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The Utah Educational Savings Plan Continues to Improve Lower Fees and Flexibility in Investment Offering Entice College Savers

(Salt Lake City) The Utah Educational Savings Plan (UESP), a leader in the 529 plan industry, reduced its fees and introduced a new investment option that allows investors to customize their asset allocation. These are key features families consider when saving for higher education expenses. UESP is highly-ranked and recognized as a low-cost, flexible 529 plan with more than \$3 billion in assets under management.

“We understand college savers have choices, and we want to make that choice easy by lowering UESP fees and providing an attractive investment line-up,” said Lynne Ward, Utah Educational Savings Plan’s Executive Director. “UESP account owners can tailor their investment decisions to meet their higher education savings goals.”

The following UESP program changes are effective February 1, 2010.

Annual Account Fee Waived

The Administrative Maintenance Fee has always been waived for Utah resident account owners. Now UESP will waive this fee for non-Utah resident account owners who choose to view their quarterly statements online, rather than receiving them in the mail. This is a savings of up to \$15 per year per account.

Asset Fees Reduced

UESP cut its Administrative Asset Fee on three investment options. The affected investment options and fee changes are:

| Investment Option | Prior Administrative Asset Fee | New Administrative Asset Fee | Percentage Reduced |
|--------------------------|--------------------------------|------------------------------|--------------------|
| 4: S&P Index | 0.22% | 0.18% | 18.2% |
| 5: Bonds | 0.22% | 0.15% | 31.8% |
| 11: FDIC-Insured Savings | 0.22% | 0.18% | 18.2% |

The underlying investment expense ratio for the above investment options have not changed. With the newly lowered Administrative Asset Fee and the fund expense ratios, the new All-In-Fees are—Option 4: S&P Index 0.205%, Option 5: Bonds 0.200% and Option 11: FDIC-Insured Savings 0.180%.

New Investment Option: Customized Allocation

UESP introduces the *Customized Allocation* investment option that lets account owners create their own asset allocation when they choose this Option. Investors can select the underlying investment mix that will best meet their higher education savings goals. A UESP account owner can determine the percentage to invest in one or more of the funds. The selection of funds include:

- Utah Public Treasurer’s Investment Fund (PTIF)
- FDIC-Insured Savings Account
- Vanguard Institutional Total Bond Market Index Fund
- Vanguard Institutional Index Fund
- Vanguard Mid-Cap Index Fund
- Vanguard Small-Cap Index Fund
- Vanguard International Growth Fund
- Vanguard International Value Fund
- Vanguard Total Stock Market Index Fund
- Vanguard Developed Markets Index Fund

About the Utah Educational Savings Plan

UESP is highly ranked by *Morningstar* and is recommended by *Money Magazine*. Its national ranking can be attributed to innovations in the industry, such as an FDIC-insured savings account and UESP's efforts to be the industry's low-cost leader.

The Utah State Legislature established the Utah Educational Savings Plan as the state's official 529 college savings plan in 1996. UESP is administered and managed by the Utah State Board of Regents and the Utah Higher Education Assistance Authority.

It is simple to start saving for college with UESP. There are no minimum deposits or balances, so families can save a little or a lot, according to their own schedules. Earnings on the account grow tax deferred and are tax free when used for qualified higher education expenses like tuition, fees, certain room and board costs and required books and supplies at any eligible educational institution that accepts federal financial aid, not just institutions in Utah. Utah taxpayers also receive a Utah state tax credit for contributions to accounts each year.

Online enrollment and contributions make it simple to participate in UESP. Go to uesp.org to obtain and read a copy of the Program Description, to open an account and to contribute online. Contributions can also be made by check or withdrawn automatically from a checking or savings account.

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Read the Program Description for more information and consider all risks, objectives and expenses before investing. Call 800.418.2551 for a copy of the Program Description or visit www.uesp.org.

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

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