Net asset value, end of year	\$ 15.19	\$ 13.23	\$ 17.59	\$ 20.27	\$ 16.69
 Total return <sup>e</sup>	14.81%	(24.79)%	(13.22)%	21.45%	12.16%
<b>Ratios to average net assets</b>					
Expenses <sup>f</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment loss <sup>c</sup>	(0.13)%	(0.10)%	(0.02)%	(0.34)%	(0.16)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 54,926	\$ 51,959	\$ 58,733	\$ 56,258	\$ 36,044
	<b>Direct</b>				
	<b>Year Ended June 30,</b>				
<b>Age-Based Growth Asset Allocation Newborn-8 Years Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.89	\$ 18.29	\$ 20.88	\$ 17.03	\$ 15.03
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.16	0.13	0.19	0.12	0.14
Net realized and unrealized gain (loss)	2.08	(4.53)	(2.78)	3.73	1.86
Total from investment operations	2.24	(4.40)	(2.59)	3.85	2.00
Net asset value, end of year	\$ 16.13	\$ 13.89	\$ 18.29	\$ 20.88	\$ 17.03
 Total return <sup>e</sup>	16.13%	(24.06)%	(12.40)%	22.61%	13.31%
<b>Ratios to average net assets</b>					
Expenses <sup>f</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	0.97%	0.90%	0.98%	0.66%	0.84%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 125,771	\$ 112,850	\$ 133,298	\$ 127,128	\$ 78,215

<sup>a</sup>The amount shown for a share outstanding throughout the year may not correlate with the Statement of Operations for the year due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Amount rounds to less than \$0.01 per share.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>f</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

Age-Based Growth Asset Allocation Age 9-12 Years Portfolio	Class A				
	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.75	\$ 16.62	\$ 18.13	\$ 15.34	\$ 13.95
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.19	0.25	0.30	0.25	0.23
Net realized and unrealized gain (loss)	1.71	(3.12)	(1.81)	2.54	1.16
Total from investment operations	1.90	(2.87)	(1.51)	2.79	1.39
Net asset value, end of year	\$ 15.65	\$ 13.75	\$ 16.62	\$ 18.13	\$ 15.34
Total return <sup>d</sup>	13.82%	(17.27)%	(8.33)%	18.19%	9.96%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	1.24%	1.80%	1.70%	1.47%	1.54%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 104,007	\$ 81,261	\$ 92,753	\$ 84,945	\$ 52,302

Age-Based Growth Asset Allocation Age 9-12 Years Portfolio	Class B				
	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.02	\$ 15.87	\$ 17.44	\$ 14.88	\$ 13.63
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.07	0.14	0.16	0.12	0.12
Net realized and unrealized gain (loss)	1.63	(2.99)	(1.73)	2.44	1.13
Total from investment operations	1.70	(2.85)	(1.57)	2.56	1.25
Net asset value, end of year	\$ 14.72	\$ 13.02	\$ 15.87	\$ 17.44	\$ 14.88
Total return <sup>d</sup>	13.06%	(17.96)%	(9.00)%	17.20%	9.17%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.49%	1.05%	0.95%	0.72%	0.79%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 35,868	\$ 31,238	\$ 37,500	\$ 36,456	\$ 25,517

<sup>a</sup>The amount shown for a share outstanding throughout the year may not correlate with the Statement of Operations for the year due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<b>Class C</b>				
	<b>Year Ended June 30,</b>				
<b>Age-Based Growth Asset Allocation</b> <b>Age 9-12 Years Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.21	\$ 16.10	\$ 17.70	\$ 15.09	\$ 13.83
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.07	0.13	0.16	0.12	0.12
Net realized and unrealized gain (loss)	1.65	(3.02)	(1.76)	2.49	1.14
Total from investment operations	1.72	(2.89)	(1.60)	2.61	1.26
Net asset value, end of year	\$ 14.93	\$ 13.21	\$ 16.10	\$ 17.70	\$ 15.09
Total return <sup>d</sup>	13.02%	(17.95)%	(9.04)%	17.30%	9.11%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.49%	1.05%	0.95%	0.72%	0.79%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 46,873	\$ 40,965	\$ 44,178	\$ 40,981	\$ 27,481
	<b>Direct</b>				
	<b>Year Ended June 30,</b>				
<b>Age-Based Growth Asset Allocation</b> <b>Age 9-12 Years Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.95	\$ 16.82	\$ 18.30	\$ 15.45	\$ 14.02
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.26	0.28	0.35	0.29	0.27
Net realized and unrealized gain (loss)	1.72	(3.15)	(1.83)	2.56	1.16
Total from investment operations	1.98	(2.87)	(1.48)	2.85	1.43
Net asset value, end of year	\$ 15.93	\$ 13.95	\$ 16.82	\$ 18.30	\$ 15.45
Total return <sup>d</sup>	14.19%	(17.06)%	(8.09)%	18.45%	10.20%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	1.59%	2.05%	1.95%	1.72%	1.79%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 64,004	\$ 53,062	\$ 56,940	\$ 51,422	\$ 31,510

<sup>a</sup>The amount shown for a share outstanding throughout the year may not correlate with the Statement of Operations for the year due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.



## Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

## Financial Highlights

	<b>Class C</b>				
	<b>Year Ended June 30,</b>				
<b>Age-Based Growth Asset Allocation Age 13-16 Years Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.01	\$ 14.42	\$ 15.15	\$ 13.40	\$ 12.64
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.14	0.25	0.28	0.25	0.23
Net realized and unrealized gain (loss)	1.37	(1.66)	(1.01)	1.50	0.53
Total from investment operations	1.51	(1.41)	(0.73)	1.75	0.76
Net asset value, end of year	<u>\$ 14.52</u>	<u>\$ 13.01</u>	<u>\$ 14.42</u>	<u>\$ 15.15</u>	<u>\$ 13.40</u>
Total return <sup>d</sup>	11.61%	(9.78)%	(4.82)%	13.06%	6.01%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.97%	2.01%	1.90%	1.78%	1.72%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 73,687	\$ 61,267	\$ 61,799	\$ 53,924	\$ 35,696
	<b>Direct</b>				
	<b>Year Ended June 30,</b>				
<b>Age-Based Growth Asset Allocation Age 13-16 Years Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.93	\$ 15.30	\$ 15.91	\$ 13.94	\$ 13.02
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.33	0.40	0.46	0.41	0.37
Net realized and unrealized gain (loss)	1.47	(1.77)	(1.07)	1.56	0.55
Total from investment operations	1.80	(1.37)	(0.61)	1.97	0.92
Net asset value, end of year	<u>\$ 15.73</u>	<u>\$ 13.93</u>	<u>\$ 15.30</u>	<u>\$ 15.91</u>	<u>\$ 13.94</u>
Total return <sup>d</sup>	12.92%	(8.95)%	(3.83)%	14.13%	7.07%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	2.07%	3.01%	2.90%	2.78%	2.72%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 68,888	\$ 51,647	\$ 50,773	\$ 39,584	\$ 23,431

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

<b>Class A</b>					
<b>Year Ended June 30,</b>					
<b>Age-Based Growth Asset Allocation</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Age 17+ Years Portfolio</b>					
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.75	\$ 13.23	\$ 13.22	\$ 12.02	\$ 11.59
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.34	0.48	0.48	0.46	0.40
Net realized and unrealized gain (loss)	0.95	(0.96)	(0.47)	0.74	0.03
Total from investment operations	1.29	(0.48)	0.01	1.20	0.43
Net asset value, end of year	\$ 14.04	\$ 12.75	\$ 13.23	\$ 13.22	\$ 12.02
Total return <sup>d</sup>	10.12%	(3.63)%	0.08%	9.98%	3.71%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	2.48%	3.85%	3.56%	3.59%	3.38%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 65,206	\$ 30,429	\$ 27,431	\$ 17,578	\$ 9,277

<b>Class B</b>					
<b>Year Ended June 30,</b>					
<b>Age-Based Growth Asset Allocation</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Age 17+ Years Portfolio</b>					
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.24	\$ 12.80	\$ 12.89	\$ 11.80	\$ 11.47
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.23	0.37	0.36	0.36	0.31
Net realized and unrealized gain (loss)	0.92	(0.93)	(0.45)	0.73	0.02
Total from investment operations	1.15	(0.56)	(0.09)	1.09	0.33
Net asset value, end of year	\$ 13.39	\$ 12.24	\$ 12.80	\$ 12.89	\$ 11.80
Total return <sup>d</sup>	9.40%	(4.38)%	(0.70)%	9.24%	2.88%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	1.73%	3.10%	2.81%	2.84%	2.63%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 20,268	\$ 7,137	\$ 5,609	\$ 2,603	\$ 1,482

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<b>Class C</b>				
	<b>Year Ended June 30,</b>				
<b>Age-Based Growth Asset Allocation</b> <b>Age 17+ Years Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.46	\$ 13.03	\$ 13.12	\$ 12.02	\$ 11.68
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.23	0.37	0.37	0.36	0.31
Net realized and unrealized gain (loss)	0.94	(0.94)	(0.46)	0.74	0.03
Total from investment operations	1.17	(0.57)	(0.09)	1.10	0.34
Net asset value, end of year	<u>\$ 13.63</u>	<u>\$ 12.46</u>	<u>\$ 13.03</u>	<u>\$ 13.12</u>	<u>\$ 12.02</u>
Total return <sup>d</sup>	9.39%	(4.37)%	(0.69)%	9.15%	2.91%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	1.73%	3.10%	2.81%	2.84%	2.63%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 67,813	\$ 38,878	\$ 35,668	\$ 24,018	\$ 14,622

	<b>Direct</b>				
	<b>Year Ended June 30,</b>				
<b>Age-Based Growth Asset Allocation</b> <b>Age 17+ Years Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.34	\$ 13.80	\$ 13.76	\$ 12.48	\$ 12.00
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.41	0.53	0.53	0.51	0.45
Net realized and unrealized gain (loss)	0.99	(0.99)	(0.49)	0.77	0.03
Total from investment operations	1.40	(0.46)	0.04	1.28	0.48
Net asset value, end of year	<u>\$ 14.74</u>	<u>\$ 13.34</u>	<u>\$ 13.80</u>	<u>\$ 13.76</u>	<u>\$ 12.48</u>
Total return <sup>d</sup>	10.49%	(3.33)%	0.29%	10.26%	4.00%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	2.83%	4.10%	3.81%	3.84%	3.63%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 44,212	\$ 21,876	\$ 20,312	\$ 12,571	\$ 6,463

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan-**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<b>Class A</b>
<b>Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.02
Net realized and unrealized gain (loss)	(0.06)
Total from investment operations	(0.04)
Net asset value, end of period	\$ 9.96
 Total return <sup>e</sup>	 (0.40)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.65%
Net investment income <sup>d</sup>	1.04%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 413

	<b>Class B</b>
<b>Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.01
Net realized and unrealized gain (loss)	(0.07)
Total from investment operations	(0.06)
Net asset value, end of period	\$ 9.94
 Total return <sup>e</sup>	 (0.60)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment income <sup>d</sup>	0.29%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 19

<sup>a</sup>For the period April 23, 2010 (effective date) to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan-**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<u>Class C</u>
<b>Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	-
Net realized and unrealized gain (loss)	(0.06)
Total from investment operations	(0.06)
Net asset value, end of period	\$ 9.94
Total return <sup>f</sup>	(0.60)%
<b>Ratios to average net assets<sup>g</sup></b>	
Expenses <sup>h</sup>	1.40%
Net investment income <sup>d</sup>	0.29%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 302

	<u>Direct Class</u>
<b>Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>i</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.09
Net realized and unrealized gain (loss)	(0.12)
Total from investment operations	(0.03)
Net asset value, end of period	\$ 9.97
Total return <sup>f</sup>	(0.30)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>h</sup>	0.20%
Net investment income <sup>d</sup>	1.49%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 342

<sup>a</sup>For the period April 23, 2010 (effective date) to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Amount rounds to less than \$0.01.

<sup>f</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable, and is not annualized for periods less than one year.

<sup>g</sup>Ratios are annualized for periods less than one year.

<sup>h</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>i</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<b>Class A</b>
<b>Age-Based Conservative Asset Allocation</b>	<b>Period Ended</b>
<b>Age 9-12 Years Portfolio</b>	<b>June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.03
Net realized and unrealized gain (loss)	0.11
Total from investment operations	0.14
Net asset value, end of period	\$ 10.14
 Total return <sup>e</sup>	 1.40%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.65%
Net investment income <sup>d</sup>	2.10%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 121

	<b>Class B</b>
<b>Age-Based Conservative Asset Allocation</b>	<b>Period Ended</b>
<b>Age 9-12 Years Portfolio</b>	<b>June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.03
Net realized and unrealized gain (loss)	0.10
Total from investment operations	0.13
Net asset value, end of period	\$ 10.13
 Total return <sup>e</sup>	 1.30%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment income <sup>d</sup>	1.35%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 24

<sup>a</sup>For the period April 23, 2010 (effective date) to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<u>Class C</u>	
	<u>Period Ended</u>	
<b>Age 9 -12 Years Conservative</b>	<b>June 30, 2010<sup>a</sup></b>	
<b>SELECTED PER SHARE DATA</b>		
Net asset value, beginning of period	\$	10.00
Income from investment operations <sup>b</sup> :		
Net investment income <sup>c,d</sup>		0.02
Net realized and unrealized gain (loss)		0.10
Total from investment operations		<u>0.12</u>
Net asset value, end of period	\$	<u>10.12</u>
Total return <sup>e</sup>		1.20%
<b>Ratios to average net assets<sup>f</sup></b>		
Expenses <sup>g</sup>		1.40%
Net investment income <sup>d</sup>		1.35%
<b>Supplemental data</b>		
Net assets, end of period (000's)	\$	141

	<u>Direct Class</u>	
	<u>Period Ended</u>	
<b>Age 9 -12 Years Conservative</b>	<b>June 30, 2010<sup>h</sup></b>	
<b>SELECTED PER SHARE DATA</b>		
Net asset value, beginning of period	\$	10.00
Income from investment operations <sup>b</sup> :		
Net investment income <sup>c,d</sup>		0.14
Net realized and unrealized gain (loss)		0.02
Total from investment operations		<u>0.16</u>
Net asset value, end of period	\$	<u>10.16</u>
Total return <sup>e</sup>		1.60%
<b>Ratios to average net assets<sup>f</sup></b>		
Expenses <sup>g</sup>		0.20%
Net investment income <sup>d</sup>		2.55%
<b>Supplemental data</b>		
Net assets, end of period (000's)	\$	269

<sup>a</sup>For the period April 23, 2010 (effective date) to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>h</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
New Jersey 529 College Savings Plan -  
Franklin Templeton Managed Investment Options

Financial Highlights

	<u>Class A</u>	
	<u>Period Ended</u>	
	<u>June 30, 2010<sup>a</sup></u>	
<b>Age-Based Conservative Asset Allocation</b>		
<b>13-16 Years Portfolio</b>		
<b>SELECTED PER SHARE DATA</b>		
Net asset value, beginning of period	\$	10.00
Income from investment operations <sup>b</sup> :		
Net investment income <sup>c,d</sup>		0.07
Net realized and unrealized gain (loss)		0.29
Total from investment operations		0.36
Net asset value, end of period	\$	10.36
Total return <sup>e</sup>		3.60%
<b>Ratios to average net assets<sup>f</sup></b>		
Expenses <sup>g</sup>		0.65%
Net investment income <sup>c</sup>		2.88%
<b>Supplemental data</b>		
Net assets, end of period (000's)	\$	106

	<u>Class B</u>	
	<u>Period Ended</u>	
	<u>June 30, 2010<sup>a</sup></u>	
<b>Age-Based Conservative Asset Allocation</b>		
<b>13-16 Years Portfolio</b>		
<b>SELECTED PER SHARE DATA</b>		
Net asset value, beginning of period	\$	10.00
Income from investment operations <sup>b</sup> :		
Net investment income <sup>c,d</sup>		0.05
Net realized and unrealized gain (loss)		0.30
Total from investment operations		0.35
Net asset value, end of period	\$	10.35
Total return <sup>e</sup>		3.50%
<b>Ratios to average net assets<sup>f</sup></b>		
Expenses <sup>g</sup>		1.40%
Net investment income <sup>c</sup>		2.13%
<b>Supplemental data</b>		
Net assets, end of period (000's)	\$	5

<sup>a</sup>For the period December 18, 2009 (effective date) to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments in the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year

<sup>f</sup>Ratios are annualized for periods less than one

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<u>Class C</u>
	<u>Period Ended</u>
	<u>June 30, 2010<sup>3</sup></u>

Age-Based Conservative Asset Allocation  
13-16 Years Portfolio

**SELECTED PER SHARE DATA**

Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.05
Net realized and unrealized gain (loss)	0.30
Total from investment operations	0.35
Net asset value, end of period	\$ 10.35

Total return<sup>e</sup> 3.50%

**Ratios to average net assets<sup>f</sup>**

Expenses <sup>g</sup>	1.40%
Net investment income <sup>c</sup>	2.13%

**Supplemental data**

Net assets, end of period (000's) \$ 357

	<u>Direct Class</u>
	<u>Period Ended</u>
	<u>June 30, 2010<sup>i</sup></u>

Age-Based Conservative Asset Allocation  
13-16 Years Portfolio

**SELECTED PER SHARE DATA**

Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.18
Net realized and unrealized gain (loss)	0.18
Total from investment operations	0.36
Net asset value, end of period	\$ 10.36

Total return<sup>e</sup> 3.60%

**Ratios to average net assets<sup>f</sup>**

Expenses <sup>g</sup>	0.20%
Net investment income <sup>c</sup>	3.33%

**Supplemental data**

Net assets, end of period (000's) \$ 765

<sup>3</sup>For the period December 18, 2009 (effective date) to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sale and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments in the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>i</sup>For the period April 23, 2010 (commencement of operations) to June 30, 2010.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<u>Class A</u>
<b>Age-Based Conservative Asset Allocation</b>	<b>Period Ended</b>
<b>17+ Years Portfolio</b>	<b>June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of year	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	(0.01)
Net realized and unrealized gain (loss)	-
Total from investment operations	<u>(0.01)</u>
Net asset value, end of year	<u>\$ 9.99</u>
Total return <sup>e</sup>	(0.10)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.65%
Net investment loss <sup>c</sup>	(0.65)%
<b>Supplemental data</b>	
Net assets, end of year (000's)	\$ 318

	<u>Class B</u>
<b>Age-Based Conservative Asset Allocation</b>	<b>Period Ended</b>
<b>17+ Years Portfolio</b>	<b>June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of year	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	(0.03)
Net realized and unrealized gain (loss)	-
Total from investment operations	<u>(0.03)</u>
Net asset value, end of year	<u>\$ 9.97</u>
Total return <sup>e</sup>	(0.30)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment loss <sup>c</sup>	(1.40)%
<b>Supplemental data</b>	
Net assets, end of year (000's)	\$ 73

<sup>a</sup>For the period December 18, 2009 (effective date) to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments in the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests

<sup>e</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<u>Class C</u>
	<u>Period Ended</u>
	<u>June 30, 2010<sup>a</sup></u>

Age-Based Conservative Asset Allocation  
17+ Years Portfolio

SELECTED PER SHARE DATA

Net asset value, beginning of year	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	(0.03)
Net realized and unrealized gain (loss)	-
Total from investment operations	<u>(0.03)</u>
Net asset value, end of year	<u>\$ 9.97</u>

Total return<sup>e</sup> (0.30)%

Ratios to average net assets<sup>f</sup>

Expenses <sup>g</sup>	1.40%
Net investment loss <sup>c</sup>	(1.40)%

Supplemental data

Net assets, end of year (000's)	\$ 814
---------------------------------	--------

	<u>Direct Class</u>
	<u>Period Ended</u>
	<u>June 30, 2010<sup>h</sup></u>

Age-Based Conservative Asset Allocation  
17+ Years Portfolio

SELECTED PER SHARE DATA

Net asset value, beginning of year	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	(0.01)
Net realized and unrealized gain (loss)	-
Total from investment operations	<u>(0.01)</u>
Net asset value, end of year	<u>\$ 9.99</u>

Total return<sup>e</sup> (0.10)%

Ratios to average net assets<sup>f</sup>

Expenses <sup>g</sup>	0.20%
Net investment loss <sup>c</sup>	(0.20)%

Supplemental data

Net assets, end of year (000's)	\$ 787
---------------------------------	--------

<sup>a</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>h</sup>For the period April 23, 2010 (commencement of operations) to June 30, 2010.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<u>Class A</u>
<b>Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.01
Net realized and unrealized gain (loss)	<u>(0.36)</u>
Total from investment operations	<u>(0.35)</u>
Net asset value, end of period	<u>\$ 9.65</u>
 Total return <sup>e</sup>	 (3.50)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.65%
Net investment income <sup>d</sup>	0.27%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 1,723

	<u>Class B</u>
<b>Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	(0.01)
Net realized and unrealized gain (loss)	<u>(0.36)</u>
Total from investment operations	<u>(0.37)</u>
Net asset value, end of period	<u>\$ 9.63</u>
 Total return <sup>e</sup>	 (3.70)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment loss <sup>d</sup>	(0.48)%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 174

<sup>a</sup>For the period April 23, 2010 (effective date) to to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

**Financial Highlights**

<b>Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio</b>	<u>Class C</u> <u>Period Ended</u> <u>June 30, 2010<sup>a</sup></u>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	(0.01)
Net realized and unrealized gain (loss)	<u>(0.37)</u>
Total from investment operations	<u>(0.38)</u>
Net asset value, end of period	<u>\$ 9.62</u>
 Total return <sup>e</sup>	 (3.80)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment loss <sup>d</sup>	(0.48)%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 411

<b>Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio</b>	<u>Direct</u> <u>Period Ended</u> <u>June 30, 2010<sup>h</sup></u>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.04
Net realized and unrealized gain (loss)	<u>(0.39)</u>
Total from investment operations	<u>(0.35)</u>
Net asset value, end of period	<u>\$ 9.65</u>
 Total return <sup>e</sup>	 (3.50)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.20%
Net investment income <sup>d</sup>	0.72%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 986

<sup>a</sup>For the period April 23, 2010 (effective date) to to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>h</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<u>Class A</u>
<b>Age-Based Moderate Asset Allocation</b> Age 9-12 Years Portfolio	<b>Period Ended</b> <b>June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.02
Net realized and unrealized gain (loss)	(0.14)
Total from investment operations	(0.12)
Net asset value, end of period	<u>\$ 9.88</u>
 Total return <sup>e</sup>	 (1.20)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.65%
Net investment income <sup>d</sup>	1.14%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 1,783

	<u>Class B</u>
<b>Age-Based Moderate Asset Allocation</b> Age 9-12 Years Portfolio	<b>Period Ended</b> <b>June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.01
Net realized and unrealized gain (loss)	(0.14)
Total from investment operations	(0.13)
Net asset value, end of period	<u>\$ 9.87</u>
 Total return <sup>e</sup>	 (1.30)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment income <sup>d</sup>	0.39%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 40

