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FOR IMMEDIATE RELEASE
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FAME ANNOUNCES FEE REDUCTIONS AND OTHER ENHANCEMENTS TO NEXTGEN COLLEGE INVESTING PLAN[®], NOW 5th LARGEST PLAN IN NATION

AUGUSTA, ME — The Board of Directors of the Finance Authority of Maine (FAME) yesterday approved fee reductions and other enhancements to the NextGen College Investing Plan. The modifications create a new Client Direct Series within NextGen that will provide self-directed investors with a more simplified offering and a variety of options at a lower cost. Depending on the investor's chosen investment option, the annual asset-based fees in the Plan will range from .20% to .96%. When these changes are in effect, they will result in fee reductions averaging 40%. Also, the account maintenance fee, already waived for Maine resident account holders, will be reduced from \$50 to \$25 for all other account holders. These changes will become effective during the 2nd Quarter of 2007.

FAME also announced that the NextGen College Investing Plan is now the fifth-largest college savings plan in the nation, with over \$4.5 billion in assets under management according to the Financial Research Corporation, a financial services research firm specializing in the analysis of marketing/distribution trends and investment products. Investors from all over the country participate in the NextGen Plan.

“This change will provide a straightforward and low-cost NextGen investing option for folks who do their own college investing,” said State Treasurer Dave Lemoine. He added, “We have been working hard to update our Client Direct Series for self-directed investors, and I am pleased with the result and with the strength it adds to Maine’s college saving program.”

FAME CEO John Witherspoon stated: “We’re extremely pleased with these new, positive enhancements to NextGen, which will make it a simpler, more streamlined plan. We’re very proud of the competitiveness and success of NextGen, and view its ranking as the 5th largest college savings plan nationally as a testament to the Plan’s diversified investment offerings and focused management.”

NextGen provides an opportunity for Maine residents to prepare for higher education expenses while enjoying tax advantages. NextGen’s Client Direct Series is available for self-directed investors, those who do not seek financial advice about choosing among the available NextGen portfolios. NextGen continues to offer its popular Client Select Series, which contains additional portfolios and differing fee structures to investors who seek financial advice.

“We’re proud to note that, when comparing investment choice and flexibility, program fees, expenses and performance, Maine’s NextGen Plan is one of the best programs available to help meet the ever-increasing costs of higher education,” Witherspoon commented.

NextGen was created by the Maine Legislature in 1999 as a qualified tuition program under Section 529 of the Internal Revenue Code. It is a tax advantaged investing program of the Finance Authority of Maine designed to help families prepare for higher education expenses. Investment oversight is provided by the Maine State Treasurer. Merrill Lynch is the program manager and underwriter of the plan. Anyone can open an account, regardless of income or residency, and assets can be used at any accredited U.S. post-secondary institution. Matching grants are available to eligible families.

FAME is an independent state agency that develops and administers programs related to the financing of both higher education and business in the State of Maine. Its primary goal is to provide targeted financing tools, information and solutions that enable Maine citizens and businesses to take advantage of opportunities to further their education and grow Maine's economy. With respect to higher education financing, FAME helps Maine students and families meet the costs through a variety of grant, scholarship, and loan programs. To aid in this important effort, FAME also oversees an extensive outreach and counseling program that is designed to encourage young people to pursue higher education. To learn more about FAME, visit www.FAMEmaine.com.

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