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News Release

Attention Business Editors

For Immediate Release
Friday, March 4, 2005

Alaska's 529 College Savings Plan Named One of Morningstar's Best

Morningstar Inc. has, for the second year in a row, named the University of Alaska College Savings Plan among the top 529 savings plans of its kind nationwide. Morningstar is a leading provider of independent investment research.

Earnings from 529 college savings plans are tax deferred and distributions are tax exempt when used to pay for qualified education expenses. Plans of this type have become a popular way for families to save for future college expenses.

“We’re extremely pleased to be recognized by Morningstar in this way,” said Linda English, UA College Savings Plan program director. “We’ve worked hard to create a first- rate college savings plan, and our efforts are really paying off.”

She added that all 50 states are now offering 529 plans, so there is stiff competition for assets. “Alaska’s 529 plan is a great value and we attribute a lot of our success to our partner, T. Rowe Price, a very respected name in the mutual fund industry,” English said.

Of the Alaska plan, Morningstar said, “T. Rowe Price’s steady, reasonably priced funds make it a standout among actively managed funds in the 529 world.”

When ranking the plans, Morningstar looked at costs, quality of investment options, investment flexibility and shareholder friendliness. Alaska’s plan scored well in all categories.

Over 15,000 Alaskans have established accounts in the plan. Many contributions are made through the direct deposit option of the Alaska Permanent Fund Dividend. Investments in the UA College Savings Plan can be used at any eligible college or university nationwide.

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For more information, call Linda English, 907/450-8115, or visit www.uacollegesavings.com

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