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May 4, 2012

Mr. Niels Holch  
Executive Director  
Coalition of Mutual Fund Investors  
400 North Capitol Street, N.W., Suite 585  
Washington, D.C. 20001

Re: Alaska's 529 College Savings Program – Advisor-Sold Plan

Dear Mr. Holch:

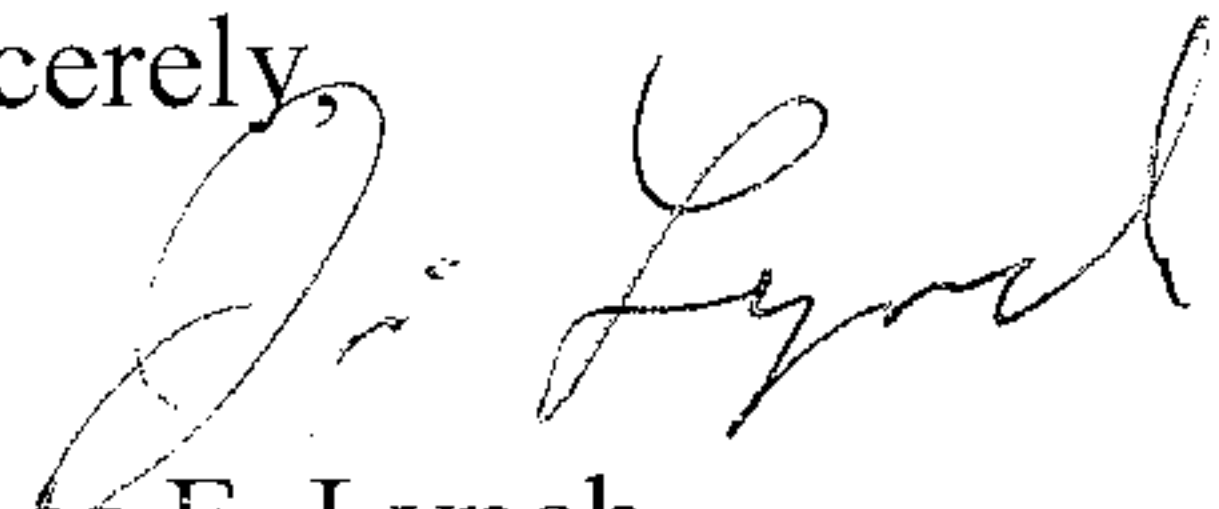
Thank you for your recent correspondence to Ms. Patricia Jacobson, University of Alaska Board of Regents Chair, regarding the difference in investor fees and costs between advisor-sold plans and direct-sold 529 plans, as well as the implementation of omnibus accounts into the 529 arena. Ms. Jacobson forwarded your letter and the research report on the comparison of investor fees and costs to me for response. I appreciate your concern for families that are saving for college.

I am familiar with the cost issues, the introduction of omnibus accounts into the 529 plan industry, and many of the transparency challenges associated with meeting Section 529 plan compliance requirements. These are important and complex issues, which are being evaluated by many of us in the industry. As the principal architect of Alaska's qualified tuition plan and a founding member of the College Savings Plan Network (CSPN), an affiliate of the National Association of State Treasurers, I am proud of progress made by the college savings plan industry over the past decade in developing improved and more consistent disclosures and reducing participant fees. For example, the CSPN voluntarily developed the 529 Plan Disclosure Principles which are followed by virtually every 529 Plan in the country. The CSPN also created a sophisticated website for participants, potential participants, and the general public to quickly and conveniently obtain information on any state 529 Plan or compare any plan to any other plan. The enhanced disclosures and website allow families access to information vital in choosing the plan that is right for them -- be it a plan offered through a financial intermediary or directly from a state sponsored investment firm. Having many choices in the industry from which families can choose is quite beneficial as no one plan or structure will be suitable to all.

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The University of Alaska and its Board of Regents take very seriously the fiduciary duties and responsibilities associated with offering a college savings program and will continue to give appropriate consideration to the issues that you cited in your letter as we continue to enhance our program.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Lynch".

James F. Lynch  
Associate Vice President for Finance

cc: Ms. Patricia Jacobson, Chair, Board of Regents