<sup>a</sup>For the period April 23, 2010 (effective date) to to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<u>Class C</u>
<b>Age-Based Moderate Asset Allocation Age 9-12 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.01
Net realized and unrealized gain (loss)	<u>(0.13)</u>
Total from investment operations	<u>(0.12)</u>
Net asset value, end of period	<u>\$ 9.88</u>
 Total return <sup>e</sup>	 (1.20)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment income <sup>d</sup>	0.39%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 544

	<u>Direct</u>
<b>Age-Based Moderate Asset Allocation Age 9-12 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>h</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.08
Net realized and unrealized gain (loss)	<u>(0.19)</u>
Total from investment operations	<u>(0.11)</u>
Net asset value, end of period	<u>\$ 9.89</u>
 Total return <sup>e</sup>	 (1.10)%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.20%
Net investment income <sup>d</sup>	1.59%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 690

<sup>a</sup>For the period April 23, 2010 (effective date) to to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests

<sup>h</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

Financial Highlights

	<u>Class A</u>
<b>Age-Based Moderate Asset Allocation 13-16 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.04
Net realized and unrealized gain (loss)	0.09
Total from investment operations	0.13
Net asset value, end of period	\$ 10.13
Total return <sup>e</sup>	1.30%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.65%
Net investment income <sup>d</sup>	2.02%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 703

	<u>Class B</u>
<b>Age-Based Moderate Asset Allocation 13-16 Years Portfolio</b>	<b>Period Ended June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.03
Net realized and unrealized gain (loss)	0.09
Total from investment operations	0.12
Net asset value, end of period	\$ 10.12
Total return <sup>e</sup>	1.20%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment income <sup>d</sup>	1.27%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 22

<sup>a</sup>For the period April 23, 2010 (effective date) to to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

Age-Based Moderate Asset Allocation 13-16 Years Portfolio	Class C	
	Period Ended June 30, 2010 <sup>a</sup>	
<b>SELECTED PER SHARE DATA</b>		
Net asset value, beginning of period	\$	10.00
Income from investment operations <sup>b</sup> :		
Net investment income <sup>c,d</sup>		0.03
Net realized and unrealized gain (loss)		0.07
Total from investment operations		0.10
Net asset value, end of period	\$	10.10
Total return <sup>e</sup>		1.00%
<b>Ratios to average net assets<sup>f</sup></b>		
Expenses <sup>g</sup>		1.40%
Net investment income <sup>d</sup>		1.27%
<b>Supplemental data</b>		
Net assets, end of period (000's)	\$	1,310

Age-Based Moderate Asset Allocation 13-16 Years Portfolio	Direct	
	Period Ended June 30, 2010 <sup>h</sup>	
<b>SELECTED PER SHARE DATA</b>		
Net asset value, beginning of period	\$	10.00
Income from investment operations <sup>b</sup> :		
Net investment income <sup>c,d</sup>		0.13
Net realized and unrealized gain (loss)		- i
Total from investment operations	\$	0.13
Net asset value, end of period	\$	10.13
Total return <sup>e</sup>		1.30%
<b>Ratios to average net assets<sup>f</sup></b>		
Expenses <sup>g</sup>		0.20%
Net investment income <sup>d</sup>		2.47%
<b>Supplemental data</b>		
Net assets, end of period (000's)	\$	1,447

<sup>a</sup>For the period April 23, 2010 (effective date) to to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests

<sup>h</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

<sup>i</sup>Amount rounds less than \$0.01 per share.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<u>Class A</u>
<b>Age-Based Moderate Asset Allocation</b>	<b>Period Ended</b>
<b>17+ Years Portfolio</b>	<b>June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.06
Net realized and unrealized gain (loss)	0.26
Total from investment operations	0.32
Net asset value, end of period	\$ 10.32
Total return <sup>e</sup>	3.20%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	0.65%
Net investment income <sup>d</sup>	3.07%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 247

	<u>Class B</u>
<b>Age-Based Moderate Asset Allocation</b>	<b>Period Ended</b>
<b>17+ Years Portfolio</b>	<b>June 30, 2010<sup>a</sup></b>
<b>SELECTED PER SHARE DATA</b>	
Net asset value, beginning of period	\$ 10.00
Income from investment operations <sup>b</sup> :	
Net investment income <sup>c,d</sup>	0.05
Net realized and unrealized gain (loss)	0.26
Total from investment operations	0.31
Net asset value, end of period	\$ 10.31
Total return <sup>e</sup>	3.10%
<b>Ratios to average net assets<sup>f</sup></b>	
Expenses <sup>g</sup>	1.40%
Net investment income <sup>d</sup>	2.32%
<b>Supplemental data</b>	
Net assets, end of period (000's)	\$ 34

<sup>a</sup>For the period April 23, 2010 (effective date) to to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<u>Class C</u>	
	<u>Period Ended</u>	
	<u>June 30, 2010<sup>a</sup></u>	
<b>Age-Based Moderate Asset Allocation</b>		
<b>17+ Years Portfolio</b>		
<b>SELECTED PER SHARE DATA</b>		
Net asset value, beginning of period	\$	10.00
Income from investment operations <sup>b</sup> :		
Net investment income <sup>c,d</sup>		0.05
Net realized and unrealized gain (loss)		0.26
Total from investment operations		0.31
Net asset value, end of period	\$	10.31
Total return <sup>e</sup>		3.10%
<b>Ratios to average net assets<sup>f</sup></b>		
Expenses <sup>g</sup>		1.40%
Net investment income <sup>d</sup>		2.32%
<b>Supplemental data</b>		
Net assets, end of period (000's)	\$	590

	<u>Direct</u>	
	<u>Period Ended</u>	
	<u>June 30, 2010<sup>h</sup></u>	
<b>Age-Based Moderate Asset Allocation</b>		
<b>17+ Years Portfolio</b>		
<b>SELECTED PER SHARE DATA</b>		
Net asset value, beginning of period	\$	10.00
Income from investment operations <sup>b</sup> :		
Net investment income <sup>c,d</sup>		0.19
Net realized and unrealized gain (loss)		0.13
Total from investment operations		0.32
Net asset value, end of period	\$	10.32
Total return <sup>e</sup>		3.20%
<b>Ratios to average net assets<sup>f</sup></b>		
Expenses <sup>g</sup>		0.20%
Net investment income <sup>d</sup>		3.52%
<b>Supplemental data</b>		
Net assets, end of period (000's)	\$	799

<sup>a</sup>For the period April 23, 2010 (effective date) to to June 30, 2010.

<sup>b</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>c</sup>Based on average daily shares outstanding.

<sup>d</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable, and is not annualized for periods less than one year.

<sup>f</sup>Ratios are annualized for periods less than one year.

<sup>g</sup>Does not include expenses of the Underlying Funds in which the Fund invests

<sup>h</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

## Financial Highlights

Franklin Templeton Corefolio Portfolio	Class A				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.53	\$ 16.70	\$ 19.64	\$ 16.35	\$ 14.65
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.12	0.17	0.16	0.08	0.10
Net realized and unrealized gain (loss)	1.86	(4.34)	(3.10)	3.21	1.60
Total from investment operations	1.98	(4.17)	(2.94)	3.29	1.70
Net asset value, end of year	\$ 14.51	\$ 12.53	\$ 16.70	\$ 19.64	\$ 16.35
Total return <sup>d</sup>	15.80%	(24.97)%	(14.97)%	20.12%	11.60%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	0.81%	1.35%	0.85%	0.40%	0.59%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 36,704	\$ 31,433	\$ 40,478	\$ 42,200	\$ 29,299
<b>Class B</b>					
Franklin Templeton Corefolio Portfolio	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.75	\$ 15.77	\$ 18.69	\$ 15.67	\$ 14.16
Income from investment operations <sup>a</sup> :					
Net investment income (loss) <sup>b,c</sup>	0.01	0.07	0.02	(0.06)	(0.02)
Net realized and unrealized gain (loss)	1.74	(4.09)	(2.94)	3.08	1.53
Total from investment operations	1.75	(4.02)	(2.92)	3.02	1.51
Net asset value, end of year	\$ 13.50	\$ 11.75	\$ 15.77	\$ 18.69	\$ 15.67
Total return <sup>d</sup>	14.89%	(25.49)%	(15.62)%	19.27%	10.66%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income (loss) <sup>c</sup>	0.06%	0.60%	0.10%	(0.35)%	(0.16)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 9,801	\$ 8,429	\$ 11,277	\$ 12,290	\$ 8,810

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

**Financial Highlights**

Franklin Templeton Corefolio Portfolio	Class C				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.97	\$ 16.06	\$ 19.03	\$ 15.96	\$ 14.41
Income from investment operations <sup>a</sup> :					
Net investment income (loss) <sup>b,c</sup>	0.01	0.07	0.02	(0.06)	(0.02)
Net realized and unrealized gain (loss)	1.77	(4.16)	(2.99)	3.13	1.57
Total from investment operations	1.78	(4.09)	(2.97)	3.07	1.55
Net asset value, end of year	\$ 13.75	\$ 11.97	\$ 16.06	\$ 19.03	\$ 15.96
Total return <sup>d</sup>	14.87%	(25.47)%	(15.61)%	19.24%	10.76%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income (loss) <sup>c</sup>	0.06%	0.60%	0.10%	(0.35)%	(0.16)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 21,173	\$ 18,058	\$ 24,730	\$ 25,647	\$ 16,671
<b>Direct</b>					
Franklin Templeton Corefolio Portfolio	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.73	\$ 16.92	\$ 19.85	\$ 16.48	\$ 14.73
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.18	0.21	0.20	0.11	0.13
Net realized and unrealized gain (loss)	1.88	(4.40)	(3.13)	3.26	1.62
Total from investment operations	2.06	(4.19)	(2.93)	3.37	1.75
Net asset value, end of year	\$ 14.79	\$ 12.73	\$ 16.92	\$ 19.85	\$ 16.48
Total return <sup>d</sup>	16.18%	(24.76)%	(14.76)%	20.45%	11.88%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	1.16%	1.60%	1.10%	0.65%	0.84%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 26,550	\$ 21,855	\$ 26,781	\$ 26,803	\$ 14,721

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

Financial Highlights

Class A					
Franklin Templeton Founding Funds 529 Portfolio	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 8.57	\$ 11.26	\$ 13.29	\$ 11.02	\$ 9.99
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.32	0.37	0.35	0.27	0.27
Net realized and unrealized gain (loss)	0.92	(3.06)	(2.38)	2.00	0.76
Total from investment operations	1.24	(2.69)	(2.03)	2.27	1.03
Net asset value, end of year	\$ 9.81	\$ 8.57	\$ 11.26	\$ 13.29	\$ 11.02
Total return <sup>d</sup>	14.47%	(23.89)%	(15.27)%	20.60%	10.31%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	3.17%	4.28%	2.82%	2.14%	2.46%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 89,876	\$ 73,054	\$ 92,764	\$ 72,802	\$ 21,200
Class B					
Franklin Templeton Founding Funds 529 Portfolio	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 8.33	\$ 11.03	\$ 13.10	\$ 10.95	\$ 10.00
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.24	0.30	0.25	0.17	0.17
Net realized and unrealized gain (loss)	0.89	(3.00)	(2.32)	1.98	0.78
Total from investment operations	1.13	(2.70)	(2.07)	2.15	0.95
Net asset value, end of year	\$ 9.46	\$ 8.33	\$ 11.03	\$ 13.10	\$ 10.95
Total return <sup>d</sup>	13.57%	(24.48)%	(15.80)%	19.63%	9.50%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	2.42%	3.53%	2.07%	1.39%	1.71%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 14,755	\$ 12,552	\$ 15,216	\$ 12,171	\$ 3,547

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

## Financial Highlights

Franklin Templeton Founding Funds 529 Portfolio	Class C				
	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 8.32	\$ 11.02	\$ 13.09	\$ 10.94	\$ 9.99
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.24	0.29	0.25	0.17	0.18
Net realized and unrealized gain (loss)	0.88	(2.99)	(2.32)	1.98	0.77
Total from investment operations	1.12	(2.70)	(2.07)	2.15	0.95
Net asset value, end of year	\$ 9.44	\$ 8.32	\$ 11.02	\$ 13.09	\$ 10.94
Total return <sup>d</sup>	13.46%	(24.50)%	(15.81)%	19.65%	9.51%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	2.42%	3.53%	2.07%	1.39%	1.71%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 51,390	\$ 41,895	\$ 55,398	\$ 47,466	\$ 13,964

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests

## Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST****New Jersey 529 College Savings Plan -****Franklin Templeton Managed Investment Options****Financial Highlights**

Growth Portfolio	Class A				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.73	\$ 18.10	\$ 20.67	\$ 16.89	\$ 14.95
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.09	0.09	0.15	0.08	0.10
Net realized and unrealized gain (loss)	2.02	(4.46)	(2.72)	3.70	1.84
Total from investment operations	2.11	(4.37)	(2.57)	3.78	1.94
Net asset value, end of year	\$ 15.84	\$ 13.73	\$ 18.10	\$ 20.67	\$ 16.89
Total return <sup>d</sup>	15.37%	(24.14)%	(12.43)%	22.38%	12.98%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	0.58%	0.67%	0.77%	0.40%	0.60%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 28,375	\$ 21,497	\$ 25,244	\$ 21,255	\$ 12,794
<b>Class B</b>					
Growth Portfolio	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.11	\$ 17.41	\$ 20.04	\$ 16.50	\$ 14.71
Income from investment operations <sup>a</sup> :					
Net investment loss <sup>b,c</sup>	(0.03)	(0.01)	- <sup>f</sup>	(0.06)	(0.02)
Net realized and unrealized gain (loss)	1.93	(4.29)	(2.63)	3.60	1.81
Total from investment operations	1.90	(4.30)	(2.63)	3.54	1.79
Net asset value, end of year	\$ 15.01	\$ 13.11	\$ 17.41	\$ 20.04	\$ 16.50
Total return <sup>d</sup>	14.49%	(24.70)%	(13.12)%	21.45%	12.17%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income (loss) <sup>c</sup>	(0.17)%	(0.08)%	0.02%	(0.35)%	(0.15)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 6,451	\$ 5,271	\$ 6,579	\$ 6,478	\$ 4,259

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>f</sup>Amount rounds to less than \$0.01 per share.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<b>Class C</b>				
	<b>Year Ended June 30,</b>				
<b>Growth Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.15	\$ 17.47	\$ 20.11	\$ 16.56	\$ 14.77
Income from investment operations <sup>a</sup> :					
Net investment loss <sup>b,c</sup>	(0.03)	(0.01)	- <sup>d</sup>	(0.06)	(0.03)
Net realized and unrealized gain (loss)	1.94	(4.31)	(2.64)	3.61	1.82
Total from investment operations	1.91	(4.32)	(2.64)	3.55	1.79
Net asset value, end of year	<u>\$ 15.06</u>	<u>\$ 13.15</u>	<u>\$ 17.47</u>	<u>\$ 20.11</u>	<u>\$ 16.56</u>
Total return <sup>e</sup>	14.52%	(24.73)%	(13.13)%	21.44%	12.12%
<b>Ratios to average net assets</b>					
Expenses <sup>f</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income (loss) <sup>c</sup>	(0.17)%	(0.08)%	0.02%	(0.35)%	(0.15)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 16,464	\$ 13,408	\$ 15,261	\$ 12,064	\$ 7,237

	<b>Direct</b>				
	<b>Year Ended June 30,</b>				
<b>Growth Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.94	\$ 18.34	\$ 20.90	\$ 17.04	\$ 15.03
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.15	0.13	0.21	0.12	0.14
Net realized and unrealized gain (loss)	2.04	(4.53)	(2.77)	3.74	1.87
Total from investment operations	2.19	(4.40)	(2.56)	3.86	2.01
Net asset value, end of year	<u>\$ 16.13</u>	<u>\$ 13.94</u>	<u>\$ 18.34</u>	<u>\$ 20.90</u>	<u>\$ 17.04</u>
Total return <sup>e</sup>	15.71%	(23.99)%	(12.25)%	22.65%	13.37%
<b>Ratios to average net assets</b>					
Expenses <sup>f</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	0.93%	0.92%	1.02%	0.65%	0.85%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 42,732	\$ 33,748	\$ 40,164	\$ 35,364	\$ 18,701

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Amount rounds to less than \$0.01 per share.

<sup>e</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable.

<sup>f</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

## Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST****New Jersey 529 College Savings Plan -****Franklin Templeton Managed Investment Options****Financial Highlights**

<b>Growth and Income Portfolio</b>	<b>Class A</b>				
	<b>2010</b>	<b>2009</b>	<b>Year Ended June 30, 2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.56	\$ 15.02	\$ 15.68	\$ 13.77	\$ 12.89
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.27	0.36	0.41	0.37	0.34
Net realized and unrealized gain (loss)	1.42	(1.82)	(1.07)	1.54	0.54
Total from investment operations	1.69	(1.46)	(0.66)	1.91	0.88
Net asset value, end of year	\$ 15.25	\$ 13.56	\$ 15.02	\$ 15.68	\$ 13.77
Total return <sup>d</sup>	12.46%	(9.72)%	(4.21)%	13.87%	6.83%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	1.81%	2.75%	2.63%	2.51%	2.48%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 27,078	\$ 18,380	\$ 17,643	\$ 15,439	\$ 10,977
<b>Growth and Income Portfolio</b>	<b>Class B</b>				
	<b>2010</b>	<b>2009</b>	<b>Year Ended June 30, 2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.89	\$ 14.39	\$ 15.13	\$ 13.37	\$ 12.61
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.15	0.25	0.29	0.25	0.23
Net realized and unrealized gain (loss)	1.34	(1.75)	(1.03)	1.51	0.53
Total from investment operations	1.49	(1.50)	(0.74)	1.76	0.76
Net asset value, end of year	\$ 14.38	\$ 12.89	\$ 14.39	\$ 15.13	\$ 13.37
Total return <sup>d</sup>	11.56%	(10.42)%	(4.89)%	13.16%	6.03%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	1.06%	2.00%	1.88%	1.76%	1.73%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 8,203	\$ 6,614	\$ 7,279	\$ 6,937	\$ 5,501

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST****New Jersey 529 College Savings Plan -****Franklin Templeton Managed Investment Options****Financial Highlights**

Growth and Income Portfolio	Class C				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.71	\$ 14.20	\$ 14.93	\$ 13.19	\$ 12.44
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.15	0.25	0.28	0.25	0.22
Net realized and unrealized gain (loss)	1.32	(1.74)	(1.01)	1.49	0.53
Total from investment operations	1.47	(1.49)	(0.73)	1.74	0.75
Net asset value, end of year	\$ 14.18	\$ 12.71	\$ 14.20	\$ 14.93	\$ 13.19
Total return <sup>d</sup>	11.57%	(10.49)%	(4.89)%	13.19%	6.03%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	1.06%	2.00%	1.88%	1.76%	1.73%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 22,421	\$ 16,309	\$ 16,037	\$ 12,603	\$ 9,409
<b>Direct</b>					
Growth and Income Portfolio	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.79	\$ 15.24	\$ 15.87	\$ 13.89	\$ 12.97
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.33	0.40	0.45	0.41	0.37
Net realized and unrealized gain (loss)	1.44	(1.85)	(1.08)	1.57	0.55
Total from investment operations	1.77	(1.45)	(0.63)	1.98	0.92
Net asset value, end of year	\$ 15.56	\$ 13.79	\$ 15.24	\$ 15.87	\$ 13.89
Total return <sup>d</sup>	12.84%	(9.51)%	(3.97)%	14.25%	7.09%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	2.16%	3.00%	2.88%	2.76%	2.73%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 25,514	\$ 20,797	\$ 22,126	\$ 18,584	\$ 11,863

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

## Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST****New Jersey 529 College Savings Plan -****Franklin Templeton Managed Investment Options****Financial Highlights**

	<b>Class A</b>				
	<b>Year Ended June 30,</b>				
<b>Income Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.58	\$ 12.19	\$ 11.68	\$ 11.03	\$ 10.95
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.40	0.54	0.54	0.53	0.48
Net realized and unrealized gain (loss)	0.64	(0.15)	(0.03)	0.12	(0.40)
Total from investment operations	1.04	0.39	0.51	0.65	0.08
Net asset value, end of year	\$ 13.62	\$ 12.58	\$ 12.19	\$ 11.68	\$ 11.03
Total return <sup>d</sup>	8.27%	3.20%	4.37%	5.89%	0.73%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	3.10%	4.49%	4.46%	4.62%	4.34%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 17,572	\$ 12,322	\$ 6,888	\$ 4,409	\$ 2,624
	<b>Class B</b>				
	<b>Year Ended June 30,</b>				
<b>Income Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.00	\$ 11.72	\$ 11.31	\$ 10.76	\$ 10.76
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.29	0.43	0.44	0.43	0.38
Net realized and unrealized gain (loss)	0.61	(0.15)	(0.03)	0.12	(0.38)
Total from investment operations	0.90	0.28	0.41	0.55	-
Net asset value, end of year	\$ 12.90	\$ 12.00	\$ 11.72	\$ 11.31	\$ 10.76
Total return <sup>d</sup>	7.50%	2.39%	3.63%	5.11%	-
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	2.35%	3.74%	3.71%	3.87%	3.59%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 3,254	\$ 2,468	\$ 1,286	\$ 791	\$ 559

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	Class C				
	Year Ended June 30,				
Income Portfolio	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.04	\$ 11.76	\$ 11.35	\$ 10.80	\$ 10.80
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.29	0.43	0.43	0.43	0.39
Net realized and unrealized gain (loss)	0.61	(0.15)	(0.02)	0.12	(0.39)
Total from investment operations	0.90	0.28	0.41	0.55	-
Net asset value, end of year	\$ 12.94	\$ 12.04	\$ 11.76	\$ 11.35	\$ 10.80
Total return <sup>d</sup>	7.48%	2.38%	3.61%	5.09%	-
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	2.35%	3.74%	3.71%	3.87%	3.59%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 16,443	\$ 10,692	\$ 5,762	\$ 2,736	\$ 1,561

	Direct				
	Year Ended June 30,				
Income Portfolio	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.80	\$ 12.37	\$ 11.82	\$ 11.14	\$ 11.03
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.46	0.60	0.58	0.57	0.51
Net realized and unrealized gain (loss)	0.65	(0.17)	(0.03)	0.11	(0.40)
Total from investment operations	1.11	0.43	0.55	0.68	0.11
Net asset value, end of year	\$ 13.91	\$ 12.80	\$ 12.37	\$ 11.82	\$ 11.14
Total return <sup>d</sup>	8.67%	3.48%	4.65%	6.10%	1.00%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	3.48%	4.74%	4.71%	4.87%	4.59%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 16,532	\$ 12,128	\$ 8,403	\$ 5,017	\$ 3,464

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

Financial Highlights

Franklin Growth 529 Portfolio	Class A				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 10.47	\$ 13.91	\$ 15.14	\$ 12.98	\$ 12.21
Income from investment operations <sup>a</sup> :					
Net investment income (loss) <sup>b,c</sup>	0.03	0.05	0.05	(0.04)	-
Net realized and unrealized gain (loss)	2.01	(3.49)	(1.28)	2.20	0.77
Total from investment operations	2.04	(3.44)	(1.23)	2.16	0.77
Net asset value, end of year	\$ 12.51	\$ 10.47	\$ 13.91	\$ 15.14	\$ 12.98
Total return <sup>d</sup>	19.48%	(24.73)%	(8.12)%	16.64%	6.31%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income (loss) <sup>c</sup>	0.27%	0.49%	0.35%	(0.30)%	(0.04)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 10,920	\$ 7,739	\$ 9,021	\$ 7,930	\$ 5,766

