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Treasurer Frerichs Delivers Gold for Illinois *Morningstar: Bright Start Upgraded to Gold; Bright Directions Wins Silver Three Years in a Row*

CHICAGO – Illinois Treasurer Michael Frerichs today announced that Illinois’ Bright Start College Savings Program is now, for the first time in history, a Gold-rated program, according to Morningstar.

[Morningstar](#), which evaluates and rates college savings plans, released its results Tuesday, rating Bright Start a “Gold-Rated Fund”. According to Morningstar, Bright Start is one of the four highest rated plans in the country.

“We are always looking for ways to improve our 529 programs and make them the best in the country,” Treasurer Frerichs said. “Over the last two years, I took steps to ensure that Bright Start offered high quality investment options at a low cost. We are grateful that Morningstar continues to hold the Illinois plans in high esteem.”

When Frerichs took office, neither the Bright Start nor Bright Directions plan was considered a top performer nationwide.

Morningstar identified 34 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’ direct-sold Bright Start program was upgraded from Bronze for the restructuring of its investment portfolio, significant fee reduction, and strong program management. Meanwhile, the advisor-sold Bright Directions College Savings Program maintained its Silver rating.

In 2015, 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.

In early 2017, the Treasurer again renegotiated terms with Union Bank & Trust, the new Bright Start and incumbent Bright Directions program manager, resulting in additional fee reductions across all plans. More than 460,000 beneficiaries have benefitted from the new terms.

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.

The Treasurer's Office does not manage the College Illinois pre-paid tuition program.

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, \$9.5 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 Start 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 Start 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 Start 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 Start Program Disclosure Statement (issuer's official statement), which can be obtained from your financial professional and on BrightStartSavings.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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