

SACT News



Supplemental Annuity Collective Trust of New Jersey

www.state.nj.us/treasury/pensions/sact.htm

Fall 2009

Division of Pensions and Benefits

Tel. (609) 633-2031

Investment Summary – September 30, 2009

For the Supplemental Annuity Collective Trust of New Jersey

Investment Objective

The Supplemental Annuity Collective Trust (the "Trust") seeks long-term growth of capital consistent with the ownership of equity securities. Investment income is a secondary investment objective.

Principal Investment Strategy

The Trust will invest primarily in a broad range of equity securities in order to achieve its objective of long-term growth of capital. The Trust's investments may include common stocks, preferred stocks and convertible securities. The Trust may only purchase securities listed on an United States exchange (i.e., it may not purchase securities solely listed on the NASDAQ or other "over the counter" markets). While the Trust will primarily invest in companies domiciled in the United States, it may invest in foreign securities which are included in the Standard and Poor's

500 Composite Index. The Trust may also invest up to 35 percent in money market securities (i.e., fixed income investments which mature in two years or less). In choosing individual securities, the Trust invests in a combination of growth and value stocks and seeks to provide a diversified portfolio. Using fundamental research, the portfolio manager seeks stocks with dominant positions in major product lines, sustained earnings growth and strong financial conditions.

Main Risks

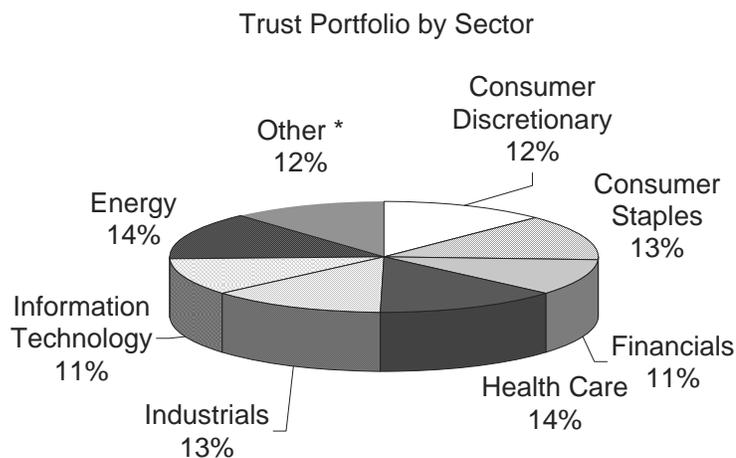
While equity securities have historically increased in value over the long-term, they do fluctuate in price and may experience prolonged periods of price depreciation. The value of your investment in the Trust may fluctuate, which means that you could lose money.

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Other Trust Information (as of September 30, 2009)

Total Market Value of Assets: \$136,449,022

Number of Individual Issues: 126



Top Ten Positions

Issuer	% of Portfolio
Occidental Petroleum Corp.	4.0
Exxon Mobil Corp.	3.6
Chevron Corp.	3.1
International Business Machines Corp.	3.1
Schering-Plough Corp.	2.1
Crown Castle International Corp.	2.1
Coca-Cola Co.	2.0
American Tower Corp.	1.9
Wal-Mart Stores Inc.	1.8
Johnson & Johnson	1.7

Annual SACT Tax-Sheltered and Regular Contribution Limits for Calendar Year 2010

Participants of the Tax-Sheltered SACT Plan, who are under the age of 50 were able to contribute up to \$16,500, during calendar year 2009, while participants age 50 or over could contribute up to \$22,500. For the 2010 calendar year, the federal government has not changed the maximum contribution limits. Participants under the age of 50 are able to contribute up to \$16,500, while participants age 50 or over can contribute up to \$22,000.

Participants in the SACT Regular Plan have been able to contribute after-tax dollars up to \$49,000 including the 414(h) pension contributions, as described under Section 415(a)1 of the Internal Revenue Code. That limit for the 2010 calendar year remains at \$49,000. Since actively contributing members of the Regular Plan may still make lump-sum contributions in the third month of any calendar quarter you should take into consideration any expected personal contributions when electing your contribution rates.



Investment Summary *(Continued from page 1)*

Investment Manager

The Trust is managed by the State of New Jersey, Department of the Treasury, Division of Investment (the "Division"). The Division currently manages approximately \$81 billion in investments for various New Jersey state pension plans and other entities.

Expenses

The Trust does not bear any management or administrative expenses. According to the original legislation which established the Trust, all such expenses are borne by the State of New Jersey.

Visit us on the Internet

You can visit the Supplemental Annuity Collective Trust over the Internet for answers to your most commonly asked questions, to find out how an investment fund is performing, to download an *Authorization Form*, or send us an e-mail message. Our address is:

www.state.nj.us/treasury/pensions/sact.htm

Supplemental Annuity Collective Trust of New Jersey News

Division of Pensions and Benefits

This newsletter is published quarterly to provide news and information to members of the Supplemental Annuity Collective Trust of New Jersey. While every attempt at accuracy is made, it cannot be guaranteed. If you have questions or comments, please contact:

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