  

Franklin Growth 529 Portfolio	Class B				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 9.73	\$ 13.02	\$ 14.27	\$ 12.33	\$ 11.69
Income from investment operations <sup>a</sup> :					
Net investment loss <sup>b,c</sup>	(0.06)	(0.03)	(0.06)	(0.14)	(0.10)
Net realized and unrealized gain (loss)	1.86	(3.26)	(1.19)	2.08	0.74
Total from investment operations	1.80	(3.29)	(1.25)	1.94	0.64
Net asset value, end of year	\$ 11.53	\$ 9.73	\$ 13.02	\$ 14.27	\$ 12.33
Total return <sup>d</sup>	18.50%	(25.27)%	(8.76)%	15.73%	5.47%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment loss <sup>c</sup>	(0.48)%	(0.26)%	(0.40)%	(1.05)%	(0.79)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 2,908	\$ 2,319	\$ 3,219	\$ 3,158	\$ 2,437

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

Financial Highlights

	Class C				
	Year Ended June 30,				
Franklin Growth 529 Portfolio	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 10.41	\$ 13.91	\$ 15.25	\$ 13.18	\$ 12.49
Income from investment operations <sup>a</sup> :					
Net investment loss <sup>b,c</sup>	(0.06)	(0.03)	(0.06)	(0.15)	(0.10)
Net realized and unrealized gain (loss)	1.99	(3.47)	(1.28)	2.22	0.79
Total from investment operations	1.93	(3.50)	(1.34)	2.07	0.69
Net asset value, end of year	\$ 12.34	\$ 10.41	\$ 13.91	\$ 15.25	\$ 13.18
Total return <sup>d</sup>	18.54%	(25.16)%	(8.79)%	15.71%	5.52%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment loss <sup>c</sup>	(0.48)%	(0.26)%	(0.40)%	(1.05)%	(0.79)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 4,382	\$ 3,399	\$ 4,502	\$ 4,151	\$ 3,074

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

**Financial Highlights**

Franklin Income 529 Portfolio	Class A				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.72	\$ 16.66	\$ 17.78	\$ 15.02	\$ 14.30
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	1.09	1.10	0.94	0.81	0.79
Net realized and unrealized gain (loss)	1.46	(4.04)	(2.06)	1.95	(0.07)
Total from investment operations	2.55	(2.94)	(1.12)	2.76	0.72
Net asset value, end of year	\$ 16.27	\$ 13.72	\$ 16.66	\$ 17.78	\$ 15.02
Total return <sup>d</sup>	18.59%	(17.65)%	(6.30)%	18.38%	5.03%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	6.80%	8.42%	5.37%	4.85%	5.43%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 39,672	\$ 30,415	\$ 35,603	\$ 33,473	\$ 21,307

Franklin Income 529 Portfolio	Class B				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.19	\$ 16.15	\$ 17.35	\$ 14.77	\$ 14.17
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.93	0.97	0.78	0.68	0.68
Net realized and unrealized gain (loss)	1.41	(3.93)	(1.98)	1.90	(0.08)
Total from investment operations	2.34	(2.96)	(1.20)	2.58	0.60
Net asset value, end of year	\$ 15.53	\$ 13.19	\$ 16.15	\$ 17.35	\$ 14.77
Total return <sup>d</sup>	17.74%	(18.33)%	(6.92)%	17.47%	4.23%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	6.05%	7.67%	4.62%	4.10%	4.73%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 10,925	\$ 9,198	\$ 11,454	\$ 11,498	\$ 8,508

<sup>a</sup>The amount shown for a share outstanding throughout the year may not correlate with the Statement of Operations for the year due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

Financial Highlights

Franklin Income 529 Portfolio	Class C				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.11	\$ 16.04	\$ 17.23	\$ 14.67	\$ 14.07
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.92	0.96	0.78	0.67	0.67
Net realized and unrealized gain (loss)	1.40	(3.89)	(1.97)	1.89	(0.07)
Total from investment operations	2.32	(2.93)	(1.19)	2.56	0.60
Net asset value, end of year	\$ 15.43	\$ 13.11	\$ 16.04	\$ 17.23	\$ 14.67
Total return <sup>d</sup>	17.70%	(18.27)%	(6.91)%	17.45%	4.26%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	6.05%	7.67%	4.62%	4.10%	4.68%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 28,015	\$ 20,700	\$ 26,209	\$ 24,796	\$ 16,294

<sup>a</sup>The amount shown for a share outstanding throughout the year may not correlate with the Statement of Operations for the year due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

**Financial Highlights**

Franklin Small-Mid Cap Growth 529 Portfolio	Class A				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.35	\$ 18.14	\$ 20.75	\$ 17.24	\$ 15.52
Income from investment operations <sup>a</sup> :					
Net investment loss <sup>b,c</sup>	(0.11)	(0.09)	(0.13)	(0.12)	(0.05)
Net realized and unrealized gain (loss)	2.87	(4.70)	(2.48)	3.63	1.77
Total from investment operations	2.76	(4.79)	(2.61)	3.51	1.72
Net asset value, end of year	\$ 16.11	\$ 13.35	\$ 18.14	\$ 20.75	\$ 17.24
Total return <sup>d</sup>	20.67%	(26.41)%	(12.58)%	20.36%	11.08%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment loss <sup>c</sup>	(0.65)%	(0.65)%	(0.65)%	(0.65)%	(0.31)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 11,039	\$ 8,060	\$ 10,093	\$ 9,022	\$ 6,038
<b>Class B</b>					
Franklin Small-Mid Cap Growth 529 Portfolio	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.76	\$ 17.48	\$ 20.14	\$ 16.86	\$ 15.29
Income from investment operations <sup>a</sup> :					
Net investment loss <sup>b,c</sup>	(0.22)	(0.18)	(0.27)	(0.25)	(0.18)
Net realized and unrealized gain (loss)	2.75	(4.54)	(2.39)	3.53	1.75
Total from investment operations	2.53	(4.72)	(2.66)	3.28	1.57
Net asset value, end of year	\$ 15.29	\$ 12.76	\$ 17.48	\$ 20.14	\$ 16.86
Total return <sup>d</sup>	19.83%	(27.00)%	(13.21)%	19.45%	10.27%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment loss <sup>c</sup>	(1.40)%	(1.40)%	(1.40)%	(1.40)%	(1.06)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 2,786	\$ 2,121	\$ 2,505	\$ 2,366	\$ 1,733

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

Financial Highlights

	Class C				
	Year Ended June 30,				
Franklin Small-Mid Cap Growth 529 Portfolio	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.71	\$ 17.41	\$ 20.05	\$ 16.80	\$ 15.25
Income from investment operations <sup>a</sup> :					
Net investment loss <sup>b,c</sup>	(0.22)	(0.18)	(0.26)	(0.25)	(0.18)
Net realized and unrealized gain (loss)	2.74	(4.52)	(2.38)	3.50	1.73
Total from investment operations	2.52	(4.70)	(2.64)	3.25	1.55
Net asset value, end of year	\$ 15.23	\$ 12.71	\$ 17.41	\$ 20.05	\$ 16.80
Total return <sup>d</sup>	19.83%	(27.00)%	(13.17)%	19.35%	10.16%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment loss <sup>c</sup>	(1.40)%	(1.40)%	(1.40)%	(1.40)%	(1.06)%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 3,474	\$ 2,731	\$ 3,792	\$ 3,591	\$ 2,482

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

Franklin Templeton Stable Value 529 Portfolio	Class A				
	2010	2009	Year Ended June 30,		2006
			2008	2007	
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.23	\$ 11.19	\$ 10.76	\$ 10.30	\$ 10.24
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.03	0.06	0.34	0.38	0.30
Net realized and unrealized gain (loss)	0.01	(0.02)	0.09	0.08	(0.24)
Total from investment operations	0.04	0.04	0.43	0.46	0.06
Net asset value, end of year	\$ 11.27	\$ 11.23	\$ 11.19	\$ 10.76	\$ 10.30
Total return <sup>d</sup>	0.36%	0.36%	4.00%	4.47%	0.59%
<b>Ratios to average net assets</b>					
Expenses before waiver and payments by affiliates <sup>e</sup>	0.75%	0.75%	0.75%	0.75%	0.74%
Expenses net of waiver and payments by affiliates <sup>e</sup>	0.24%	-	-	-	-
Net investment income <sup>c</sup>	0.28%	0.51%	3.18%	3.50%	2.94%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 21,226	\$ 23,345	\$ 5,869	\$ 3,529	\$ 2,232

  

Franklin Templeton Stable Value 529 Portfolio	Class B				
	2010	2009	Year Ended June 30,		2006
			2008	2007	
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 10.72	\$ 10.75	\$ 10.40	\$ 10.03	\$ 10.05
Income from investment operations <sup>a</sup> :					
Net investment income (loss) <sup>b,c</sup>	0.03	(0.02)	0.25	0.28	0.22
Net realized and unrealized gain (loss)	(0.03)	(0.01)	0.10	0.09	(0.24)
Total from investment operations	-	(0.03)	0.35	0.37	(0.02)
Net asset value, end of year	\$ 10.72	\$ 10.72	\$ 10.75	\$ 10.40	\$ 10.03
Total return <sup>d</sup>	0.00%	(0.28)%	3.37%	3.69%	(0.20)%
<b>Ratios to average net assets</b>					
Expenses before waiver and payments by affiliates <sup>e</sup>	1.50%	1.50%	1.50%	1.50%	1.49%
Expenses net of waiver and payments by affiliates <sup>e</sup>	0.24%	-	-	-	-
Net investment income (loss) <sup>c</sup>	0.28%	(0.24)%	2.43%	2.75%	2.19%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 8,372	\$ 8,812	\$ 2,933	\$ 2,218	\$ 2,008

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

Franklin Templeton Stable Value 529 Portfolio	Class C				
	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 10.60	\$ 10.76	\$ 10.41	\$ 10.05	\$ 10.07
Income from investment operations <sup>a</sup> :					
Net investment income (loss) <sup>b,c</sup>	0.03	(0.04)	0.25	0.28	0.22
Net realized and unrealized gain (loss)	0.11	(0.12)	0.10	0.08	(0.24)
Total from investment operations	0.14	(0.16)	0.35	0.36	(0.02)
Net asset value, end of year	\$ 10.74	\$ 10.60	\$ 10.76	\$ 10.41	\$ 10.05
Total return <sup>d</sup>	1.32%	(1.49)%	3.36%	3.58%	(0.20)%
<b>Ratios to average net assets</b>					
Expenses before waiver and payments by affiliates <sup>e</sup>	1.50%	1.50%	1.50%	1.50%	1.49%
Expenses net of waiver and payments by affiliates <sup>e</sup>	0.24%	-	-	-	-
Net investment income (loss) <sup>c</sup>	0.28%	(0.24)%	2.43%	2.75%	2.19%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 23,129	\$ 25,332	\$ 9,577	\$ 7,303	\$ 5,902
Franklin Templeton Stable Value 529 Portfolio	Direct				
	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.43	\$ 11.37	\$ 10.88	\$ 10.43	\$ 10.32
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.01	0.10	0.38	0.40	0.34
Net realized and unrealized gain (loss)	(0.01)	(0.04)	0.11	0.05	(0.23)
Total from investment operations	-	0.06	0.49	0.45	0.11
Net asset value, end of year	\$ 11.43	\$ 11.43	\$ 11.37	\$ 10.88	\$ 10.43
Total return <sup>d</sup>	0.00%	0.53%	4.50%	4.31%	1.07%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.40%	0.50%	0.50%	0.50%	0.50%
Net investment income <sup>c</sup>	0.12%	0.76%	3.43%	3.75%	3.18%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 21,436	\$ 22,846	\$ 9,572	\$ 7,386	\$ 5,879

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charge, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<b>Class A</b>				
	<b>Year Ended June 30,</b>				
<b>Mutual Shares 529 Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.43	\$ 16.38	\$ 20.42	\$ 16.72	\$ 14.83
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.23	0.12	0.38	0.15	0.25
Net realized and unrealized gain (loss)	1.69	(4.07)	(4.42)	3.55	1.64
Total from investment operations	1.92	(3.95)	(4.04)	3.70	1.89
Net asset value, end of year	\$ 14.35	\$ 12.43	\$ 16.38	\$ 20.42	\$ 16.72
Total return <sup>d</sup>	15.45%	(24.11)%	(19.78)%	22.13%	12.74%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	1.59%	0.95%	2.06%	0.80%	1.55%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 29,066	\$ 24,895	\$ 32,847	\$ 35,333	\$ 21,520
	<b>Class B</b>				
	<b>Year Ended June 30,</b>				
<b>Mutual Shares 529 Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.68	\$ 15.50	\$ 19.47	\$ 16.06	\$ 14.35
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.12	0.03	0.23	0.01	0.12
Net realized and unrealized gain (loss)	1.58	(3.85)	(4.20)	3.40	1.59
Total from investment operations	1.70	(3.82)	(3.97)	3.41	1.71
Net asset value, end of year	\$ 13.38	\$ 11.68	\$ 15.50	\$ 19.47	\$ 16.06
Total return <sup>d</sup>	14.55%	(24.65)%	(20.39)%	21.23%	11.92%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.84%	0.20%	1.31%	0.05%	0.80%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 7,284	\$ 6,476	\$ 8,913	\$ 10,424	\$ 7,325

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Financial Highlights

	<b>Class C</b>				
	Year Ended June 30,				
<b>Mutual Shares 529 Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.73	\$ 15.56	\$ 19.55	\$ 16.12	\$ 14.42
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.12	0.02	0.23	0.01	0.13
Net realized and unrealized gain (loss)	1.59	(3.85)	(4.22)	3.42	1.57
Total from investment operations	1.71	(3.83)	(3.99)	3.43	1.70
Net asset value, end of year	\$ 13.44	\$ 11.73	\$ 15.56	\$ 19.55	\$ 16.12
Total return <sup>d</sup>	14.58%	(24.61)%	(20.41)%	21.28%	11.79%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.84%	0.20%	1.31%	0.05%	0.80%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 14,458	\$ 12,453	\$ 18,428	\$ 20,568	\$ 12,794

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<b>Class A</b>				
	<b>Year Ended June 30,</b>				
<b>S&amp;P 500 Index Fund 529 Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.14	\$ 15.20	\$ 17.67	\$ 14.81	\$ 13.78
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.13	0.16	0.16	0.13	0.11
Net realized and unrealized gain (loss)	1.36	(4.22)	(2.63)	2.73	0.92
Total from investment operations	1.49	(4.06)	(2.47)	2.86	1.03
Net asset value, end of year	\$ 12.63	\$ 11.14	\$ 15.20	\$ 17.67	\$ 14.81
 Total return <sup>d</sup>	 13.38%	 (26.71)%	 (13.98)%	 19.31%	 7.47%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	0.99%	1.38%	0.95%	0.75%	0.77%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 6,911	\$ 5,416	\$ 6,372	\$ 6,438	\$ 4,036

	<b>Class B</b>				
	<b>Year Ended June 30,</b>				
<b>S&amp;P 500 Index Fund 529 Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 10.06	\$ 13.83	\$ 16.21	\$ 13.69	\$ 12.83
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.02	0.06	0.03	0.01	-
Net realized and unrealized gain (loss)	1.24	(3.83)	(2.41)	2.51	0.86
Total from investment operations	1.26	(3.77)	(2.38)	2.52	0.86
Net asset value, end of year	\$ 11.32	\$ 10.06	\$ 13.83	\$ 16.21	\$ 13.69
 Total return <sup>d</sup>	 12.52%	 (27.26)%	 (14.68)%	 18.41%	 6.70%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.24%	0.63%	0.20%	-	0.02%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 2,685	\$ 2,330	\$ 2,932	\$ 3,053	\$ 2,274

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>f</sup>Rounds to less than 0.01% per share.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

**Financial Highlights**

	<b>Class C</b>				
	<b>Year Ended June 30,</b>				
<b>S&amp;P 500 Index Fund 529 Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 10.90	\$ 14.96	\$ 17.54	\$ 14.81	\$ 13.87
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.02	0.08	0.04	0.01	-
Net realized and unrealized gain (loss)	1.33	(4.14)	(2.62)	2.72	0.94
Total from investment operations	1.35	(4.06)	(2.58)	2.73	0.94
Net asset value, end of year	\$ 12.25	\$ 10.90	\$ 14.96	\$ 17.54	\$ 14.81
Total return <sup>e</sup>	12.39%	(27.14)%	(14.71)%	18.43%	6.78%
<b>Ratios to average net assets</b>					
Expenses <sup>f</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.24%	0.63%	0.20%	-	0.02%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 3,324	\$ 3,006	\$ 3,355	\$ 3,665	\$ 2,623
	<b>Direct</b>				
	<b>Year Ended June 30,</b>				
<b>S&amp;P 500 Index Fund 529 Portfolio</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.50	\$ 15.65	\$ 18.16	\$ 15.18	\$ 14.09
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.18	0.19	0.21	0.16	0.15
Net realized and unrealized gain (loss)	1.40	(4.34)	(2.72)	2.82	0.94
Total from investment operations	1.58	(4.15)	(2.51)	2.98	1.09
Net asset value, end of year	\$ 13.08	\$ 11.50	\$ 15.65	\$ 18.16	\$ 15.18
Total return <sup>e</sup>	13.74%	(26.52)%	(13.82)%	19.63%	7.74%
<b>Ratios to average net assets</b>					
Expenses <sup>f</sup>	0.30%	0.40%	0.40%	0.40%	0.40%
Net investment income <sup>c</sup>	1.34%	1.63%	1.20%	1.00%	1.02%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 24,464	\$ 19,353	\$ 21,132	\$ 19,908	\$ 12,393

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Amount rounds to less than \$0.01 per share.

<sup>e</sup>Total return does not reflect sales commissions or contingent deferred sales charges, if applicable.

<sup>f</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

<sup>g</sup>Rounds to less than 0.01% per share.

## Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST****New Jersey 529 College Savings Plan -****Franklin Templeton Managed Investment Options****Financial Highlights**

Templeton Growth 529 Portfolio	Class A				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.80	\$ 18.38	\$ 22.80	\$ 18.70	\$ 16.31
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.18	0.44	0.23	0.27	0.21
Net realized and unrealized gain (loss)	1.00	(6.02)	(4.65)	3.83	2.18
Total from investment operations	1.18	(5.58)	(4.42)	4.10	2.39
Net asset value, end of year	\$ 13.98	\$ 12.80	\$ 18.38	\$ 22.80	\$ 18.70
Total return <sup>d</sup>	9.22%	(30.36)%	(19.37)%	21.93%	14.65%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	0.65%	0.65%	0.65%	0.65%	0.65%
Net investment income <sup>c</sup>	1.15%	3.34%	1.08%	1.27%	1.14%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 29,505	\$ 26,997	\$ 39,717	\$ 43,245	\$ 27,665
<b>Class B</b>					
Templeton Growth 529 Portfolio	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.11	\$ 17.52	\$ 21.90	\$ 18.10	\$ 15.90
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.06	0.33	0.07	0.11	0.07
Net realized and unrealized gain (loss)	0.96	(5.74)	(4.45)	3.69	2.13
Total from investment operations	1.02	(5.41)	(4.38)	3.80	2.20
Net asset value, end of year	\$ 13.13	\$ 12.11	\$ 17.52	\$ 21.90	\$ 18.10
Total return <sup>d</sup>	8.42%	(30.88)%	(20.01)%	20.99%	13.84%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.40%	2.59%	0.33%	0.52%	0.39%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 6,868	\$ 6,239	\$ 9,755	\$ 11,226	\$ 7,711

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information

**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

**New Jersey 529 College Savings Plan -**

**Franklin Templeton Managed Investment Options**

Financial Highlights

Templeton Growth 529 Portfolio	Class C				
	2010	2009	Year Ended June 30, 2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.98	\$ 17.33	\$ 21.67	\$ 17.90	\$ 15.73
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b,c</sup>	0.06	0.32	0.07	0.10	0.07
Net realized and unrealized gain (loss)	0.94	(5.67)	(4.41)	3.67	2.10
Total from investment operations	1.00	(5.35)	(4.34)	3.77	2.17
Net asset value, end of year	\$ 12.98	\$ 11.98	\$ 17.33	\$ 21.67	\$ 17.90
Total return <sup>d</sup>	8.35%	(30.87)%	(20.02)%	21.06%	13.80%
<b>Ratios to average net assets</b>					
Expenses <sup>e</sup>	1.40%	1.40%	1.40%	1.40%	1.40%
Net investment income <sup>c</sup>	0.40%	2.59%	0.33%	0.52%	0.39%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 13,448	\$ 12,268	\$ 18,795	\$ 21,588	\$ 14,202

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Recognition of net investment income by the Portfolio is affected by the timing of declaration of dividends by the Underlying Funds in which the Portfolio invests.

<sup>d</sup>Total return does not reflect any applicable sales commissions or the contingent deferred sales charges, if applicable.

<sup>e</sup>Does not include expenses of the Underlying Funds in which the Fund invests.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Growth Asset Allocation Newborn-8 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 100.1%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	2,510,545	\$ 97,183,190
Franklin Small-Mid Cap Growth Fund, Advisor Class	3,346,044	97,068,730
Mutual European Fund, Class Z	3,138,561	61,861,031
Mutual Shares Fund, Class Z	4,301,195	78,840,914
Templeton Foreign Fund, Advisor Class	10,709,596	60,509,220
<b>Total Open End Mutual Funds (Cost \$446,329,939)</b>		<u>395,463,085</u>
<b>Short Term Investment (Cost \$214,985) 0.0%<sup>a</sup></b>		
<sup>b</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	214,985	<u>214,985</u>
<b>Total Investments (Cost \$446,544,924) 100.1%</b>		395,678,070
<b>Other Assets, less Liabilities (0.1)%</b>		(430,376)
<b>Net Assets 100.0%</b>		<u>\$ 395,247,694</u>

<sup>a</sup>Rounds to less than 0.1% of net assets.

