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June 12, 2017

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***UESP to Cut Fee, Expand Age Brackets for Age-Based Options, Add Mutual Funds***

*Changes will reduce cost, improve flexibility and diversity in college savings investments*

**(Salt Lake City)** The Utah Educational Savings Plan (UESP) announced today that it is lowering the Administrative Asset Fee for nine of 14 investment options, effective July 14, 2017.

UESP is also expanding the number of age brackets in all of its popular age-based investment options and redesigning the Age 19+ or College Enrolled age bracket. Utah's official 529 plan is also adding more mutual funds to its customized investment options. These changes will also take effect on July 14, 2017.

"These changes will benefit thousands of accounts owned by UESP account owners by cutting costs and adding more flexibility and diversity to account portfolios," said Lynne Ward, UESP executive director.

UESP offers 14 tax-advantaged investment options to families investing for future qualified higher education expenses. Almost 70 percent of UESP accounts are age-based, which automatically reallocate funds from equities to fixed-income investments as the beneficiary ages. Here are the details of the changes:

- UESP will lower the Administrative Asset Fee charged annually to accounts invested in the four predetermined age-based investment options and five static investment options to 0.160 percent from 0.170 percent, a savings of \$0.10 per \$1,000 invested. UESP continues to be a low-cost, high-quality 529 college savings plan.
- The number of age brackets will be increased to 10 from seven, with smaller equity step-downs between age brackets. The modifications should make accounts less vulnerable to sharp market fluctuations on the day when an account moves to the next age bracket.
- The College Enrolled trigger will be removed from each age-based investment option. Now, if an account owner withdraws funds to pay for the qualified higher education expenses of a middle school or high school student enrolled in a college class, the account is automatically placed in the Age 19+ or College Enrolled bracket, which has the most conservative mix of investments. When the College Enrolled trigger is removed, the account will remain in the bracket appropriate to the beneficiary's age and continue to move down the glide path designed for the account owner's investment option.
- UESP will add the Vanguard Total International Bond Index Fund to the Age-Based Aggressive Global, Age-Based Moderate, and Age-Based Conservative investment options as an underlying investment.

This fund will increase diversity and reduce potential investment risk. An international fixed-income investment currently is not available as an underlying investment in the age-based options.

- Vanguard High-Yield Corporate Fund (VWEAX), Vanguard FTSE Social Index Fund (VFTSX), and Dimensional US Sustainability Core 1 Portfolio (DFSIX) will be added as optional underlying funds for the Customized Age-Based and Customized Static investment options. VWEAX will increase the diversity of fixed-income investments. VFTSX and DFSIX invest in socially responsible companies.

UESP will release a new Program Description in July with details of all the changes.

### **About UESP**

UESP, Utah's official nonprofit 529 college savings plan, is highly ranked by Morningstar Inc., *Kiplinger's Personal Finance* magazine, *Money* magazine, CBS MoneyWatch.com, and consumer expert Clark Howard for its low fees and industry innovations such as its customized allocation investment options.

Accounts are free to open, and UESP requires no minimum deposit or account balance. UESP's user-friendly website, [uesp.org](http://uesp.org), makes it easy to open, manage, and contribute to an account online.

To learn more about the Utah Educational Savings Plan, visit [uesp.org](http://uesp.org), call UESP toll-free at 800.418.2551, or send an email to [info@uesp.org](mailto:info@uesp.org).

### **Important Legal Notice**

*Read the Program Description for more information and consider all investment objectives, risks, charges, and expenses before investing. Call 800.418.2551 for a copy of the Program Description or visit [uesp.org](http://uesp.org).*

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

*Non-Utah taxpayers and residents: You should determine whether the state in which you or your beneficiary pays taxes or lives 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.*

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