



OFFICE OF ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

FOR IMMEDIATE RELEASE:

October 21, 2015

CONTACT:

Paris Ervin 217.524.5749

Greg Rivara 312.814.1901

Rating Agency Upgrades Illinois 529 Ranking *Morningstar: Illinois Improves to “Silver-Rated Fund” for Bright Directions 529 Plan*

CHICAGO – Illinois Treasurer Michael Frerichs announced today that Illinois’ Bright Directions College Savings Program is among the best in the nation, according to Morningstar. Morningstar, which evaluates and rates college savings plans, released its results Tuesday rating Bright Directions a “Silver-Rated Fund”. According to Morningstar, Bright Directions is now one of the two highest rated advisor-sold plans in the country.

“We are always looking for ways to provide investors with the highest quality investment options for the best value,” Treasurer Frerichs said. “We are grateful to see Morningstar’s improved rating reflect the hard work our team has done to make saving for higher education more affordable for Illinois families.”

Morningstar identified 29 plans expected to outperform peers on a risk-adjusted basis, assigning those plans Gold, Silver, and Bronze Morningstar Analyst Ratings. The plans are evaluated based on five key pillars -- Process, Performance, People, Parent, and Price.

According to Morningstar, Illinois’ advisor-sold Bright Directions College Savings Program was upgraded from bronze to silver for a number of reasons, including cutting fees significantly in the process of renegotiating a contract with program manager Union Bank and Trust.

Earlier this month, Treasurer Frerichs announced the elimination of the Bright Directions \$10 set-up fee and \$3 quarterly maintenance fee to ensure more investment dollars will go to college savings. Management fees also will be slashed by 43 percent. More than 104,000 accounts will benefit from the new terms, which take effect Nov. 15.

In addition to Bright Directions, the Treasurer’s Office also manages the Bright Start College Savings Program. Both plans are designed as “qualified tuition programs” under Section 529 of the Internal Revenue Code. They are different than pre-paid tuition plans. Currently, more than 400,000 residents hold a Bright Directions or Bright Start account.

Money in a 529 college savings account can be used at eligible educational institutions, including public and private, two-year, four-year colleges and universities and certain technical and vocational schools.

For more information about the Treasurer's Office 529 College Savings programs, visit www.illinoistreasurer.gov.

About the Illinois Treasurer

The Illinois Treasurer is the state's Chief Investment Officer and Frerichs is a Certified Public Finance Officer. He protects consumers by encouraging savings plans for college or trade school, increasing financial education among all ages, and removing barriers to a secured retirement. As the state's Chief Investment Officer, he actively manages approximately \$25 billion. Currently, the portfolio includes \$13 billion in state funds, \$7 billion in college savings plans and \$5 billion on behalf of local and state governments. The investment approach is cautious to ensure the preservation of principal and returns \$28 to the state for every \$1 spent in operations. The Treasurer's office predates Illinois' incorporation in 1818. Voters in 1848 chose to make it an elected office.

The Bright Directions College Savings Program is part of the Illinois College Savings Pool and is designed to qualify as a qualified tuition program under the provisions of Section 529 of the Internal Revenue Code. The Bright Directions College Savings Program is sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank & Trust Company serves as Program Manager, and Northern Trust Securities, Inc. acts as Distributor. Investments in the Bright Directions College Savings Program are not guaranteed or insured by the State of Illinois, the Illinois State Treasurer, Union Bank & Trust Company, Northern Trust Securities, Inc., the Federal Deposit Insurance Corporation, or any other entity.

An investor should consider the investment objectives, risks, and charges and expenses associated with municipal fund securities before investing. This and other important information is contained in the fund prospectuses and the Bright Directions Program Disclosure Statement (issuer's official statement), which can be obtained from your financial professional and on BrightDirections.com and should be read carefully before investing. You can lose money by investing in a portfolio. Each of the portfolios involves investment risks, which are described in the Program Disclosure Statement.

An investor should consider, before investing, whether the investor's or designated beneficiary's home state offers any state tax or other benefits that are only available for investments in such state's 529 plan. Investors should consult a tax advisor.

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