<sup>b</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Growth Asset Allocation Age 9-12 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 95.0%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	1,146,698	\$ 44,388,668
Franklin Small-Mid Cap Growth Fund, Advisor Class	1,562,210	45,319,704
Franklin Strategic Income Fund, Advisor Class	1,328,001	13,319,851
Franklin Total Return Fund, Advisor Class	1,384,249	13,745,593
Franklin U.S. Government Securities Fund, Advisor Class	4,101,464	28,095,028
Mutual European Fund, Class Z	1,454,768	28,673,486
Mutual Shares Fund, Class Z	1,967,257	36,059,814
Templeton Foreign Fund, Advisor Class	5,076,665	28,683,159
<b>Total Open End Mutual Funds (Cost \$259,941,791)</b>		<u>238,285,303</u>
<b>Short Term Investment (Cost \$12,721,070) 5.1%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	12,721,070	<u>12,721,070</u>
<b>Total Investments (Cost \$272,662,861) 100.1%</b>		251,006,373
<b>Other Assets, less Liabilities (0.1)%</b>		(254,103)
<b>Net Assets 100.0%</b>		<u>\$ 250,752,270</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Growth Asset Allocation Age 13-16 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 90.0%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	921,800	\$ 35,682,870
Franklin Small-Mid Cap Growth Fund, Advisor Class	1,326,075	38,469,443
Franklin Strategic Income Fund, Advisor Class	2,881,893	28,905,383
Franklin Total Return Fund, Advisor Class	2,976,059	29,552,261
Franklin U.S. Government Securities Fund, Advisor Class	9,015,545	61,756,486
Mutual European Fund, Class Z	1,056,728	20,828,103
Mutual Shares Fund, Class Z	1,539,967	28,227,596
Templeton Foreign Fund, Advisor Class	3,693,719	20,869,512
<b>Total Open End Mutual Funds (Cost \$273,269,769)</b>		<u>264,291,654</u>
<b>Short Term Investment (Cost \$29,802,594) 10.1%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	29,802,594	<u>29,802,594</u>
<b>Total Investments (Cost \$303,072,363) 100.1%</b>		294,094,248
<b>Other Assets, less Liabilities (0.1)%</b>		(347,282)
<b>Net Assets 100.0%</b>		<u>\$ 293,746,966</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Growth Asset Allocation Age 17+ Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 85.9%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	296,692	\$ 11,484,939
Franklin Small-Mid Cap Growth Fund, Advisor Class	393,232	11,407,645
Franklin Strategic Income Fund, Advisor Class	3,021,850	30,309,162
Franklin Total Return Fund, Advisor Class	3,100,048	30,783,475
Franklin U.S. Government Securities Fund, Advisor Class	9,028,830	61,847,484
Mutual European Fund, Class Z	369,867	7,290,086
Mutual Shares Fund, Class Z	511,119	9,368,808
Templeton Foreign Fund, Advisor Class	1,252,081	7,074,260
<b>Total Open End Mutual Funds (Cost \$171,021,434)</b>		<u>169,565,859</u>
<b>Short Term Investment (Cost \$28,111,729) 14.2%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	28,111,729	<u>28,111,729</u>
<b>Total Investments (Cost \$199,133,163) 100.1%</b>		197,677,588
<b>Other Assets, less Liabilities (0.1)%</b>		(179,106)
<b>Net Assets 100.0%</b>		<u>\$ 197,498,482</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 85.2%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	3,159	\$ 122,279
Franklin Small-Mid Cap Growth Fund, Advisor Class	4,233	122,786
Franklin Strategic Income Fund, Advisor Class	10,464	104,958
Franklin Total Return Fund, Advisor Class	10,681	106,061
Franklin U.S. Government Securities Fund, Advisor Class	30,499	208,919
Mutual European Fund, Class Z	3,898	76,829
Mutual Shares Fund, Class Z	5,395	98,884
Templeton Foreign Fund, Advisor Class	13,563	76,631
<b>Total Open End Mutual Funds (Cost \$944,373)</b>		<b>917,347</b>
<b>Short Term Investment (Cost \$102,214) 9.5%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	102,214	102,214
<b>Total Investments (Cost \$1,046,587) 94.7%</b>		<b>1,019,561</b>
<b>Other Assets, less Liabilities 5.3%</b>		<b>56,514</b>
<b>Net Assets 100.0%</b>		<b>\$ 1,076,075</b>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Conservative Asset Allocation Age 9-12 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 78.7%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	808	\$ 31,271
Franklin Small-Mid Cap Growth Fund, Advisor Class	1,061	30,788
Franklin Strategic Income Fund, Advisor Class	7,786	78,095
Franklin Total Return Fund, Advisor Class	7,933	78,774
Franklin U.S. Government Securities Fund, Advisor Class	22,537	154,383
Mutual European Fund, Class Z	961	18,936
Mutual Shares Fund, Class Z	1,335	24,475
Templeton Foreign Fund, Advisor Class	3,468	19,592
<b>Total Open End Mutual Funds (Cost \$440,290)</b>		<b>436,314</b>
<b>Short Term Investments (Cost \$76,376) 13.8%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	76,376	76,376
<b>Total Investments (Cost \$516,666) 92.5%</b>		<b>512,690</b>
<b>Other Assets, less Liabilities 7.5%</b>		<b>41,562</b>
<b>Net Assets 100.0%</b>		<b>\$ 554,252</b>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Conservative Asset Allocation 13-16 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 73.8%</b>		
Franklin Strategic Income Fund, Advisor Class	22,273	\$ 223,396
Franklin Total Return Fund, Advisor Class	22,526	223,689
Franklin U.S. Government Securities Fund, Advisor Class	67,582	462,937
<b>Total Open End Mutual Funds (Cost \$902,214)</b>		<u>910,022</u>
<b>Short Term Investments (Cost \$231,009) 18.8%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	231,009	<u>231,009</u>
<b>Total Investments (Cost \$1,133,223) 92.6%</b>		1,141,031
<b>Other Assets, less Liabilities 7.4%</b>		91,717
<b>Net Assets 100.0%</b>		<u>\$ 1,232,748</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Conservative Asset Allocation 17+ Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Short Term Investments (Cost \$1,821,593) 91.4%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	1,821,593	\$ 1,821,593
<b>Other Assets, less Liabilities 8.6%</b>		171,418
<b>Net Assets 100.0%</b>		\$ 1,993,011

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 93.6%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	15,215	\$ 588,978
Franklin Small-Mid Cap Growth Fund, Advisor Class	20,453	593,338
Franklin Strategic Income Fund, Advisor Class	17,036	170,874
Franklin Total Return Fund, Advisor Class	17,416	172,943
Franklin U.S. Government Securities Fund, Advisor Class	50,628	346,799
Mutual European Fund, Class Z	18,890	372,331
Mutual Shares Fund, Class Z	26,192	480,103
Templeton Foreign Fund, Advisor Class	63,406	358,238
<b>Total Open End Mutual Funds (Cost \$3,239,499)</b>		<u>3,083,604</u>
<b>Short Term Investment (Cost \$159,249) 4.8%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	159,249	<u>159,249</u>
<b>Total Investments (Cost \$3,398,748) 98.4%</b>		3,242,853
<b>Other Assets, less Liabilities 1.6%</b>		51,782
<b>Net Assets 100.0%</b>		<u>\$ 3,294,635</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Moderate Asset Allocation Age 9-12 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 79.3%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	8,281	\$ 320,575
Franklin Small-Mid Cap Growth Fund, Advisor Class	11,102	322,073
Franklin Strategic Income Fund, Advisor Class	27,730	278,130
Franklin Total Return Fund, Advisor Class	28,305	281,064
Franklin U.S. Government Securities Fund, Advisor Class	82,141	562,665
Mutual European Fund, Class Z	10,293	202,881
Mutual Shares Fund, Class Z	14,245	261,106
Templeton Foreign Fund, Advisor Class	34,765	196,424
<b>Total Open End Mutual Funds (Cost \$2,498,193)</b>		<u>2,424,918</u>
<b>Short Term Investment (Cost \$275,444) 9.0%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	275,444	<u>275,444</u>
<b>Total Investments (Cost \$2,773,638) 88.3%</b>		2,700,362
<b>Other Assets, less Liabilities 11.7%</b>		355,924
<b>Net Assets 100.0%</b>		<u>\$ 3,056,286</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Moderate Asset Allocation 13-16 Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 86.1%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	5,355	\$ 207,300
Franklin Small-Mid Cap Growth Fund, Advisor Class	7,157	207,634
Franklin Strategic Income Fund, Advisor Class	53,528	536,888
Franklin Total Return Fund, Advisor Class	54,523	541,415
Franklin U.S. Government Securities Fund, Advisor Class	157,212	1,076,907
Mutual European Fund, Class Z	6,565	129,388
Mutual Shares Fund, Class Z	9,231	169,197
Templeton Foreign Fund, Advisor Class	22,802	128,829
<b>Total Open End Mutual Funds (Cost \$3,037,240)</b>		<u>2,997,558</u>
<b>Short Term Investment (Cost \$470,952) 13.5%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	470,952	<u>470,952</u>
<b>Total Investments (Cost \$3,508,192) 99.6%</b>		3,468,510
<b>Other Assets, less Liabilities 0.4%</b>		13,389
<b>Net Assets 100.0%</b>		<u>\$ 3,481,899</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Age-Based Moderate Asset Allocation 17+ Years Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 84.2%</b>		
Franklin Strategic Income Fund, Advisor Class	35,022	\$ 351,273
Franklin Total Return Fund, Advisor Class	35,717	354,666
Franklin U.S. Government Securities Fund, Advisor Class	102,306	700,797
<b>Total Open End Mutual Funds (Cost \$1,398,078)</b>		<u>1,406,736</u>
<b>Short Term Investment (Cost \$264,204) 15.8%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	264,204	<u>264,204</u>
<b>Total Investments (Cost \$1,662,282) 100.0%</b>		1,670,940
<b>Other Assets, less Liabilities (0.0)%<sup>b</sup></b>		(896)
<b>Net Assets 100.0%</b>		<u>\$ 1,670,044</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

<sup>b</sup>Rounds to less than 0.1% of net assets.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Franklin Templeton Corefolio Portfolio**  
**Statement of Investments, June 30, 2010**

	<b>SHARES</b>	<b>VALUE</b>
<b>Open End Mutual Funds 100.0%</b>		
Franklin Growth Fund, Advisor Class	1,271,229	\$ 46,959,210
Mutual Shares Fund, Class Z	1,291,446	23,672,210
Templeton Growth Fund, Inc., Advisor Class	1,596,190	<u>23,591,682</u>
<b>Total Open End Mutual Funds (Cost \$110,795,817)</b>		<u>94,223,102</u>
<b>Other Assets, less Liabilities 0.0%<sup>a</sup></b>		5,448
<b>Net Assets 100.0%</b>		<u>\$ 94,228,550</u>

<sup>a</sup>Rounds to less than 0.1% of net assets.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Franklin Templeton Founding Funds 529 Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 100.0%</b>		
Franklin Income Fund, Advisor Class	27,034,831	\$ 53,528,966
Mutual Shares Fund, Class Z	2,803,612	51,390,209
Templeton Growth Fund, Inc., Advisor Class	3,460,357	51,144,081
<b>Total Open End Mutual Funds (Cost \$209,803,705)</b>		<u>156,063,256</u>
<b>Short Term Investment (Cost \$161,350) 0.1%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	161,350	<u>161,350</u>
<b>Total Investments (Cost \$209,965,055) 100.1%</b>		156,224,606
<b>Other Assets, less Liabilities (0.1)%</b>		(203,910)
<b>Net Assets 100.0%</b>		<u>\$ 156,020,696</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Growth Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 100.2%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	598,363	\$ 23,162,615
Franklin Small-Mid Cap Growth Fund, Advisor Class	796,471	23,105,634
Mutual European Fund, Class Z	739,184	14,569,313
Mutual Shares Fund, Class Z	1,026,354	18,813,058
Templeton Foreign Fund, Advisor Class	2,569,881	14,519,829
<b>Total Open End Mutual Funds (Cost \$108,405,438)</b>		<u>94,170,449</u>
<b>Short Term Investment (Cost \$179,863) 0.2%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	179,863	<u>179,863</u>
<b>Total Investments (Cost \$108,585,300) 100.4%</b>		94,350,312
<b>Other Assets, less Liabilities (0.4)%</b>		(327,777)
<b>Net Assets 100.0%</b>		<u>\$ 94,022,535</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Growth & Income Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds 90.0%</b>		
Franklin Flex Cap Growth Fund, Advisor Class	255,545	\$ 9,892,141
Franklin Small-Mid Cap Growth Fund, Advisor Class	341,817	9,916,103
Franklin Strategic Income Fund, Advisor Class	844,640	8,471,734
Franklin Total Return Fund, Advisor Class	877,360	8,712,185
Franklin U.S. Government Securities Fund, Advisor Class	2,595,592	17,779,808
Mutual European Fund, Class Z	301,863	5,949,710
Mutual Shares Fund, Class Z	449,748	8,243,887
Templeton Foreign Fund, Advisor Class	1,052,071	5,944,203
<b>Total Open End Mutual Funds (Cost \$77,040,883)</b>		<u>74,909,771</u>
<b>Short Term Investment (Cost \$8,300,842) 10.0%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	8,300,842	<u>8,300,842</u>
<b>Total Investments (Cost \$85,341,725) 100.0%</b>		83,210,613
<b>Other Assets, less Liabilities 0.0%<sup>b</sup></b>		5,711
<b>Net Assets 100.0%</b>		<u>\$ 83,216,324</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

<sup>b</sup>Rounds to less than 0.1% of net assets.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Income Portfolio**

**Statement of Investments, June 30, 2010**

	<b>SHARES</b>	<b>VALUE</b>
<b>Open End Mutual Funds 80.0%</b>		
Franklin Strategic Income Fund, Advisor Class	1,068,296	\$ 10,715,010
Franklin Total Return Fund, Advisor Class	1,082,180	10,746,050
Franklin U.S. Government Securities Fund, Advisor Class	3,153,396	21,600,761
<b>Total Open End Mutual Funds (Cost \$41,475,572)</b>		<u>43,061,821</u>
<b>Short Term Investment (Cost \$10,774,681) 20.0%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	10,774,681	<u>10,774,681</u>
<b>Total Investments (Cost \$52,250,253) 100.0 %</b>		53,836,502
<b>Other Assets, less Liabilities (0.0)%<sup>b</sup></b>		(35,626)
<b>Net Assets 100.0%</b>		<u>\$ 53,800,876</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

<sup>b</sup>Rounds to less than 0.1% of net assets.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Franklin Growth 529 Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds (Cost \$19,335,619) 100.2%</b>		
Franklin Growth Fund, Advisor Class	493,757	\$ 18,239,396
<b>Other Assets, less Liabilities (0.2)%</b>		(30,032)
<b>Net Assets 100.0%</b>		<u>\$ 18,209,364</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Franklin Income 529 Portfolio**  
**Statement of Investments, June 30, 2010**

	<b>SHARES</b>	<b>VALUE</b>
<b>Open End Mutual Funds (Cost \$91,179,057) 100.2%</b>		
Franklin Income Fund, Advisor Class	39,783,284	\$ 78,770,901
<b>Other Assets, less Liabilities (0.2)%</b>		(158,875)
<b>Net Assets 100.0%</b>		<u>\$ 78,612,026</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Franklin Small-Mid Cap Growth 529 Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds (Cost \$20,015,074) 100.2%</b>		
Franklin Small-Mid Cap Growth Fund, Advisor Class	597,316	\$ 17,328,138
<b>Other Assets, less Liabilities (0.2)%</b>		(28,709)
<b>Net Assets 100.0%</b>		<u>\$ 17,299,429</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Franklin Stable Value 529 Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds (Cost \$13,734,036) 19.3%</b>		
Franklin Limited Maturity U.S. Government Securities Fund, Advisor Class	1,336,605	\$ 14,047,710
<b>Short Term Investment (Cost \$60,214,410) 82.9%</b>		
<sup>a</sup> Institutional Fiduciary Trust Money Market Portfolio, 0.00%	60,214,410	<u>60,214,410</u>
<b>Total Investments (Cost \$73,948,446) 102.2%</b>		74,262,120
<b>Other Assets, less Liabilities (2.2)%</b>		(98,473)
<b>Net Assets 100.0%</b>		<u>\$ 74,163,647</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Mutual Shares 529 Portfolio**  
**Statement of Investments, June 30, 2010**

	SHARES	VALUE
<b>Open End Mutual Funds (Cost \$64,602,868) 100.2%</b>		
Mutual Shares Fund, Class Z	2,776,214	\$ 50,887,995
<b>Other Assets, less Liabilities (0.2)%</b>		(79,040)
<b>Net Assets 100.0%</b>		<u>\$ 50,808,955</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**S&P 500 Index Fund 529 Portfolio**  
**Statement of Investments, June 30, 2010**

	<b>SHARES</b>	<b>VALUE</b>
<b>Open End Mutual Funds (Cost \$40,228,457) 100.1%</b>		
JP Morgan Equity Index Fund, Select Class	1,598,902	\$ 37,414,308
<b>Other Assets, less Liabilities (0.1)%</b>		(30,109)
<b>Net Assets 100.0%</b>		<u>\$ 37,384,199</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

**Templeton Growth 529 Portfolio**  
**Statement of Investments, June 30, 2010**

	<b>SHARES</b>	<b>VALUE</b>
<b>Open End Mutual Funds (Cost \$74,649,936) 100.2%</b>		
Templeton Growth Fund, Inc., Advisor Class	3,377,205	\$ 49,915,091
<b>Other Assets, less Liabilities (0.2)%</b>		(93,090)
<b>Net Assets 100.0%</b>		<u>\$ 49,822,001</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Assets and Liabilities  
 June 30, 2010

	Age-Based Growth Asset Allocation Newborn-8 Years Portfolio	Age-Based Growth Asset Allocation Age 9-12 Years Portfolio	Age-Based Growth Asset Allocation 13-16 Years Portfolio	Age-Based Growth Asset Allocation Age 17+ Years Portfolio
<b>Assets:</b>				
Investments in Underlying Funds:				
Cost	\$ 446,544,924	\$ 272,662,861	\$ 303,072,363	\$ 199,133,163
Value	\$ 395,678,070	\$ 251,006,373	\$ 294,094,248	\$ 197,677,588
Cash	-	-	-	-
Receivables:				
Investment securities sold	-	-	-	-
Plan shares sold	52,083	57,321	152,458	245,076
Wrap Agreement (At Fair Value)	-	-	-	-
Total assets	<u>395,730,153</u>	<u>251,063,694</u>	<u>294,246,706</u>	<u>197,922,664</u>
<b>Liabilities:</b>				
Payables:				
Investment securities purchased	-	-	-	-
Plan shares redeemed	27,909	5,395	140,172	219,494
Accrued expenses	454,550	306,029	359,568	204,688
Total liabilities	<u>482,459</u>	<u>311,424</u>	<u>499,740</u>	<u>424,182</u>
Net assets, at value	<u>\$ 395,247,694</u>	<u>\$ 250,752,270</u>	<u>\$ 293,746,966</u>	<u>\$ 197,498,482</u>
<b>Class A:</b>				
Net assets, at value	\$ 160,509,288	\$ 104,006,699	\$ 111,861,581	\$ 65,205,867
Shares outstanding	10,120,354	6,644,579	7,196,955	4,643,846
Net asset value per share	<u>\$15.86</u>	<u>\$15.65</u>	<u>\$15.54</u>	<u>\$14.04</u>
Maximum offering price per share				
(Net asset value per share / 94.25%)	<u>\$16.83</u>	<u>\$16.60</u>	<u>\$16.49</u>	<u>\$14.90</u>
(Net asset value per share / 95.75%)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Class B:</b>				
Net assets, at value	\$ 54,041,372	\$ 35,868,124	\$ 39,310,759	\$ 20,268,235
Shares outstanding	3,603,602	2,437,079	2,709,559	1,514,218
Net asset value per share	<u>\$15.00</u>	<u>\$14.72</u>	<u>\$14.51</u>	<u>\$13.39</u>
<b>Class C:</b>				
Net assets, at value	\$ 54,925,692	\$ 46,873,328	\$ 73,686,750	\$ 67,812,518
Shares outstanding	3,615,031	3,139,662	5,074,005	4,975,849
Net asset value per share	<u>\$15.19</u>	<u>\$14.93</u>	<u>\$14.52</u>	<u>\$13.63</u>
<b>Direct:</b>				
Net assets, at value	\$ 125,771,342	\$ 64,004,119	\$ 68,887,876	\$ 44,211,862
Shares outstanding	7,795,210	4,017,214	4,380,482	2,998,638
Net asset value per share	<u>\$16.13</u>	<u>\$15.93</u>	<u>\$15.73</u>	<u>\$14.74</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Assets at  
June 30, 2010

	Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio	Age-Based Conservative Asset Allocation Age 9-12 Years Portfolio	Age-Based Conservative Asset Allocation 13-16 Years Portfolio	Age-Based Conservative Asset Allocation 17+ Years Portfolio
<b>Assets:</b>				
Investments in Underlying Funds:				
Cost	\$ 1,046,587	\$ 516,666	\$ 1,133,223	\$ 1,821,593
Value	\$ 1,019,561	\$ 512,690	\$ 1,141,031	\$ 1,821,593
Cash	56,026	41,787	92,314	82,990
Receivables:				
Investment securities sold	-	-	-	-
Plan shares sold	1,003	-	-	93,718
Wrap Agreement (At Fair Value)	-	-	-	-
Total assets	<u>1,076,590</u>	<u>554,477</u>	<u>1,233,345</u>	<u>1,998,301</u>
<b>Liabilities:</b>				
Payables:				
Investment securities purchased	-	-	-	-
Plan shares redeemed	-	-	-	4,200
Accrued expenses	515	225	597	1,090
Total liabilities	<u>515</u>	<u>225</u>	<u>597</u>	<u>5,290</u>
Net assets, at value	<u>\$ 1,076,075</u>	<u>\$ 554,252</u>	<u>\$ 1,232,748</u>	<u>\$ 1,993,011</u>
<b>Class A:</b>				
Net assets, at value	\$ 412,729	\$ 120,627	\$ 106,247	\$ 318,395
Shares outstanding	<u>41,440</u>	<u>11,892</u>	<u>10,256</u>	<u>31,870</u>
Net asset value per share	<u>\$9.96</u>	<u>\$10.14</u>	<u>\$10.36</u>	<u>\$9.99</u>
Maximum offering price per share				
(Net asset value per share / 94.25%)	<u>\$10.57</u>	<u>\$10.76</u>	<u>\$10.99</u>	<u>\$10.60</u>
(Net asset value per share / 95.75%)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Class B:</b>				
Net assets, at value	\$ 19,175	\$ 23,795	\$ 5,039	\$ 73,494
Shares outstanding	<u>1,928</u>	<u>2,349</u>	<u>487</u>	<u>7,368</u>
Net asset value per share	<u>\$9.94</u>	<u>\$10.13</u>	<u>\$10.35</u>	<u>\$9.97</u>
<b>Class C:</b>				
Net assets, at value	\$ 301,910	\$ 141,296	\$ 356,604	\$ 814,082
Shares outstanding	<u>30,373</u>	<u>13,957</u>	<u>34,468</u>	<u>81,631</u>
Net asset value per share	<u>\$9.94</u>	<u>\$10.12</u>	<u>\$10.35</u>	<u>\$9.97</u>
<b>Direct:</b>				
Net assets, at value	\$ 342,261	\$ 268,534	\$ 764,858	\$ 787,040
Shares outstanding	<u>34,346</u>	<u>26,443</u>	<u>73,803</u>	<u>78,794</u>
Net asset value per share	<u>\$9.97</u>	<u>\$10.16</u>	<u>\$10.36</u>	<u>\$9.99</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Assets at  
June 30, 2010

	Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio	Age-Based Moderate Asset Allocation Age 9-12 Years Portfolio	Age-Based Moderate Asset Allocation 13-16 Years Portfolio	Age-Based Moderate Asset Allocation 17+ Years Portfolio
<b>Assets:</b>				
Investments in Underlying Funds:				
Cost	\$ 3,398,748	\$ 2,773,638	\$ 3,508,192	\$ 1,662,282
Value	\$ 3,242,853	\$ 2,700,362	\$ 3,468,510	\$ 1,670,940
Cash	-	356,086	-	-
Receivables:				
Investment securities sold	-	-	-	-
Plan shares sold	53,507	4,997	15,155	-
Wrap Agreement (At Fair Value)	-	-	-	-
Total assets	<u>3,296,360</u>	<u>3,061,445</u>	<u>3,483,665</u>	<u>1,670,940</u>
<b>Liabilities:</b>				
Payables:				
Investment securities purchased	-	3,692	-	-
Plan shares redeemed	-	-	-	-
Accrued expenses	1,725	1,467	1,766	896
Total liabilities	<u>1,725</u>	<u>5,159</u>	<u>1,766</u>	<u>896</u>
Net assets, at value	<u>\$ 3,294,635</u>	<u>\$ 3,056,286</u>	<u>\$ 3,481,899</u>	<u>\$ 1,670,044</u>
<b>Class A:</b>				
Net assets, at value	\$ 1,722,634	\$ 1,783,317	\$ 703,472	\$ 247,166
Shares outstanding	<u>178,435</u>	<u>180,437</u>	<u>69,475</u>	<u>23,950</u>
Net asset value per share	<u>\$9.65</u>	<u>\$9.88</u>	<u>\$10.13</u>	<u>\$10.32</u>
Maximum offering price per share				
(Net asset value per share / 94.25%)	<u>\$10.24</u>	<u>\$10.48</u>	<u>\$10.74</u>	<u>\$10.95</u>
(Net asset value per share / 95.75%)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Class B:</b>				
Net assets, at value	\$ 174,426	\$ 39,643	\$ 21,924	\$ 33,723
Shares outstanding	<u>18,117</u>	<u>4,016</u>	<u>2,167</u>	<u>3,272</u>
Net asset value per share	<u>\$9.63</u>	<u>\$9.87</u>	<u>\$10.12</u>	<u>\$10.31</u>
<b>Class C:</b>				
Net assets, at value	\$ 411,451	\$ 543,686	\$ 1,310,003	\$ 589,856
Shares outstanding	<u>42,782</u>	<u>55,035</u>	<u>129,699</u>	<u>57,224</u>
Net asset value per share	<u>\$9.62</u>	<u>\$9.88</u>	<u>\$10.10</u>	<u>\$10.31</u>
<b>Direct:</b>				
Net assets, at value	\$ 986,124	\$ 689,640	\$ 1,446,500	\$ 799,299
Shares outstanding	<u>102,144</u>	<u>69,729</u>	<u>142,801</u>	<u>77,421</u>
Net asset value per share	<u>\$9.65</u>	<u>\$9.89</u>	<u>\$10.13</u>	<u>\$10.32</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Assets at  
June 30, 2010

	Franklin Templeton Corefolio Portfolio	Franklin Templeton Founding Funds 529 Portfolio	Growth Portfolio	Growth and Income Portfolio
<b>Assets:</b>				
Investments in Underlying Funds:				
Cost	\$ 110,795,817	\$ 209,965,055	\$ 108,585,300	\$ 85,341,725
Value	\$ 94,223,102	\$ 156,224,606	\$ 94,350,312	\$ 83,210,613
Cash	-	-	-	-
Receivables:				
Investment securities sold	189,489	-	-	-
Plan shares sold	1,496	137,365	1,494	129,179
Wrap Agreement (At Fair Value)	-	-	-	-
Total assets	<u>94,414,087</u>	<u>156,361,971</u>	<u>94,351,806</u>	<u>83,339,792</u>
<b>Liabilities:</b>				
Payables:				
Investment securities purchased	59,754	-	-	-
Plan shares redeemed	-	144,430	240,739	19,525
Accrued expenses	125,783	196,845	88,532	103,943
Total liabilities	<u>185,537</u>	<u>341,275</u>	<u>329,271</u>	<u>123,468</u>
Net assets, at value	<u>\$ 94,228,550</u>	<u>\$ 156,020,696</u>	<u>\$ 94,022,535</u>	<u>\$ 83,216,324</u>
<b>Class A:</b>				
Net assets, at value	<u>\$ 36,704,186</u>	<u>\$ 89,875,641</u>	<u>\$ 28,374,741</u>	<u>\$ 27,077,798</u>
Shares outstanding	<u>2,529,428</u>	<u>9,161,417</u>	<u>1,791,676</u>	<u>1,775,773</u>
Net asset value per share	<u>\$14.51</u>	<u>\$9.81</u>	<u>\$15.84</u>	<u>\$15.25</u>
Maximum offering price per share				
(Net asset value per share / 94.25%)	<u>\$15.40</u>	<u>\$10.41</u>	<u>\$16.81</u>	<u>\$16.18</u>
(Net asset value per share / 95.75%)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Class B:</b>				
Net assets, at value	<u>\$ 9,800,770</u>	<u>\$ 14,754,664</u>	<u>\$ 6,450,969</u>	<u>\$ 8,202,743</u>
Shares outstanding	<u>726,040</u>	<u>1,559,998</u>	<u>429,850</u>	<u>570,371</u>
Net asset value per share	<u>\$13.50</u>	<u>\$9.46</u>	<u>\$15.01</u>	<u>\$14.38</u>
<b>Class C:</b>				
Net assets, at value	<u>\$ 21,173,295</u>	<u>\$ 51,390,391</u>	<u>\$ 16,464,490</u>	<u>\$ 22,421,340</u>
Shares outstanding	<u>1,539,398</u>	<u>5,441,946</u>	<u>1,093,592</u>	<u>1,580,759</u>
Net asset value per share	<u>\$13.75</u>	<u>\$9.44</u>	<u>\$15.06</u>	<u>\$14.18</u>
<b>Direct:</b>				
Net assets, at value	<u>\$ 26,550,299</u>		<u>\$ 42,732,335</u>	<u>\$ 25,514,443</u>
Shares outstanding	<u>1,795,742</u>		<u>2,648,540</u>	<u>1,639,807</u>
Net asset value per share	<u>\$14.79</u>		<u>\$16.13</u>	<u>\$15.56</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Assets at  
June 30, 2010

	Income Portfolio	Franklin Growth 529 Portfolio	Franklin Income 529 Portfolio	Franklin Small- Mid Cap Growth 529 Portfolio
<b>Assets:</b>				
Investments in Underlying Funds:				
Cost	\$ 52,250,253	\$ 19,335,619	\$ 91,179,057	\$ 20,015,074
Value	\$ 53,836,502	\$ 18,239,396	\$ 78,770,901	\$ 17,328,138
Cash	-	-	-	-
Receivables:				
Investment securities sold	-	-	-	-
Plan shares sold	23,809	296	-	5,474
Wrap Agreement (At Fair Value)	-	-	-	-
Total assets	<u>53,860,311</u>	<u>18,239,692</u>	<u>78,770,901</u>	<u>17,333,612</u>
<b>Liabilities:</b>				
Payables:				
Investment securities purchased	2,314	-	-	-
Plan shares redeemed	-	-	28,293	8,648
Accrued expenses	57,121	30,328	130,582	25,535
Total liabilities	<u>59,435</u>	<u>30,328</u>	<u>158,875</u>	<u>34,183</u>
Net assets, at value	<u>\$ 53,800,876</u>	<u>\$ 18,209,364</u>	<u>\$ 78,612,026</u>	<u>\$ 17,299,429</u>
<b>Class A:</b>				
Net assets, at value	\$ 17,571,753	\$ 10,919,703	\$ 39,672,281	\$ 11,039,044
Shares outstanding	<u>1,289,987</u>	<u>873,185</u>	<u>2,438,000</u>	<u>685,328</u>
Net asset value per share	<u>\$13.62</u>	<u>\$12.51</u>	<u>\$16.27</u>	<u>\$16.11</u>
Maximum offering price per share				
(Net asset value per share / 94.25%)	<u>-</u>	<u>\$13.27</u>	<u>-</u>	<u>\$17.09</u>
(Net asset value per share / 95.75%)	<u>\$14.22</u>	<u>-</u>	<u>\$16.99</u>	<u>-</u>
<b>Class B:</b>				
Net assets, at value	\$ 3,254,239	\$ 2,907,764	\$ 10,924,936	\$ 2,786,346
Shares outstanding	<u>252,350</u>	<u>252,133</u>	<u>703,508</u>	<u>182,271</u>
Net asset value per share	<u>\$12.90</u>	<u>\$11.53</u>	<u>\$15.53</u>	<u>\$15.29</u>
<b>Class C:</b>				
Net assets, at value	\$ 16,443,230	\$ 4,381,897	\$ 28,014,809	\$ 3,474,039
Shares outstanding	<u>1,270,668</u>	<u>355,105</u>	<u>1,816,121</u>	<u>228,166</u>
Net asset value per share	<u>\$12.94</u>	<u>\$12.34</u>	<u>\$15.43</u>	<u>\$15.23</u>
<b>Direct:</b>				
Net assets, at value	<u>\$ 16,531,654</u>			
Shares outstanding	<u>1,188,380</u>			
Net asset value per share	<u>\$13.91</u>			

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Assets at  
June 30, 2010

	Franklin Templeton Stable Value 529 Portfolio	Mutual Shares 529 Portfolio	S&P 500 Index Fund 529 Portfolio	Templeton Growth 529 Portfolio	Total
<b>Assets:</b>					
Investments in Underlying Funds:					
Cost	\$ 73,948,446	\$ 64,602,868	\$ 40,228,457	\$ 74,649,936	\$ 2,188,171,847
Value	\$ 74,262,120	\$ 50,887,995	\$ 37,414,308	\$ 49,915,091	\$ 1,962,696,903
Cash	-	-	-	-	629,203
Receivables:					
Investment securities sold	6,461	-	-	-	195,950
Plan shares sold	-	8,169	11,872	7,258	1,001,730
Wrap Agreement (At Fair Value)	16,290	-	-	-	16,290
Total assets	<u>74,284,871</u>	<u>50,896,164</u>	<u>37,426,180</u>	<u>49,922,349</u>	<u>1,964,540,076</u>
<b>Liabilities:</b>					
Payables:					
Investment securities purchased	-	-	478	14,790	81,028
Plan shares redeemed	72,442	2,112	11,394	-	924,753
Accrued expenses	48,782	85,097	30,109	85,558	2,341,331
Total liabilities	<u>121,224</u>	<u>87,209</u>	<u>41,981</u>	<u>100,348</u>	<u>3,347,112</u>
Net assets, at value	<u>\$ 74,163,647</u>	<u>\$ 50,808,955</u>	<u>\$ 37,384,199</u>	<u>\$ 49,822,001</u>	<u>\$ 1,961,192,964</u>
<b>Class A:</b>					
Net assets, at value	\$ 21,226,156	\$ 29,066,287	\$ 6,911,363	\$ 29,505,089	
Shares outstanding	1,882,686	2,024,966	547,388	2,109,904	
Net asset value per share	<u>\$11.27</u>	<u>\$14.35</u>	<u>\$12.63</u>	<u>\$13.98</u>	
Maximum offering price per share					
(Net asset value per share / 94.25%)	-	\$15.23	\$13.40	\$14.83	
(Net asset value per share / 95.75%)	<u>\$11.77</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>Class B:</b>					
Net assets, at value	\$ 8,371,830	\$ 7,284,439	\$ 2,684,514	\$ 6,868,454	
Shares outstanding	780,966	544,335	237,179	523,295	
Net asset value per share	<u>\$10.72</u>	<u>\$13.38</u>	<u>\$11.32</u>	<u>\$13.13</u>	
<b>Class C:</b>					
Net assets, at value	\$ 23,129,429	\$ 14,458,229	\$ 3,324,475	\$ 13,448,458	
Shares outstanding	2,152,585	1,075,875	271,321	1,036,055	
Net asset value per share	<u>\$10.74</u>	<u>\$13.44</u>	<u>\$12.25</u>	<u>\$12.98</u>	
<b>Direct:</b>					
Net assets, at value	\$ 21,436,232		\$ 24,463,847		\$ 466,188,265
Shares outstanding	1,875,257		1,870,110		
Net asset value per share	<u>\$11.43</u>		<u>\$13.08</u>		

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Operations  
for the year ended June 30, 2010

	Age-Based Growth Asset Allocation Newborn-8 Years Portfolio	Age-Based Growth Asset Allocation Age 9-12 Years Portfolio	Age-Based Growth Asset Allocation Age 13-16 Years Portfolio	Age-Based Growth Asset Allocation Age 17+ Years Portfolio
Investment income - dividends from Underlying Funds	\$ 5,358,387	\$ 4,665,910	\$ 6,590,866	\$ 4,400,016
Expenses:				
Program management fees (Note 2)	1,555,338	926,896	1,041,282	528,233
Sales fees (Note 2)				
Class A	424,166	251,817	257,536	113,491
Class B	602,089	365,228	376,776	124,561
Class C	604,504	482,460	720,207	520,136
Sub-advisory fees (Note 2)	-	-	-	-
Total expenses	3,186,097	2,026,401	2,395,801	1,286,421
Expenses waived/paid by affiliates (Note 3)	-	-	-	-
Net expenses	3,186,097	2,026,401	2,395,801	1,286,421
Net investment income (loss)	2,172,290	2,639,509	4,195,065	3,113,595
Realized and unrealized gains (losses):				
Net Realized gain (loss) from:				
Sale of investments in Underlying Funds	(9,606,138)	(2,162,911)	(2,010,515)	(985,510)
Realized gain on distributions by Underlying Funds	-	29,050	60,372	54,767
Net realized gain (loss)	(9,606,138)	(2,133,861)	(1,950,143)	(930,743)
Net change in unrealized appreciation (depreciation) on				
Investments in Underlying Funds and Wrap Agreements	65,478,240	27,623,489	25,759,921	7,564,082
Net realized and unrealized gain (loss)	55,872,102	25,489,628	23,809,778	6,633,339
Net increase (decrease) in net assets resulting from operations	\$ 58,044,392	\$ 28,129,137	\$ 28,004,843	\$ 9,746,934

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Operations  
for the year ended June 30, 2010

	Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio <sup>a</sup>	Age-Based Conservative Asset Allocation Age 9-12 Years Portfolio <sup>a</sup>	Age-Based Conservative Asset Allocation 13-16 Years Portfolio <sup>a</sup>	Age-Based Conservative Asset Allocation 17+ Years Portfolio <sup>a</sup>
Investment income - dividends from Underlying Funds	\$ 2,498	\$ 2,326	\$ 8,747	\$ -
Expenses:				
Program management fees (Note 2)	432	208	585	681
Sales fees (Note 2)				
Class A	127	17	28	67
Class B	21	20	9	84
Class C	142	94	316	576
Sub-advisory fees (Note 2)	-	-	-	-
Total expenses	722	339	938	1,408
Expenses waived/paid by affiliates (Note 3)	-	-	-	-
Net expenses	722	339	938	1,408
Net investment income (loss)	1,776	1,987	7,809	(1,408)
Realized and unrealized gains (losses):				
Net Realized gain (loss) from:				
Sale of investments in Underlying Funds	(1)	1	386	-
Realized gain on distributions by Underlying Funds	7	2	2	-
Net realized gain (loss)	6	3	388	-
Net change in unrealized appreciation (depreciation) on				
Investments in Underlying Funds and Wrap Agreements	(27,026)	(3,977)	7,808	-
Net realized and unrealized gain (loss)	(27,020)	(3,974)	8,196	-
Net increase (decrease) in net assets resulting from operations	\$ (25,244)	\$ (1,987)	\$ 16,005	\$ (1,408)

<sup>a</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Operations  
for the year ended June 30, 2010

	Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio <sup>a</sup>	Age-Based Moderate Asset Allocation Age 9-12 Years Portfolio <sup>a</sup>	Age-Based Moderate Asset Allocation 13-16 Years Portfolio <sup>a</sup>	Age-Based Moderate Asset Allocation 17+ Years Portfolio <sup>a</sup>
Investment income - dividends from Underlying Funds	\$ 5,692	\$ 8,387	\$ 10,383	\$ 11,166
Expenses:				
Program management fees (Note 2)	1,725	1,373	1,108	752
Sales fees (Note 2)				
Class A	446	454	157	50
Class B	151	36	25	39
Class C	397	285	978	501
Sub-advisory fees (Note 2)	-	-	-	-
Total expenses	2,719	2,148	2,268	1,342
Expenses waived/paid by affiliates (Note 3)	-	-	-	-
Net expenses	2,719	2,148	2,268	1,342
Net investment income (loss)	2,973	6,239	8,115	9,824
Realized and unrealized gains (losses):				
Net Realized gain (loss) from:				
Sale of investments in Underlying Funds	(8)	531	-	154
Realized gain on distributions by Underlying Funds	24	26	24	19
Net realized gain (loss)	16	557	24	173
Net change in unrealized appreciation (depreciation) on				
Investments in Underlying Funds and Wrap Agreements	(155,895)	(73,276)	(39,682)	8,658
Net realized and unrealized gain (loss)	(155,879)	(72,719)	(39,658)	8,831
Net increase (decrease) in net assets resulting from operations	\$ (152,906)	\$ (66,480)	\$ (31,543)	\$ 18,655

<sup>a</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Operations  
for the year ended June 30, 2010

	Franklin Templeton Corefolio Portfolio	Franklin Templeton Founding Funds 529 Portfolio	Growth Portfolio	Growth and Income Portfolio
Investment income - dividends from Underlying Funds	\$ 1,421,862	\$ 5,950,616	\$ 1,133,908	\$ 1,859,083
Expenses:				
Program management fees (Note 2)	359,673	622,773	325,509	278,250
Sales fees (Note 2)				
Class A	94,918	223,505	68,448	58,993
Class B	101,247	152,029	65,125	76,482
Class C	219,370	510,207	166,361	204,398
Sub-advisory fees (Note 2)	-	-	-	-
Total expenses	775,208	1,508,514	625,443	618,123
Expenses waived/paid by affiliates (Note 3)	-	-	-	-
Net expenses	775,208	1,508,514	625,443	618,123
Net investment income (loss)	646,654	4,442,102	508,465	1,240,960
Realized and unrealized gains (losses):				
Net Realized gain (loss) from:				
Sale of investments in Underlying Funds	(468,091)	(1,251,364)	(686,723)	(424,762)
Realized gain on distributions by Underlying Funds	-	-	-	17,452
Net realized gain (loss)	(468,091)	(1,251,364)	(686,723)	(407,310)
Net change in unrealized appreciation (depreciation) on				
Investments in Underlying Funds and Wrap Agreements	12,176,305	14,291,536	11,205,390	6,680,695
Net realized and unrealized gain (loss)	11,708,214	13,040,172	10,518,667	6,273,385
Net increase (decrease) in net assets resulting from operations	\$ 12,354,868	\$ 17,482,274	\$ 11,027,132	\$ 7,514,345

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Operations  
for the year ended June 30, 2010

	Income Portfolio	Franklin Growth 529 Portfolio	Franklin Income 529 Portfolio
Investment income - dividends from Underlying Funds	\$ 1,690,980	\$ 159,203	\$ 5,450,115
Expenses:			
Program management fees (Note 2)	166,693	69,304	291,854
Sales fees (Note 2)			
Class A	36,388	25,449	91,987
Class B	29,285	28,853	107,024
Class C	138,087	42,624	254,758
Sub-advisory fees (Note 2)	-	-	-
Total expenses	370,453	166,230	745,623
Expenses waived/paid by affiliates (Note 3)	-	-	-
Net expenses	370,453	166,230	745,623
Net investment income (loss)	1,320,527	(7,027)	4,704,492
Realized and unrealized gains (losses):			
Net Realized gain (loss) from:			
Sale of investments in Underlying Funds	5,661	(55,005)	(516,277)
Realized gain on distributions by Underlying Funds	21,501	-	-
Net realized gain (loss)	27,162	(55,005)	(516,277)
Net change in unrealized appreciation (depreciation) on			
Investments in Underlying Funds and Wrap Agreements	2,053,232	2,483,638	6,826,043
Net realized and unrealized gain (loss)	2,080,394	2,428,633	6,309,766
Net increase (decrease) in net assets resulting from operations	\$ 3,400,921	\$ 2,421,606	\$ 11,014,258

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Operations  
for the year ended June 30, 2010

	Franklin Small-Mid Cap Growth 529 Portfolio	Franklin Templeton Stable Value 529 Portfolio	Mutual Shares 529 Portfolio
Investment income - dividends from Underlying Funds	\$ -	\$ 381,009	\$ 1,154,450
Expenses:			
Program management fees (Note 2)	65,852	273,917	206,731
Sales fees (Note 2)			
Class A	26,122	54,587	73,864
Class B	26,929	79,300	75,759
Class C	33,232	233,115	145,578
Sub-advisory fees (Note 2)	-	73,648	-
Total expenses	152,135	714,567	501,932
Expenses waived/paid by affiliates (Note 3)	-	(504,658)	-
Net expenses	152,135	209,909	501,932
Net investment income (loss)	(152,135)	171,100	652,518
Realized and unrealized gains (losses):			
Net Realized gain (loss) from:			
Sale of investments in Underlying Funds	(219,357)	-	(903,185)
Realized gain on distributions by Underlying Funds	-	-	-
Net realized gain (loss)	(219,357)	-	(903,185)
Net change in unrealized appreciation (depreciation) on			
Investments in Underlying Funds and Wrap Agreements	2,977,349	140,596	6,794,859
Net realized and unrealized gain (loss)	2,757,992	140,596	5,891,674
Net increase (decrease) in net assets resulting from operations	\$ 2,605,857	\$ 311,696	\$ 6,544,192

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Operations  
for the year ended June 30, 2010

	S&P 500 Index Fund 529 Portfolio	Templeton Growth 529 Portfolio	Total
Investment income - dividends from Underlying Funds	\$ 599,988	\$ 972,347	\$ 41,837,939
Expenses:			
Program management fees (Note 2)	122,403	215,851	7,057,423
Sales fees (Note 2)			
Class A	16,750	79,991	1,899,358
Class B	28,317	74,524	2,313,913
Class C	34,643	145,127	4,458,096
Sub-advisory fees (Note 2)	-	-	73,648
Total expenses	202,113	515,493	15,802,438
Expenses waived/paid by affiliates (Note 3)	-	-	(504,658)
Net expenses	202,113	515,493	15,297,780
Net investment income (loss)	397,875	456,854	26,540,159
Realized and unrealized gains (losses):			
Net Realized gain (loss) from:			
Sale of investments in Underlying Funds	(2,957,630)	(1,519,936)	(23,760,680)
Realized gain on distributions by Underlying Funds	-	-	183,246
Net realized gain (loss)	(2,957,630)	(1,519,936)	(23,577,434)
Net change in unrealized appreciation (depreciation) on			
Investments in Underlying Funds and Wrap Agreements	6,348,486	4,991,608	203,112,079
Net realized and unrealized gain (loss)	3,390,856	3,471,672	179,534,645
Net increase (decrease) in net assets resulting from operations	\$ 3,788,731	\$ 3,928,526	\$ 206,074,804

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net Assets

	Age-Based Growth Asset Allocation Newborn-8 Years Portfolio		Age-Based Growth Asset Allocation Age 9-12 Years Portfolio	
	Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 2,172,290	\$ 1,678,912	\$ 2,639,509	\$ 3,091,756
Net realized gain (loss) from Underlying Funds	(9,606,138)	(13,604,189)	(2,133,861)	(3,546,019)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	65,478,240	(80,798,812)	27,623,489	(38,435,966)
Net increase (decrease) in net assets resulting from operations	58,044,392	(92,724,089)	28,129,137	(38,890,229)
Plan share transactions:				
Subscriptions:				
Class A	45,123,058	37,361,606	61,787,305	32,075,683
Class B	10,186,006	10,952,440	19,176,838	11,570,249
Class C	15,826,095	16,043,097	29,486,261	17,865,421
Direct	26,239,995	25,273,925	36,869,522	20,956,414
Total subscriptions	97,375,154	89,631,068	147,319,926	82,467,767
Redemptions:				
Class A	(50,536,113)	(26,106,880)	(50,211,067)	(28,025,393)
Class B	(17,674,105)	(10,153,324)	(18,607,785)	(11,291,955)
Class C	(20,985,318)	(10,182,058)	(29,005,314)	(13,984,982)
Direct	(31,916,881)	(16,731,300)	(33,399,305)	(15,119,786)
Total redemptions	(121,112,417)	(63,173,562)	(131,223,471)	(68,422,116)
Net increase (decrease) in net assets resulting from plan share transactions	(23,737,263)	26,457,506	16,096,455	14,045,651
Net increase (decrease) in net assets	34,307,129	(66,266,583)	44,225,592	(24,844,578)
Net assets:				
Beginning of year	360,940,565	427,207,148	206,526,678	231,371,256
End of year	\$ 395,247,694	\$360,940,565	\$ 250,752,270	\$ 206,526,678

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	Age-Based Growth Asset Allocatio Age 13-16 Years Portfolio		Age-Based Growth Asset Allocation Age 17+ Years Portfolio	
	Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 4,195,065	\$ 5,345,532	\$ 3,113,595	\$ 3,571,433
Net realized gain (loss) from Underlying Funds	(1,950,143)	(1,973,611)	(930,743)	(3,710,969)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	25,759,921	(25,664,415)	7,564,082	(5,351,414)
Net increase (decrease) in net assets resulting from operations	28,004,843	(22,292,494)	9,746,934	(5,490,950)
Plan share transactions:				
Subscriptions:				
Class A	61,669,591	34,244,008	45,371,974	18,042,681
Class B	20,418,207	11,494,280	15,222,224	4,857,128
Class C	43,223,020	25,100,332	42,458,130	22,121,771
Direct	39,421,623	19,894,089	29,777,105	12,820,313
Total subscriptions	164,732,441	90,732,709	132,829,433	57,841,893
Redemptions:				
Class A	(45,529,669)	(22,124,164)	(13,722,639)	(13,384,301)
Class B	(15,813,368)	(7,582,868)	(2,761,108)	(2,876,591)
Class C	(37,978,617)	(19,918,287)	(17,128,769)	(16,693,605)
Direct	(28,843,065)	(14,378,015)	(9,785,541)	(10,096,496)
Total redemptions	(128,164,719)	(64,003,334)	(43,398,057)	(43,050,993)
Net increase (decrease) in net assets resulting from plan share transactions	36,567,722	26,729,375	89,431,376	14,790,900
Net increase (decrease) in net assets	64,572,565	4,436,881	99,178,310	9,299,950
Net assets:				
Beginning of year	229,174,401	224,737,520	98,320,172	89,020,222
End of year	\$ 293,746,966	\$ 229,174,401	\$ 197,498,482	\$ 98,320,172

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	Age-Based Conservative Asset Allocation Newborn-8 Years Portfolio	Age-Based Conservative Asset Allocation Age 9-12 Years Portfolio	Age-Based Conservative Asset Allocation 13-16 Years Portfolio	Age-Based Conservative Asset Allocation 17+ Years Portfolio
	Period Ended June 30, 2010 <sup>a</sup>	Period Ended June 30, 2010 <sup>a</sup>	Period Ended June 30, 2010 <sup>a</sup>	Period Ended June 30, 2010 <sup>a</sup>
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 1,776	\$ 1,987	\$ 7,809	\$ (1,408)
Net realized gain (loss) from Underlying Funds	6	3	388	-
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	(27,026)	(3,977)	7,808	-
Net increase (decrease) in net assets resulting from operations	(25,244)	(1,987)	16,005	(1,408)
Plan share transactions:				
Subscriptions:				
Class A	427,703	122,023	133,079	318,568
Class B	19,600	24,000	5,000	73,612
Class C	304,828	145,648	357,382	823,500
Direct	350,052	278,987	824,045	821,204
Total subscriptions	1,102,183	570,658	1,319,506	2,036,884
Redemptions:				
Class A	-	(96)	(27,743)	-
Class B	-	-	-	-
Class C	-	(4,000)	(3,000)	(8,611)
Direct	(864)	(10,323)	(72,020)	(33,854)
Total redemptions	(864)	(14,419)	(102,763)	(42,465)
Net increase (decrease) in net assets resulting from plan share transactions	1,101,319	556,239	1,216,743	1,994,419
Net increase (decrease) in net assets	1,076,075	554,252	1,232,748	1,993,011
Net assets:				
Beginning of year	-	-	-	-
End of year	\$ 1,076,075	\$ 554,252	\$ 1,232,748	\$ 1,993,011

<sup>a</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	Age-Based Moderate Asset Allocation Newborn-8 Years Portfolio	Age-Based Moderate Asset Allocation Age 9-12 Years Portfolio	Age-Based Moderate Asset Allocation 13-16 Years Portfolio	Age-Based Moderate Asset Allocation 17+ Years Portfolio
	Period Ended June 30, 2010 <sup>a</sup>	Period Ended June 30, 2010 <sup>a</sup>	Period Ended June 30, 2010 <sup>a</sup>	Period Ended June 30, 2010 <sup>a</sup>
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 2,973	\$ 6,239	\$ 8,115	\$ 9,824
Net realized gain (loss) from Underlying Funds	16	557	24	173
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	(155,895)	(73,276)	(39,682)	8,658
Net increase (decrease) in net assets resulting from operations	(152,906)	(66,480)	(31,543)	18,655
Plan share transactions:				
Subscriptions:				
Class A	1,803,106	1,941,374	751,768	245,306
Class B	182,337	40,260	22,050	33,429
Class C	440,505	558,572	1,325,931	589,942
Direct	1,167,164	891,647	1,476,993	784,757
Total subscriptions	3,593,112	3,431,853	3,576,742	1,653,434
Redemptions:				
Class A	(1,651)	(117,241)	(39,401)	-
Class B	-	-	-	-
Class C	(10,005)	(4,502)	(3,000)	(2,020)
Direct	(133,915)	(187,344)	(20,899)	(25)
Total redemptions	(145,571)	(309,087)	(63,300)	(2,045)
Net increase (decrease) in net assets resulting from plan share transactions	3,447,541	3,122,766	3,513,442	1,651,389
Net increase (decrease) in net assets	3,294,635	3,056,286	3,481,899	1,670,044
Net assets:				
Beginning of year	-	-	-	-
End of year	\$ 3,294,635	\$ 3,056,286	\$ 3,481,899	\$ 1,670,044

<sup>a</sup>For the period December 18, 2009 (commencement of operations) to June 30, 2010

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	Franklin Templeton Corefolio Portfolio		Franklin Templeton Founding Funds 529 Portfolio	
	Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 646,654	\$ 921,693	\$ 4,442,102	\$ 4,973,632
Net realized gain (loss) from Underlying Funds	(468,091)	(933,624)	(1,251,364)	(4,377,854)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	12,176,305	(25,470,790)	14,291,536	(40,344,676)
Net increase (decrease) in net assets resulting from operations	12,354,868	(25,482,721)	17,482,274	(39,748,898)
Plan share transactions:				
Subscriptions:				
Class A	5,003,461	5,256,266	16,406,322	14,802,404
Class B	984,419	1,070,588	1,844,481	2,765,538
Class C	2,955,318	3,307,162	10,232,454	9,061,591
Direct	3,946,150	3,954,416	-	-
Total subscriptions	12,889,348	13,588,432	28,483,257	26,629,533
Redemptions:				
Class A	(4,660,233)	(4,367,147)	(9,858,020)	(12,038,130)
Class B	(846,117)	(1,051,277)	(1,316,856)	(1,726,001)
Class C	(2,512,533)	(3,775,259)	(6,270,652)	(8,993,857)
Direct	(2,772,462)	(2,402,915)	-	-
Total redemptions	(10,791,345)	(11,596,598)	(17,445,528)	(22,757,988)
Net increase (decrease) in net assets resulting from plan share transactions	2,098,003	1,991,834	11,037,729	3,871,545
Net increase (decrease) in net assets	14,452,871	(23,490,887)	28,520,003	(35,877,353)
Net assets:				
Beginning of year	79,775,679	103,266,566	127,500,693	163,378,046
End of year	\$ 94,228,550	\$ 79,775,679	\$ 156,020,696	\$ 127,500,693

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	Growth Portfolio		Growth and Income Portfolio	
	Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 508,465	\$ 415,134	\$ 1,240,960	\$ 1,444,734
Net realized gain (loss) from Underlying Funds	(686,723)	(3,658,944)	(407,310)	(428,228)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	11,205,390	(18,011,233)	6,680,695	(7,043,451)
Net increase (decrease) in net assets resulting from operations	11,027,132	(21,255,043)	7,514,345	(6,026,945)
Plan share transactions:				
Subscriptions:				
Class A	6,699,502	5,126,857	10,547,993	5,362,770
Class B	893,255	716,949	1,762,210	1,245,894
Class C	2,976,500	3,291,237	7,728,917	4,710,874
Direct	8,288,697	7,154,671	5,186,515	4,561,934
Total subscriptions	18,857,954	16,289,714	25,225,635	15,881,472
Redemptions:				
Class A	(3,011,560)	(2,616,936)	(4,101,786)	(3,014,518)
Class B	(462,434)	(407,343)	(924,332)	(1,190,693)
Class C	(1,820,552)	(1,266,935)	(3,491,826)	(2,869,884)
Direct	(4,491,359)	(4,067,644)	(3,105,458)	(3,764,304)
Total redemptions	(9,785,905)	(8,358,858)	(11,623,402)	(10,839,399)
Net increase (decrease) in net assets resulting from plan share transactions	9,072,049	7,930,856	13,602,233	5,042,073
Net increase (decrease) in net assets	20,099,181	(13,324,187)	21,116,578	(984,872)
Net assets:				
Beginning of year	73,923,354	87,247,541	62,099,746	63,084,618
End of year	\$ 94,022,535	\$ 73,923,354	\$ 83,216,324	\$ 62,099,746

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	Income Portfolio		Franklin Growth 529 Portfolio	
	Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 1,320,527	\$ 1,259,187	\$ (7,027)	\$ 21,074
Net realized gain (loss) from Underlying Funds	27,162	(8,487)	(55,005)	(364,976)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	2,053,232	(119,714)	2,483,638	(3,833,946)
Net increase (decrease) in net assets resulting from operations	<u>3,400,921</u>	<u>1,130,986</u>	<u>2,421,606</u>	<u>(4,177,848)</u>
Plan share transactions:				
Subscriptions:				
Class A	7,015,107	7,170,054	2,952,550	1,642,270
Class B	802,521	1,547,018	415,600	338,893
Class C	8,159,049	7,785,842	953,022	691,739
Direct	6,246,118	6,015,013	-	-
Total subscriptions	<u>22,222,795</u>	<u>22,517,927</u>	<u>4,321,172</u>	<u>2,672,902</u>
Redemptions:				
Class A	(2,887,760)	(2,108,174)	(1,185,585)	(692,409)
Class B	(221,009)	(433,110)	(232,900)	(417,467)
Class C	(3,341,490)	(3,131,811)	(571,992)	(669,954)
Direct	(2,982,859)	(2,705,177)	-	-
Total redemptions	<u>(9,433,118)</u>	<u>(8,378,272)</u>	<u>(1,990,477)</u>	<u>(1,779,830)</u>
Net increase (decrease) in net assets resulting from plan share transactions	<u>12,789,677</u>	<u>14,139,655</u>	<u>2,330,695</u>	<u>893,072</u>
Net increase (decrease) in net assets	<u>16,190,598</u>	<u>15,270,641</u>	<u>4,752,301</u>	<u>(3,284,776)</u>
Net assets:				
Beginning of year	<u>37,610,278</u>	<u>22,339,637</u>	<u>13,457,063</u>	<u>16,741,839</u>
End of year	<u>\$ 53,800,876</u>	<u>\$ 37,610,278</u>	<u>\$ 18,209,364</u>	<u>\$ 13,457,063</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	Franklin Income 529 Portfolio		Franklin Small-Mid Cap Growth 529 Portfolio	
	Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 4,704,492	\$ 4,550,823	\$ (152,135)	\$ (114,902)
Net realized gain (loss) from Underlying Funds	(516,277)	(2,499,486)	(219,357)	(499,184)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	6,826,043	(15,343,634)	2,977,349	(3,697,328)
Net increase (decrease) in net assets resulting from operations	11,014,258	(13,292,297)	2,605,857	(4,311,414)
Plan share transactions:				
Subscriptions:				
Class A	7,913,010	6,885,688	2,607,344	1,471,623
Class B	1,055,823	1,537,551	442,461	466,770
Class C	7,364,812	4,590,086	864,674	511,743
Direct	-	-	-	-
Total subscriptions	16,333,645	13,013,325	3,914,479	2,450,136
Redemptions:				
Class A	(4,356,240)	(5,742,002)	(1,298,643)	(878,043)
Class B	(956,340)	(1,616,268)	(194,356)	(211,042)
Class C	(3,735,573)	(5,316,172)	(640,109)	(527,869)
Direct	-	-	-	-
Total redemptions	(9,048,153)	(12,674,442)	(2,133,108)	(1,616,954)
Net increase (decrease) in net assets resulting from plan share transactions	7,285,492	338,883	1,781,371	833,182
Net increase (decrease) in net assets	18,299,750	(12,953,414)	4,387,228	(3,478,232)
Net assets:				
Beginning of year	60,312,276	73,265,690	12,912,201	16,390,433
End of year	\$ 78,612,026	\$ 60,312,276	\$ 17,299,429	\$ 12,912,201

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	Franklin Templeton Stable Value 529 Portfolio		Mutual Shares 529 Portfolio	
	Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009
Increase (decrease) in net assets:				
Operations:				
Net investment income (loss)	\$ 171,100	\$ 146,456	\$ 652,518	\$ 282,242
Net realized gain (loss) from Underlying Funds	-	-	(903,185)	(1,586,647)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	140,596	426,995	6,794,859	(13,096,123)
Net increase (decrease) in net assets resulting from operations	<u>311,696</u>	<u>573,451</u>	<u>6,544,192</u>	<u>(14,400,528)</u>
Plan share transactions:				
Subscriptions:				
Class A	6,904,257	22,632,886	4,325,415	3,993,775
Class B	2,594,632	7,548,740	545,570	786,471
Class C	8,249,203	21,823,684	2,395,701	1,739,754
Direct	8,535,885	18,286,835	-	-
Total subscriptions	<u>26,283,977</u>	<u>70,292,145</u>	<u>7,266,686</u>	<u>6,520,000</u>
Redemptions:				
Class A	(9,072,221)	(5,460,874)	(3,975,055)	(4,137,094)
Class B	(3,025,872)	(1,746,148)	(681,802)	(986,930)
Class C	(10,754,967)	(5,953,671)	(2,168,232)	(3,359,934)
Direct	(9,913,758)	(5,321,250)	-	-
Total redemptions	<u>(32,766,818)</u>	<u>(18,481,943)</u>	<u>(6,825,089)</u>	<u>(8,483,958)</u>
Net increase (decrease) in net assets resulting from plan share transactions	<u>(6,482,841)</u>	<u>51,810,202</u>	<u>441,597</u>	<u>(1,963,958)</u>
Net increase (decrease) in net assets	<u>(6,171,145)</u>	<u>52,383,653</u>	<u>6,985,789</u>	<u>(16,364,486)</u>
Net assets:				
Beginning of year	80,334,792	27,951,139	43,823,166	60,187,652
End of year	<u>\$ 74,163,647</u>	<u>\$ 80,334,792</u>	<u>\$ 50,808,955</u>	<u>\$ 43,823,166</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**  
**New Jersey 529 College Savings Plan -**  
**Franklin Templeton Managed Investment Options**

Combining Statements of Changes in Net

	S&P 500 Index Fund 529 Portfolio		Templeton Growth 529 Portfolio		Total	
	Year Ended June 30,		Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009	2010	2009
Increase (decrease) in net assets:						
Operations:						
Net investment income (loss)	\$ 397,875	\$ 393,815	\$ 456,854	\$ 1,450,912	\$ 26,540,159	\$ 29,432,433
Net realized gain (loss) from Underlying Funds	(2,957,630)	(364,138)	(1,519,936)	(3,237,776)	(23,577,434)	(40,794,132)
Net change in unrealized appreciation (depreciation) on investments in Underlying Funds and Wrap Agreements	6,348,486	(8,861,980)	4,991,608	(19,093,228)	203,112,079	(304,739,715)
Net increase (decrease) in net assets resulting from operations	3,788,731	(8,832,303)	3,928,526	(20,880,092)	206,074,804	(316,101,414)
Plan share transactions:						
Subscriptions:						
Class A	1,437,386	1,254,143	4,434,559	3,869,755	295,941,761	201,192,469
Class B	357,217	466,420	833,979	753,579	77,935,731	58,118,508
Class C	778,376	1,027,399	2,639,360	1,866,545	190,837,200	141,538,277
Direct	5,878,449	5,402,931	-	-	176,984,908	124,320,541
Total subscriptions	8,451,428	8,150,893	7,907,898	6,489,879	741,699,600	525,169,795
Redemptions:						
Class A	(596,119)	(520,075)	(4,385,366)	(4,513,087)	(209,574,208)	(135,729,227)
Class B	(292,752)	(265,434)	(711,194)	(1,253,581)	(64,722,330)	(43,210,032)
Class C	(817,064)	(487,108)	(2,422,029)	(2,606,568)	(143,680,175)	(99,737,954)
Direct	(3,254,692)	(1,732,697)	-	-	(130,924,624)	(76,319,584)
Total redemptions	(4,960,627)	(3,005,314)	(7,518,589)	(8,373,236)	(548,901,337)	(354,996,797)
Net increase (decrease) in net assets resulting from plan share transactions	3,490,801	5,145,579	389,309	(1,883,357)	192,798,263	170,172,998
Net increase (decrease) in net assets	7,279,532	(3,686,724)	4,317,835	(22,763,449)	398,873,067	(145,928,416)
Net assets:						
Beginning of year	30,104,667	33,791,391	45,504,166	68,267,615	1,562,319,897	1,708,248,313
End of year	\$ 37,384,199	\$ 30,104,667	\$ 49,822,001	\$ 45,504,166	\$ 1,961,192,964	\$ 1,562,319,897

This page intentionally left blank.

## The NJ Best Plans

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST –  
New Jersey Division of Investment Managed Investment Options

Combined Financial Statements and  
Supplemental Information

Year ended June 30, 2010

**Contents**

Report of Independent Auditors.....	1
Combined Financial Statements	
Combined Statement of Assets and Liabilities.....	2
Combined Statement of Operations.....	3
Combined Statements of Changes in Net Assets.....	4
Notes to Combined Financial Statements.....	5
Supplemental Information	
Financial Highlights.....	9
Statement of Investments.....	15
Combining Statements of Assets and Liabilities.....	21
Combining Statements of Operations.....	22
Combining Statements of Changes in Net Assets.....	23
Statement of Investments - NJ Best Pooled Equity Fund.....	26

## Report of Independent Auditors

To the Account Owners and Trustees of  
New Jersey Better Educational Savings Trust- New Jersey Division of Investments Managed Investment Options - NJBest Portfolio A, NJBest Portfolio B, NJBest Portfolio C, NJBest Portfolio D, NJBest Portfolio E and NJ Better Educational Savings Portfolio:

We have audited the accompanying combined statement of assets and liabilities of the New Jersey Better Educational Savings Trust (the "Plan")- New Jersey Division of Investments Managed Investment Options - NJBest Portfolio A, NJBest Portfolio B, NJBest Portfolio C, NJBest Portfolio D, NJBest Portfolio E and NJ Better Educational Savings Portfolio (six of the investment options of the Plan) as of June 30, 2010, and the related combined statement of operations for the year then ended, and the combined statements of changes in net assets for each of the two years in the period then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of June 30, 2010, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New Jersey Better Educational Savings Trust- New Jersey Division of Investments Managed Investment Options - NJBest Portfolio A, NJBest Portfolio B, NJBest Portfolio C, NJBest Portfolio D, NJBest Portfolio E and NJ Better Educational Savings Portfolio at June 30, 2010, the results of their combined statement of operations for the year then ended, and the combined statements of changes in net assets for each of the two years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplemental Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Ernst & Young LLP*

September 21, 2010

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST - New Jersey Division of Investments Managed Investment Options

## Combined Statement of Assets and Liabilities June 30, 2010

### Assets:

#### Investments in securities:

Cost \$ 347,004,689

Value \$ 376,800,221

Cash 25

#### Receivables:

Plan shares sold 29,059

Interest 1,440,217

Total assets 378,269,522

### Liabilities:

#### Payables:

Plan shares redeemed 47,669

Accrued expenses 126,438

Total liabilities 174,107

Net assets, at value \$ 378,095,415

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST - New Jersey Division of Investment Managed Investment Options

## Combined Statement of Operations for the year ended June 30, 2010

Investment income:	
Interest	\$ 5,606,442
Inflation principal adjustments	742,697
Total investment income	<u>6,349,139</u>
Expenses:	
Program management fees (Note 2)	<u>1,496,376</u>
Net investment income	<u>4,852,763</u>
Realized and unrealized gain (loss) on investments:	
Net realized gain (loss) on investments	2,440,048
Net change in unrealized appreciation (depreciation) on investments	<u>25,044,568</u>
Net realized and unrealized gain (loss) on investments	<u>27,484,616</u>
Net increase (decrease) in net assets resulting from operations	\$ <u>32,337,379</u>

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST - New Jersey Division of Investment Managed Investment Options

## Combined Statements of Changes in Net Assets

	Year Ended June 30,	
	2010	2009
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$ 4,852,763	\$ 6,111,814
Net realized gain (loss) on investments	2,440,048	(5,193,134)
Net change in unrealized appreciation (depreciation) on investments	25,044,568	3,010,314
Net increase (decrease) in net assets resulting from operations	<u>32,337,379</u>	<u>3,928,994</u>
Plan share transactions:		
Subscriptions	31,885,484	28,589,983
Redemptions	(36,191,088)	(36,164,510)
Net increase (decrease) in net assets resulting from plan share transactions	<u>(4,305,604)</u>	<u>(7,574,527)</u>
Net increase (decrease) in net assets	<u>28,031,775</u>	<u>(3,645,533)</u>
Net assets:		
Beginning of year	350,063,640	353,709,173
End of year	<u>\$ 378,095,415</u>	<u>\$ 350,063,640</u>

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

## New Jersey Division of Investment Managed Investment Options

### Notes to Combined Financial Statements for the year ended June 30, 2010

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The New Jersey Better Educational Savings Trust (“Trust”) was established by the State of New Jersey (the “State”) to allow Account Owners and Beneficiaries under the State’s New Jersey 529 College Savings Plan (“Program”) to qualify for federal tax benefits in a qualified tuition program under section 529 of the Internal Revenue Code of 1986, as amended. The New Jersey Higher Education Student Assistance Authority (“HESAA”) is responsible for establishing and maintaining the Program on behalf of the State. HESAA serves as a trustee of the Trust, administers the Program and is authorized to establish investment policies, select investment managers and the Program Manager, and adopt regulations and provide for the performance of other functions necessary for the operation of the Program and the various plans included in the Program.

These financial statements provide the combined financial results of the portfolios managed by the New Jersey Department of the Treasury, Division of Investment (“Division of Investment”) which serves as investment manager for the investment options (“Division Investment Options”) that are part of the NJBEST 529 College Savings Plan (“NJBEST” or “Plan”) but are no longer available to new investors. The Division Investment Options consists of six portfolios. The NJ Better Educational Savings Portfolio, the original portfolio, is available only to accounts opened prior to July 1, 2000 and is open to all birth years. For accounts opened after July 1, 2000 and prior to March 17, 2003, there are the NJBEST Portfolios A – E. These are age-based portfolios where contributions are allocated based on the birth year of the Beneficiary as follows:

Portfolio	Birth Year	Portfolio	Birth Year
NJBEST Portfolio A	1985 and prior	NJBEST Portfolio D	1994-1997
NJBEST Portfolio B	1986 - 1989	NJBEST Portfolio E	1998-2003
NJBEST Portfolio C	1990 - 1993		

The supplemental information provides the financial results of the individual portfolios.

All common stocks and certain other investments held by NJBEST and managed by the Division of Investment are maintained in a managed equity account called the NJBEST Pooled Equity Fund. Each of the six portfolios owns a portion of the NJBEST Pooled Equity Fund. The net assets and related dividend and interest income of the NJBEST Pooled Equity Fund have been allocated among the portfolios. This allows for a high level of diversification and reduces the costs of managing the Plan.

The attached Supplemental Information includes financial highlights, combining statements of assets and liabilities, operations, and changes in net assets of the portfolios, as well as the statement of investments for each portfolio and the NJBEST Pooled Equity Fund.

In 2003, Franklin Templeton Distributors, Inc. (“FTDI”), a wholly-owned subsidiary of Franklin Resources, Inc., and HESAA entered into a Services Agreement under which FTDI serves as the Program Manager. FTDI provides, directly, or through affiliated or non-affiliated subcontractors, certain distribution and administrative services relating to the Program. An affiliate of FTDI serves as the investment manager to the Franklin Templeton Managed Options offered through the Program and manages all accounts opened after March 14, 2003.

For information regarding the Franklin Templeton Managed Investment Options, including those within the NJBEST 529 Plan and the Franklin Templeton 529 Plan, please see the financial statements entitled “New Jersey Better Educational Savings Trust, New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options” or refer to the Investor Handbook for either the Franklin Templeton 529 College Savings Plan (for investors who invest through a financial advisor) or the NJBEST 529 College Savings Plan (for New Jersey residents investing without a financial advisor).

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

## New Jersey Division of Investment Managed Investment Options

### Notes to Combined Financial Statements (*continued*) for the year ended June 30, 2010

#### 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (*continued*)

The Following summarizes the Trust's significant accounting policies.

##### a. Financial Instrument Valuation

The Trust values its investments in securities and other assets and liabilities carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Under procedures approved by HESAA, the Trust may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded, or the NYSE, whichever is earlier. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at the close of the NYSE on the day that the value of the security is determined. Over-the-counter securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities. Investments in non-registered money market funds and managed equity accounts are valued at the closing net asset value.

Debt securities generally trade in the over-the-counter market rather than on a securities exchange. The Trust's pricing services use multiple valuation techniques to determine fair value. In instances where sufficient market activity exists, the pricing services may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, option-adjusted spreads, credit spreads, estimated default rates, coupon rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value.

The Trust has procedures to determine the fair value of securities and other financial instruments for which market prices are not readily available or which may not be reliably priced. Under these procedures, the Trust primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, and other relevant information for the investment to determine the fair value of the investment. The Trust may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

##### b. Security Transactions, Investment Income, and Expenses

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on an average cost basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income.

# **NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST**

## **New Jersey Division of Investment Managed Investment Options**

### **Notes to Combined Financial Statements (*continued*) for the year ended June 30, 2010**

#### **1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (*continued*)**

##### **b. Security Transactions, Investment Income, and Expenses (*continued*)**

Inflation-indexed bonds provide an inflation hedge through periodic increases or decreases in the security's interest accruals and principal redemption value, by amounts corresponding to the current rate of inflation. Any such adjustments, including adjustments to principal redemption value, are recorded as interest income.

##### **c. Guarantees and Indemnifications**

Under the Trust's organizational documents, its trustee is indemnified by the Trust against certain liabilities arising out of the performance of its duties to the Trust. Additionally, in the normal course of business, the Trust, on behalf of the Portfolios, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

##### **d. Income Taxes**

The Trust is established to be a qualified tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax, and does not expect to have any unrelated business income subject to tax. Accordingly, no provision has been made for income taxes. The Trust recognizes in its financial statements the effects including penalties and interest, if any, of a tax position taken on tax returns (or expected to be taken) when it's more likely than not (a greater than 50% probability), based on the technical merits, that the tax position will be sustained upon examination by the tax authorities. As of June 30, 2010, and for all open tax years, the Trust has determined that no provision for income tax is required in the Trust's financial statements. Open tax years are those that remain subject to examination and are based on each tax jurisdiction statute of limitation. The Trust is not aware of any tax position for which it is reasonably possible that the total amounts of unrecognized tax effects will significantly change in the next twelve months.

##### **e. Accounting Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

#### **2. MANAGEMENT AGREEMENTS**

The Program pays a total program management fee of 0.40% based on the average daily net assets of each portfolio. Of this fee, 0.15% is paid to FTDI and 0.25% is paid to HESAA.

Franklin Templeton Services, LLC ("FTS") an affiliate of FTDI provides accounting services for the Trust. Franklin Templeton Investor Services, LLC ("FTI"), an affiliate of FTDI and FTS, performs transfer agency services for the Trust. No fees are paid by the Trust for accounting or transfer agency services.

# NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST

## New Jersey Division of Investment Managed Investment Options

### Notes to Combined Financial Statements (*continued*) for the year ended June 30, 2010

#### 3. INVESTMENTS

At June 30, 2010, net unrealized appreciation of portfolio investments was \$29,795,532 consisting of gross unrealized appreciation of \$29,795,532 and gross unrealized depreciation of \$0.

Purchases and sales of portfolio securities (excluding short term securities) for the year ended June 30, 2010 aggregated \$0 and \$24,708,466 respectively.

For a list of each portfolio's investments at June 30, 2010, please see the statement of investments for each portfolio in the Supplemental Information.

#### 4. FAIR VALUE MEASUREMENTS

The Trust follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Trust's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Trust's investments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Trust's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. For movements between the levels within the fair value hierarchy, the Trust has adopted a policy of recognizing the transfers as of the date of the underlying event which caused the movement.

The following is a summary of the inputs used as of June 30, 2010, in valuing the Trust's assets carried at fair value:

	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Investments in Securities:				
Equity Investments	\$ 141,626,991	\$ -	\$ -	\$ 141,626,991
Fixed Income	-	140,914,861	-	140,914,861
Short Term Investments	94,258,369	-	-	94,258,369
Total Investments in Securities	\$ 235,885,360	\$ 140,914,861	\$ -	\$ 376,800,221

#### 5. SUBSEQUENT EVENTS

The Trust has evaluated subsequent events through September 21, 2010, the issuance date of the financial statements and determined that no events have occurred that required disclosure.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Financial Highlights**

	Year Ended June 30,				
NJBEST Portfolio A	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.15	\$ 12.02	\$ 11.73	\$ 11.00	\$ 10.58
Income from investment operations <sup>a</sup> :					
Net investment income (loss) <sup>b</sup>	-	0.19	0.33	0.42	0.33
Net realized and unrealized gain (loss)	0.35	(0.06)	(0.04)	0.31	0.09
Total from investment operations	0.35	0.13	0.29	0.73	0.42
Net asset value, end of period	\$ 12.50	\$ 12.15	\$ 12.02	\$ 11.73	\$ 11.00
Total Return <sup>d</sup>	2.88%	1.08%	2.47%	6.64%	3.97%
<b>Ratios to average net assets</b>					
Expenses	0.40%	0.40%	0.40%	0.40%	0.40%
Net investment income (loss)	(0.03)%	1.68%	2.76%	3.69%	3.10%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 1,806	\$ 2,153	\$ 2,896	\$ 4,203	\$ 6,600

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding.

<sup>c</sup>Amounts rounds to less than \$0.01 per share.

<sup>d</sup>Total return does not reflect sales commissions or the contingent deferred sales charge, if applicable.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Financial Highlights**

NJBEST Portfolio B	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.04	\$ 11.91	\$ 11.71	\$ 10.98	\$ 10.66
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup>	0.07	0.16	0.39	0.38	0.32
Net realized and unrealized gain (loss)	0.38	(0.03)	(0.19)	0.35	- <sup>c</sup>
Total from investment operations	0.45	0.13	0.20	0.73	0.32
Net asset value, end of year	\$ 12.49	\$ 12.04	\$ 11.91	\$ 11.71	\$ 10.98
Total Return <sup>d</sup>	3.74%	1.09%	1.71%	6.65%	3.00%
<b>Ratios to average net assets</b>					
Expenses	0.40%	0.40%	0.40%	0.40%	0.40%
Net investment income (loss)	0.54%	1.36%	3.24%	3.34%	2.98%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 16,280	\$ 24,136	\$ 37,409	\$ 49,310	\$ 52,288

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding

<sup>c</sup>Amounts rounds to less than \$0.01 per share

<sup>d</sup>Total return does not reflect sales commissions or the contingent deferred sales charge, if applicable

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Financial Highlights**

	Year Ended June 30,				
<b>NJBEST Portfolio C</b>	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 13.07	\$ 12.65	\$ 12.26	\$ 11.23	\$ 11.03
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup>	0.32	0.31	0.40	0.39	0.32
Net realized and unrealized gain (loss)	0.62	0.11	(0.01)	0.64	(0.12)
Total from investment operations	0.94	0.42	0.39	1.03	0.20
Net asset value, end of year	\$ 14.01	\$ 13.07	\$ 12.65	\$ 12.26	\$ 11.23
Total Return <sup>c</sup>	7.18%	3.32%	3.18%	9.17%	1.81%
<b>Ratios to average net assets</b>					
Expenses	0.40%	0.40%	0.40%	0.40%	0.40%
Net investment income (loss)	2.27%	2.43%	2.99%	3.34%	2.87%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 106,249	\$ 106,257	\$ 105,975	\$ 95,677	\$ 80,251

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding

<sup>c</sup>Total return does not reflect sales commissions or the contingent deferred sales charge, if applicable

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Financial Highlights**

	Year Ended June 30,				
<b>NJBEST Portfolio D</b>	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.86	\$ 12.55	\$ 12.51	\$ 11.22	\$ 11.05
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup>	0.18	0.23	0.29	0.31	0.27
Net realized and unrealized gain (loss)	1.12	0.08	(0.25)	0.98	(0.10)
Total from investment operations	1.30	0.31	0.04	1.29	0.17
Net asset value, end of year	\$ 14.16	\$ 12.86	\$ 12.55	\$ 12.51	\$ 11.22
 Total Return <sup>c</sup>	 10.11%	 2.47%	 0.32%	 11.50%	 1.54%
<b>Ratios to average net assets</b>					
Expenses	0.40%	0.40%	0.40%	0.40%	0.40%
Net investment income (loss)	1.27%	1.90%	2.24%	2.56%	2.43%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 114,619	\$ 98,110	\$ 90,739	\$ 84,283	\$ 69,364

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding

<sup>c</sup>Total return does not reflect sales commissions or the contingent deferred sales charge, if applicable

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investment Managed Investment Options**

**Financial Highlights**

	Year Ended June 30,				
<b>NJBEST Portfolio E</b>	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 11.84	\$ 12.03	\$ 12.46	\$ 10.95	\$ 10.68
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup>	0.09	0.15	0.22	0.23	0.21
Net realized and unrealized gain (loss)	1.39	(0.34)	(0.65)	1.28	0.06
Total from investment operations	1.48	(0.19)	(0.43)	1.51	0.27
Net asset value, end of year	\$ 13.32	\$ 11.84	\$ 12.03	\$ 12.46	\$ 10.95
 Total Return <sup>c</sup>	 12.50%	 (1.58)%	 (3.45)%	 13.79%	 2.53%
<b>Ratios to average net assets</b>					
Expenses	0.40%	0.40%	0.40%	0.40%	0.40%
Net investment income (loss)	0.69%	1.33%	1.74%	1.94%	1.88%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 129,119	\$ 108,938	\$ 103,916	\$ 100,952	\$ 83,757

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding

<sup>c</sup>Total return does not reflect sales commissions or the contingent deferred sales charge, if applicable

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Financial Highlights**

NJ Better Educational Savings Portfolio	Year Ended June 30,				
	2010	2009	2008	2007	2006
<b>SELECTED PER SHARE DATA</b>					
Net asset value, beginning of year	\$ 12.27	\$ 13.06	\$ 13.38	\$ 12.19	\$ 11.80
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup>	0.05	0.19	0.36	0.38	0.36
Net realized and unrealized gain (loss)	0.63	(0.98)	(0.68)	0.81	0.03
Total from investment operations	0.68	(0.79)	(0.32)	1.19	0.39
Net asset value, end of year	\$ 12.95	\$ 12.27	\$ 13.06	\$ 13.38	\$ 12.19
Total Return <sup>c</sup>	5.54%	(6.05)%	(2.39)%	9.76%	3.31%
<b>Ratios to average net assets</b>					
Expenses	0.40%	0.40%	0.40%	0.40%	0.40%
Net investment income (loss)	0.41%	1.58%	2.70%	3.01%	2.94%
<b>Supplemental data</b>					
Net assets, end of year (000's)	\$ 10,022	\$ 10,470	\$ 12,775	\$ 13,975	\$ 13,734

<sup>a</sup>The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing sales and repurchases of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

<sup>b</sup>Based on average daily shares outstanding

<sup>c</sup>Total return does not reflect sales commissions or the contingent deferred sales charge, if applicable

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio A  
 Statement of Investments, June 30, 2010

	SHARES	VALUE
<b>Equity (Cost \$215,527) 17.5%</b>		
NJBEST Pooled Equity Fund	32,686	\$ 316,747
<b>Total Equity</b>		<u>316,747</u>
<b>Short Term Investment (Cost \$1,462,965) 81.0%</b>		
<sup>a</sup> State of New Jersey Cash Management Fund, 0.35%	1,462,965	1,462,965
<b>Total Investments (Cost \$1,678,492) 98.5%</b>		1,779,712
<b>Other Assets, less Liabilities 1.5%</b>		<u>26,425</u>
<b>Net Assets 100.0%</b>		<u>\$ 1,806,137</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio B  
Statement of Investments, June 30, 2010

	SHARES	PRINCIPAL AMOUNT	VALUE
<b>Equity (Cost \$2,378,264) 20.5%</b>			
NJBEST Pooled Equity Fund	344,774		<u>\$ 3,341,094</u>
<b>Fixed Income (Cost \$5,583,858) 34.3%</b>			
U.S. Treasury Note, Index Linked, 2.375%, 4/15/11		\$ 5,491,462	<u>5,585,849</u>
<b>Total Investments before Short Term Investment (Cost \$7,692,121) 54.8%</b>			<u>8,926,943</u>
<b>Short Term Investment (Cost \$7,336,259) 45.1%</b>			
<sup>a</sup> State of New Jersey Cash Management Fund, 0.35%	7,336,259		<u>7,336,259</u>
<b>Total Investments (Cost \$15,298,381) 99.9%</b>			16,263,202
<b>Other Assets, less Liabilities 0.1%</b>			<u>16,410</u>
<b>Net Assets 100.0%</b>			<u>\$ 16,279,612</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio C  
Statement of Investments, June 30, 2010

	SHARES	PRINCIPAL AMOUNT	VALUE
<b>Equity (Cost \$20,465,569) 21.1%</b>			
NJBEST Pooled Equity Fund	2,312,328		<u>\$ 22,408,011</u>
<b>Fixed Income 61.5%</b>			
General Electric Capital Corp., 3.125%, 4/01/09			
Duke Energy Corp., senior note, 6.25%, 6/15/18		\$ 1,000,000	1,139,727
Time Warner Inc., 6.50%, 11/15/36		1,000,000	1,093,424
U.S Treasury Bonds,			
4.875%, 2/15/12		6,000,000	6,429,144
3.875%, 2/15/13		6,000,000	6,483,750
U.S. Treasury Notes,			
5.00%, 2/15/11		3,400,000	3,500,541
5.00%, 8/15/11		11,740,000	12,348,097
4.375%, 8/15/12		1,100,000	1,188,516
4.25%, 8/15/13		6,000,000	6,595,314
4.25%, 11/15/13		11,000,000	12,136,091
Index Linked, 1.875% 7/15/15		13,448,980	14,427,178
<b>Total Fixed Income (Cost \$60,489,546)</b>			<u>65,341,782</u>
<b>Total Investments before Short Term Investment (Cost \$80,955,115) 82.6%</b>			<u>87,749,793</u>
<b>Short Term Investment (Cost \$17,800,570) 16.7%</b>			
<sup>a</sup> State of New Jersey Cash Management Fund, 0.35%	17,800,570		<u>17,800,570</u>
<b>Total Investments (Cost \$98,755,685) 99.3%</b>			105,550,363
<b>Other Assets, Less Liabilities 0.7%</b>			<u>698,956</u>
<b>Net Assets 100.0%</b>			<u>\$ 106,249,319</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio D  
Statement of Investments, June 30, 2010

	SHARES	PRINCIPAL AMOUNT	VALUE
<b>Equity (Cost \$36,895,734) 38.5%</b>			
NJBEST Pooled Equity Fund	4,548,436		\$ 44,077,404
<b>Fixed Income 35.5%</b>			
Duke Energy Corp., senior note, 6.25%, 6/15/18		\$ 1,000,000	1,139,727
Time Warner Inc., 6.50%, 11/15/36		1,000,000	1,093,424
U.S. Treasury Bonds,			
4.875%, 2/15/12		2,000,000	2,143,048
7.25%, 5/15/16		690,000	886,866
7.50%, 11/15/16		3,712,000	4,867,070
7.25%, 8/15/22		500,000	697,265
6.25%, 8/15/23		600,000	778,500
U.S. Treasury Notes,			
5.00%, 2/15/11		2,000,000	2,059,142
4.375%, 8/15/12		2,200,000	2,377,032
4.00%, 11/15/12		6,500,000	7,002,736
4.00%, 2/15/14		3,000,000	3,290,859
4.25%, 8/15/14		1,900,000	2,112,859
4.50%, 11/15/15		5,000,000	5,679,690
Index Linked, 1.625%, 1/15/18		6,243,439	6,586,829
<b>Total Fixed Income (Cost \$36,477,421)</b>			<b>40,715,047</b>
<b>Total Investments before Short Term Investment (Cost \$73,373,155) 74.0%</b>			<b>84,792,451</b>
<b>Short Term Investment (Cost \$29,494,088) 25.7%</b>			
<sup>a</sup> State of New Jersey Cash Management Fund, 0.35%	29,494,088		29,494,088
<b>Total Investments (Cost \$102,867,243) 99.7%</b>			<b>114,286,539</b>
<b>Other Assets, less Liabilities 0.3%</b>			<b>332,795</b>
<b>Net Assets 100.0%</b>			<b>\$ 114,619,334</b>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio E  
Statement of Investments, June 30, 2010

	SHARES	PRINCIPAL AMOUNT	VALUE
<b>Equity (Cost \$61,133,762) 52.8%</b>			
NJBEST Pooled Equity Fund	7,033,226		\$ 68,156,689
<b>Fixed Income 22.3%</b>			
Duke Energy Corp., senior note, 6.25%, 6/15/18		\$ 1,000,000	1,139,727
Time Warner Inc., 6.50%, 11/15/36		1,000,000	1,093,424
U.S. Treasury Bonds,			
7.25%, 5/15/16		395,000	507,699
7.50%, 11/15/16		6,159,000	8,075,508
7.25%, 8/15/22		735,000	1,024,980
6.25%, 8/15/23		500,000	648,750
6.00%, 2/15/26		1,000,000	1,289,688
U.S. Treasury Notes,			
4.50%, 11/15/15		3,000,000	3,407,814
Index Linked, 2.375%, 1/15/25		10,408,498	11,572,137
<b>Total Fixed Income (Cost \$25,488,594)</b>			<b>28,759,727</b>
<b>Total Investments before Short Term Investment (Cost \$86,622,356) 75.1%</b>			<b>96,916,416</b>
<b>Short Term Investment (Cost \$31,987,950) 24.7%</b>			
<sup>a</sup> State of New Jersey Cash Management Fund, 0.35%	31,987,950		31,987,950
<b>Total Investments (Cost \$118,610,306) 99.8%</b>			<b>128,904,366</b>
<b>Other Assets, less Liabilities 0.2%</b>			<b>214,181</b>
<b>Net Assets 100.0%</b>			<b>\$ 129,118,547</b>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investments Managed Investment Options**

NJ Better Educational Savings Portfolio  
Statement of Investments, June 30, 2010

	SHARES	PRINCIPAL AMOUNT	VALUE
<b>Equity (Cost \$3,115,758) 33.2%</b>			
NJBEST Pooled Equity Fund	343,324		\$ 3,327,046
<b>Fixed Income 5.1%</b>			
U.S. Treasury Notes			
5.75%, 8/15/10		\$ 300,000	302,097
5.00%, 8/15/11		200,000	210,359
<b>Total Fixed Income (Cost \$502,287)</b>			<u>512,456</u>
<b>Total Investments before Short Term Investment (Cost \$3,618,045) 38.3%</b>			<u>3,839,502</u>
<b>Short Term Investment (Cost \$6,176,537) 61.6%</b>			
<sup>a</sup> State of New Jersey Cash Management Fund, 0.35%	6,176,537		<u>6,176,537</u>
<b>Total Investments (Cost \$9,794,582) 99.9%</b>			10,016,039
<b>Other Assets, less Liabilities 0.1%</b>			<u>6,427</u>
<b>Total Net Assets 100.0%</b>			<u>\$ 10,022,466</u>

<sup>a</sup>The rate shown is the annualized seven-day yield at period end.

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Combining Statement of Assets and Liabilities**  
**June 30, 2010**

	<u>NJBEST Portfolio A</u>	<u>NJBEST Portfolio B</u>	<u>NJBEST Portfolio C</u>	<u>NJBEST Portfolio D</u>	<u>NJBEST Portfolio E</u>	<u>NJ Better Educational Savings Portfolio</u>	<u>Total</u>
<b>Assets:</b>							
Investments in securities:							
Cost	\$ 1,678,492	\$ 15,298,381	\$ 98,755,685	\$ 102,867,243	\$ 118,610,306	\$ 9,794,582	\$ 347,004,689
Value	\$ 1,779,712	\$ 16,263,202	\$ 105,550,363	\$ 114,286,539	\$ 128,904,366	\$ 10,016,039	\$ 376,800,221
Cash	25	-	-	-	-	-	25
Receivables:							
Plan shares sold	27,000	-	142	319	1,598	-	29,059
Interest	-	27,082	775,940	370,848	256,185	10,162	1,440,217
Total assets	<u>\$ 1,806,737</u>	<u>\$ 16,290,284</u>	<u>\$ 106,326,445</u>	<u>\$ 114,657,706</u>	<u>\$ 129,162,149</u>	<u>\$ 10,026,201</u>	<u>\$ 378,269,522</u>
<b>Liabilities:</b>							
Payables:							
Plan shares redeemed	-	5,224	41,728	132	202	383	47,669
Accrued expenses	600	5,448	35,398	38,240	43,400	3,352	126,438
Total liabilities	<u>600</u>	<u>10,672</u>	<u>77,126</u>	<u>38,372</u>	<u>43,602</u>	<u>3,735</u>	<u>174,107</u>
Net assets, at value	<u>\$ 1,806,137</u>	<u>\$ 16,279,612</u>	<u>\$ 106,249,319</u>	<u>\$ 114,619,334</u>	<u>\$ 129,118,547</u>	<u>\$ 10,022,466</u>	<u>\$ 378,095,415</u>
<b>Direct Sold Class:</b>							
Net assets, at value	\$ 1,806,137	\$ 16,279,612	\$ 106,249,319	\$ 114,619,334	\$ 129,118,547	\$ 10,022,466	
Shares outstanding	144,450	1,303,164	7,584,357	8,097,394	9,695,325	773,857	
Net asset value per share	<u>\$ 12.50</u>	<u>\$ 12.49</u>	<u>\$ 14.01</u>	<u>\$ 14.16</u>	<u>\$ 13.32</u>	<u>\$ 12.95</u>	

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Combining Statement of Operations**  
for the year ended June 30, 2010

	<u>NJBEST Portfolio A</u>	<u>NJBEST Portfolio B</u>	<u>NJBEST Portfolio C</u>	<u>NJBEST Portfolio D</u>	<u>NJBEST Portfolio E</u>	<u>NJ Better Educational Savings Portfolio</u>	<u>Total</u>
Investment income:							
Interest	\$ 7,204	\$ 58,052	\$ 2,582,733	\$ 1,724,388	\$ 1,149,917	\$ 84,148	\$ 5,606,442
Inflation principal adjustments	-	120,262	283,812	121,099	217,524	-	742,697
Total investment income	<u>7,204</u>	<u>178,314</u>	<u>2,866,545</u>	<u>1,845,487</u>	<u>1,367,441</u>	<u>84,148</u>	<u>6,349,139</u>
Expenses:							
Program Management fees (Note 2)	<u>7,809</u>	<u>76,236</u>	<u>429,048</u>	<u>441,431</u>	<u>500,181</u>	<u>41,671</u>	<u>1,496,376</u>
Net investment income	<u>(605)</u>	<u>102,078</u>	<u>2,437,497</u>	<u>1,404,056</u>	<u>867,260</u>	<u>42,477</u>	<u>4,852,763</u>
Realized and unrealized gain (losses):							
Net realized gain (loss) from investments	33,609	378,064	548,197	858,069	596,421	25,688	2,440,048
Net change in unrealized appreciation (depreciation) on investments	<u>28,479</u>	<u>355,455</u>	<u>4,362,580</u>	<u>7,651,259</u>	<u>12,138,086</u>	<u>508,709</u>	<u>25,044,568</u>
Net realized and unrealized gain (loss)	<u>62,088</u>	<u>733,519</u>	<u>4,910,777</u>	<u>8,509,328</u>	<u>12,734,507</u>	<u>534,397</u>	<u>27,484,616</u>
Net increase (decrease) in net assets resulting from operations	<u>\$ 61,483</u>	<u>\$ 835,597</u>	<u>\$ 7,348,274</u>	<u>\$ 9,913,384</u>	<u>\$ 13,601,767</u>	<u>\$ 576,874</u>	<u>\$ 32,337,379</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Combining Statements of Changes in Net Assets**

	<b>NJBEST Portfolio A</b>		<b>NJBEST Portfolio B</b>		<b>NJBEST Portfolio C</b>	
	Year Ended June 30, 2010	2009	Year Ended June 30, 2010	2009	Year Ended June 30, 2010	2009
Increase (decrease) in net assets:						
Operations:						
Net investment income (loss)	\$ (605)	\$ 39,785	\$ 102,078	\$ 369,827	\$ 2,437,497	\$ 2,504,387
Net realized gain (loss) from investments	33,609	(96,516)	378,064	(1,338,396)	548,197	(1,610,109)
Net change in unrealized appreciation (depreciation) on investments	28,479	68,421	355,455	898,353	4,362,580	2,504,108
Net increase (decrease) in net assets resulting from operations	61,483	11,690	835,597	(70,216)	7,348,274	3,398,386
Plan share transactions:						
Subscriptions	621,971	287,820	2,274,795	2,731,112	9,129,899	7,843,508
Redemptions	(1,030,811)	(1,042,385)	(10,966,326)	(15,934,052)	(16,485,699)	(10,959,827)
Net increase (decrease) in net assets resulting from plan share transactions	(408,840)	(754,565)	(8,691,531)	(13,202,940)	(7,355,800)	(3,116,319)
Net increase (decrease) in net assets	(347,357)	(742,875)	(7,855,934)	(13,273,156)	(7,526)	282,067
Net assets:						
Beginning of year	2,153,494	2,896,369	24,135,546	37,408,702	106,256,845	105,974,778
End of year	\$ 1,806,137	\$ 2,153,494	\$ 16,279,612	\$ 24,135,546	\$ 106,249,319	\$ 106,256,845

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Combining Statements of Changes in Net Assets (continued)**

	<b>NJBEST Portfolio D</b>		<b>NJBEST Portfolio E</b>		<b>NJ Better Educational Savings Portfolio</b>	
	Year Ended June 30,		Year Ended June 30,		Year Ended June 30,	
	2010	2009	2010	2009	2010	2009
Increase (decrease) in net assets:						
Operations:						
Net investment income	\$ 1,404,056	\$ 1,705,666	\$ 867,260	\$ 1,319,554	\$ 42,477	\$ 172,595
Net realized gain (loss) from investments	858,069	(1,240,531)	596,421	(226,220)	25,688	(681,362)
Net change in unrealized appreciation (depreciation) on investments	7,651,259	2,057,507	12,138,086	(2,241,589)	508,709	(276,486)
Net increase (decrease) in net assets resulting from operations	9,913,384	2,522,642	13,601,767	(1,148,255)	576,874	(785,253)
Plan share transactions:						
Subscriptions	9,827,909	7,572,614	9,388,108	9,011,307	642,802	1,143,622
Redemptions	(3,232,096)	(2,723,789)	(2,809,355)	(2,840,528)	(1,666,801)	(2,663,929)
Net increase (decrease) in net assets resulting from plan share transactions	6,595,813	4,848,825	6,578,753	6,170,779	(1,023,999)	(1,520,307)
Net increase (decrease) in net assets	16,509,197	7,371,467	20,180,520	5,022,524	(447,125)	(2,305,560)
Net assets:						
Beginning of year	98,110,137	90,738,670	108,938,027	103,915,503	10,469,591	12,775,151
End of year	\$ 114,619,334	\$ 98,110,137	\$ 129,118,547	\$ 108,938,027	\$ 10,022,466	\$ 10,469,591

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST -**  
**New Jersey Division of Investment Managed Investment Options**

**Combining Statements of Changes in Net Assets (continued)**

	<b>Total</b>	
	Year Ended June 30,	
	2010	2009
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$ 4,852,763	\$ 6,111,814
Net realized gain (loss) from investments	2,440,048	(5,193,134)
Net change in unrealized appreciation (depreciation) on investments	25,044,568	3,010,314
Net increase (decrease) in net assets resulting from operations	<u>32,337,379</u>	<u>3,928,994</u>
Plan share transactions:		
Subscriptions	31,885,484	28,589,983
Redemptions	(36,191,088)	(36,164,510)
Net increase (decrease) in net assets resulting from plan share transactions	<u>(4,305,604)</u>	<u>(7,574,527)</u>
Net increase (decrease) in net assets	28,031,775	(3,645,533)
Net assets:		
Beginning of year	350,063,640	353,709,173
End of year	<u>\$ 378,095,415</u>	<u>\$ 350,063,640</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investment Managed Investment Options**

**NJBest Pooled Equity Fund**  
**Statement of Investments, June 30, 2010**

	Shares	Value
<b>Common Stocks 89.3%</b>		
<b>Aerospace &amp; Defense 2.0%</b>		
American Science and Engineering Inc.	9,000	\$ 685,890
CPI Aerostructures Inc.	76,000	748,600
Goodrich Corp.	11,000	728,750
United Technologies Corp.	11,000	714,010
		<u>2,877,250</u>
<b>Air Freight &amp; Logistics 0.6%</b>		
United Parcel Service Inc., B	14,000	796,460
<b>Airlines 1.3%</b>		
AirTran Holdings Inc.	140,000	679,000
Delta Air Lines Inc.	50,000	587,500
Hawaiian Holdings Inc.	120,000	620,400
		<u>1,886,900</u>
<b>Auto Components 2.7%</b>		
Drew Industries Inc.	15,000	303,000
Fuel Systems Solutions Inc.	24,000	622,800
Goodyear Tire & Rubber Co.	56,000	556,640
Johnson Controls Inc.	20,000	537,400
Lear Corp.,	7,000	463,400
Superior Industries International Inc.	46,000	618,240
TRW Automotive Holdings Corp.	26,000	716,820
		<u>3,818,300</u>
<b>Beverages 1.0%</b>		
Molson Coors Brewing Co., B	6,000	254,160
PepsiCo Inc.	20,000	1,219,000
		<u>1,473,160</u>
<b>Biotechnology 0.6%</b>		
Affymax Inc.	70,000	418,600
Biogen Idec Inc.	8,000	379,600
		<u>798,200</u>
<b>Capital Markets 3.1%</b>		
Ameriprise Financial Inc.	24,000	867,120
Artio Global Investors Inc.	35,000	550,900
BlackRock Inc.	4,200	602,280
The Goldman Sachs Group Inc.	6,400	840,128
Morgan Stanley	26,000	603,460
Pzena Investment Management Inc., CL A	44,000	280,280
State Street Corp.	20,000	676,400
		<u>4,420,568</u>
<b>Chemicals 1.2%</b>		
The Dow Chemical Co.	30,000	711,600
Huntsman Corp.	35,000	303,450
The Mosaic Co.	16,000	623,680
		<u>1,638,730</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investment Managed Investment Options**

NJBest Pooled Equity Fund  
Statement of Investments, June 30, 2010 (continued)

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Commercial Banks 1.8%</b>		
Republic First Bancorp Inc.	118,000	\$ 230,100
SVB Financial Group	14,000	577,220
Wells Fargo & Co.	70,000	1,792,000
		<u>2,599,320</u>
<b>Commercial Services &amp; Supplies 0.2%</b>		
M&F Worldwide Corp.	9,000	243,900
		<u>243,900</u>
<b>Communications Equipment 1.7%</b>		
Airspan Networks Inc.	140,000	30,800
Cisco Systems Inc.	42,000	895,020
Comverse Technology Inc.	62,000	483,600
DG Fastchannel Inc.	13,000	423,540
QUALCOMM Inc.	17,000	558,280
		<u>2,391,240</u>
<b>Computers &amp; Peripherals 4.8%</b>		
Apple Inc.	20,500	5,156,365
EMC Corp.	36,000	658,800
NCR Corp.	38,000	460,560
Silicon Graphics International.	54,000	382,320
STEC Inc.	15,000	188,400
		<u>6,846,445</u>
<b>Construction &amp; Engineering 2.1%</b>		
Great Lakes Dredge & Dock Co.	80,000	480,000
Michael Baker Corp.	29,000	1,012,100
Shaw Group Inc.	19,000	650,180
URS Corp.	22,000	865,700
		<u>3,007,980</u>
<b>Consumer Finance 0.4%</b>		
American Express Co.	15,000	595,500
		<u>595,500</u>
<b>Diversified Financial Services 4.0%</b>		
Bank of America Corp.	138,000	1,983,060
Citigroup Inc.	270,000	1,015,200
JPMorgan Chase & Co.	71,000	2,599,310
		<u>5,597,570</u>
<b>Electrical Equipment 0.2%</b>		
Alpine Group Inc.	205,000	34,850
Broadwind Energy Inc.	50,000	140,000
Energy Focus Inc.	130,000	157,300
		<u>332,150</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investment Managed Investment Options**

NJBest Pooled Equity Fund  
Statement of Investments, June 30, 2010 (continued)

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Electronic Equipment, Instruments &amp; Components 1.5%</b>		
Amphenol Corp., A	16,000	\$ 628,480
Sanmina-SCI Corp.	50,000	680,500
Tyco Electronics Ltd.	32,000	812,160
		<u>2,121,140</u>
<b>Electric Utilities 0.6%</b>		
PPL Corp.	34,000	848,300
		<u>848,300</u>
<b>Energy Equipment &amp; Services 0.8%</b>		
Smith International Inc.	22,000	828,300
Superior Well Services Inc.	15,000	250,800
		<u>1,079,100</u>
<b>Food &amp; Staples Retailing 1.5%</b>		
CVS Caremark Corp.	27,000	791,640
Wal-Mart Stores Inc.	27,000	1,297,890
		<u>2,089,530</u>
<b>Food Products 1.4%</b>		
Inventure Foods Inc.	80,000	244,800
Ralcorp Holdings Inc.	15,000	822,000
Tasty Baking Co.	130,000	938,600
		<u>2,005,400</u>
<b>Health Care Equipment &amp; Supplies 1.3%</b>		
Baxter International Inc.	14,000	568,960
St. Jude Medical Inc.	36,000	1,299,240
		<u>1,868,200</u>
<b>Health Care Providers &amp; Services 1.5%</b>		
Aetna Inc.	27,000	712,260
Emergency Medical Services LP	12,000	588,360
Laboratory Corp. of America Holdings	3,000	226,050
UnitedHealth Group Inc.	22,000	624,800
		<u>2,151,470</u>
<b>Health Care Technology 0.8%</b>		
athenahealth Inc.	12,000	313,560
Merge Healthcare Inc.	280,000	820,400
		<u>1,133,960</u>
<b>Hotels, Restaurants &amp; Leisure 1.2%</b>		
Caribou Coffee Co. Inc.	110,000	1,041,700
Dover Motorsports Inc.	28,000	50,960
Frisch's Restaurants Inc.	30,000	603,600
		<u>1,696,260</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investment Managed Investment Options**

NJBest Pooled Equity Fund  
Statement of Investments, June 30, 2010 (continued)

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Household Durables 0.5%</b>		
NVR Inc.	1,000	\$ 655,030
<b>Household Products 1.7%</b>		
Colgate-Palmolive Co.	9,000	708,840
The Procter & Gamble Co.	28,000	1,679,440
		<u>2,388,280</u>
<b>Independent Power Producers &amp; Energy Traders 0.4%</b>		
NRG Energy Inc.	27,000	572,670
<b>Industrial Conglomerates 1.2%</b>		
General Electric Co.	120,000	1,730,400
<b>Insurance 1.4%</b>		
Primerica Inc.	28,000	600,320
Progressive Corp.	36,000	673,920
Prudential Financial Inc.	12,000	643,920
		<u>1,918,160</u>
<b>Internet &amp; Catalog Retail 0.9%</b>		
Amazon.com Inc.	6,000	655,560
Expedia Inc.	33,000	619,740
		<u>1,275,300</u>
<b>Internet Software &amp; Services 4.2%</b>		
Art Technology Group Inc.	160,000	547,200
Autobyte Inc.	180,000	205,200
eBay Inc.	39,000	764,790
Google Inc., A	4,400	1,957,780
KIT Digital Inc.	90,000	793,800
Moduslink Global Solutions Inc.	90,000	542,700
SWK Holdings Corp.	500,000	445,000
United Online Inc.	64,000	368,640
Web.com Group Inc.	70,000	251,300
		<u>5,876,410</u>
<b>It Services 2.4%</b>		
International Business Machines Corp.	17,000	2,099,160
MasterCard Inc., A	3,000	598,590
Visa Inc., A	10,000	707,500
		<u>3,405,250</u>
<b>Leisure Equipment &amp; Products 0.1%</b>		
Smith & Wesson Holding Corp.	40,000	163,600
<b>Machinery 0.4%</b>		
Harsco Corp.	23,000	540,500

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investment Managed Investment Options**

**NJBest Pooled Equity Fund**  
**Statement of Investments, June 30, 2010 (continued)**

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Media 4.7%</b>		
Beasley Broadcast Group Inc.	6,000	\$ 29,220
Carmike Cinemas Inc.	52,000	315,120
Cinemark Holdings, Inc.	27,000	355,050
Dish Network Corp., A	35,000	635,250
DreamWorks Animation SKG Inc., A	24,000	685,200
Emmis Communications Corp., A	410,000	902,000
Entercom Communications Corp.	32,000	282,240
Mediacom Communications Corp., A	90,000	604,800
The New York Times Co., A	62,000	536,300
Outdoor Channel Holdings Inc.	98,000	457,660
Reading International Inc., A	175,000	694,750
The Walt Disney Co.	27,000	850,500
Westwood One Inc.	35,000	345,450
		<u>6,693,540</u>
<b>Metals &amp; Mining 0.8%</b>		
Cliffs Natural Resources Inc.	14,000	660,240
Coeur d'Alene Mines Corp.	30,000	473,400
		<u>1,133,640</u>
<b>Multiline Retail 0.3%</b>		
Dollar Tree Inc.	10,500	437,115
		<u>437,115</u>
<b>Oil, Gas &amp; Consumable Fuels 6.7%</b>		
Anadarko Petroleum Corp.	20,000	721,800
Berry Petroleum Co., A	32,000	823,040
Chesapeake Energy Corp.	32,000	670,400
ConocoPhillips	48,000	2,356,320
CONSOL Energy Inc.	14,000	472,640
Devon Energy Corp.	15,000	913,800
Exxon Mobil Corp.	26,000	1,483,820
Holly Corp.	24,000	637,920
Mariner Energy Inc.	29,000	622,920
Rentech Inc.	300,000	297,000
USEC Inc.	90,000	428,400
		<u>9,428,060</u>
<b>Paper &amp; Forest Products 0.4%</b>		
Schweitzer-Mauduit International Inc.	10,000	504,500

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investment Managed Investment Options**

**NJBest Pooled Equity Fund**  
**Statement of Investments, June 30, 2010 (continued)**

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Pharmaceuticals 6.0%</b>		
Abbott Laboratories	18,000	\$ 842,040
Bristol-Myers Squibb Co.	32,104	800,674
Eli Lilly & Co.	34,000	1,139,000
Forest Laboratories Inc.	7,000	192,010
Johnson & Johnson	34,000	2,008,040
Medicis Pharmaceutical Corp., A	24,000	525,120
Merck & Co. Inc.	36,000	1,258,920
Pfizer Inc.	92,000	1,311,920
Watson Pharmaceuticals Inc.	9,000	365,130
		<u>8,442,854</u>
<b>Real Estate Investment Trusts (REITs) 2.4%</b>		
Entertainment Properties Trust	90,000	3,426,300
<b>Road &amp; Rail 2.0%</b>		
CSX Corp.	10,000	496,300
Hertz Global Holdings Inc.	58,000	548,680
Kansas City Southern	25,000	908,750
Railamerica Inc.	82,000	813,440
		<u>2,767,170</u>
<b>Semiconductors &amp; Semiconductor Equipment 5.2%</b>		
Atheros Communications	18,000	495,720
Atmel Corp.	90,000	432,000
AXT Inc.	110,000	496,100
Cree Inc.	9,000	540,270
Entegris Inc.	120,000	476,400
Entropic Communications Inc.	96,000	608,640
FormFactor Inc.	30,000	324,000
Intel Corp.	30,000	583,500
Micron Technology Inc.	40,000	339,600
NVIDIA Corp.	40,000	408,400
ON Semiconductor Corp.	90,000	574,200
Rambus Inc.	30,000	525,600
Ramtron International Corp.	88,000	228,800
Triquint Semiconductor Inc.	110,000	672,100
Veeco Instruments Inc.	17,000	582,760
		<u>7,288,090</u>

Supplemental Information  
**NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST-**  
**New Jersey Division of Investment Managed Investment Options**

**NJBest Pooled Equity Fund**  
**Statement of Investments, June 30, 2010 (continued)**

	Shares	Value
<b>Common Stocks (continued)</b>		
<b>Software 6.4%</b>		
Autodesk Inc.	21,000	\$ 511,560
BSQUARE Corp.	100,000	227,000
Cinedigm Digital Cinema Corp., A	200,000	260,000
Electronic Arts Inc.	32,000	460,800
JDA Software Group Inc.	30,000	659,400
Microsoft Corp.	108,000	2,485,080
Novell Inc.	120,000	681,600
Oracle Corp.	76,000	1,630,960
Parametric Technology Corp.	38,000	595,460
PROS Holdings Inc.	28,000	182,000
The SCO Group Inc.	410,000	17,425
SuccessFactors Inc.	33,000	686,070
TiVo Inc.	86,000	634,680
		<u>9,032,035</u>
<b>Specialty Retail 1.1%</b>		
Penske Automotive Group Inc.	60,000	681,600
RadioShack Corp.	46,000	897,460
		<u>1,579,060</u>
<b>Tobacco 1.3%</b>		
Altria Group Inc.	38,000	761,520
Philip Morris International Inc.	24,000	1,100,160
		<u>1,861,680</u>
<b>Trading Companies &amp; Distributors 0.3%</b>		
Titan Machinery, Inc.	28,000	367,640
		<u>367,640</u>
<b>Wireless Telecommunication Services 0.5%</b>		
American Tower Corp., A	16,000	712,000
		<u>712,000</u>
<b>Total Common Stocks (Cost \$133,121,831) 89.3%</b>		<u>126,516,317</u>
<b>Short Term Investment (Cost \$15,138,557) 10.7%</b>		
<sup>b</sup> State of New Jersey Cash Management Fund 0.35%	15,138,557	15,138,557
<b>Total Investments (Cost \$148,260,388) 100.0%</b>		141,654,874
<b>Other Assets Less Liabilities (0.0)%<sup>a</sup></b>		<u>(27,883)</u>
<b>Total Net Assets 100.0%</b>		<u>\$ 141,626,991</u>

<sup>a</sup> Round to Less than 0.1% of net assets.

<sup>b</sup> The rate shown is the annualized seven-day yield at period end.