

529 Quarterly

Fourth Quarter 2025

Congratulations on Maximizing Your 2025 Tax Benefits!

If you contributed to your Bright Directions 529 account before the December 31, 2025 deadline, you've taken an important step toward your student's future—and your own financial well-being for your 2025 Illinois taxes.

Those contributions qualify for the Illinois state income tax deduction for the 2025 tax year—up to \$10,000 for individuals and \$20,000 for married couples filing jointly¹—giving you a smart way to reduce your Illinois taxable income.

Now is the perfect time to make contributions for 2026 tax savings and keep your education savings moving in the right direction.



For additional tax filing resources and details, visit the Bright Directions 529 Tax Center.



Explore the New Bright Directions 529 Dashboard

The Bright Directions 529 dashboard has a fresh, intuitive design to make managing your college savings easier than ever.

Quickly:

- Contribute
- Check balances
- Withdraw for education expenses²
- Review investment options

Everything you need—now in one simple, streamlined place.

Visit BrightDirections.com to get started.



Illinois State Treasurer
MICHAEL FRERICHS
TRUSTEE & ADMINISTRATOR

UBT
Union Bank & Trust
Program Manager

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Simple Steps to Strengthen Your Account Security

Protecting your account is more important than ever. Here are a few quick tips:

- ✓ Use strong, unique passwords for each account. Avoid birthdays or common words. A password manager can help keep them organized.
- ✓ Enable multi-factor authentication (MFA) whenever possible. MFA adds an extra layer of security, like a code sent to your phone or an authentication app.
- ✓ Stay alert for phishing attempts. Don't click on unexpected emails or links without confirming the source.
- ✓ Review your accounts regularly and check your security settings to stay ahead of potential threats.

A few minutes today can help keep your information safe and give you peace of mind.

Markets Close Another Strong Year. Is Your Portfolio Ready for 2026?

Markets delivered solid returns in 2025 and recent years—making the start of the year an ideal time to review your asset allocation and consider rebalancing if needed. When you meet with your financial advisor, assess whether your current allocation aligns with your goals, identify any missing asset types to diversify your mix, and determine if adjustments toward a more conservative or aggressive stance are appropriate based on your risk tolerance and time horizon.

Taking time now to ensure your portfolio is positioned for the year ahead can help keep you on track toward your long-term financial goals.

Why Consider an Automatic Investing Plan?

January is the perfect time to start a regular investing plan. Consistent contributions—whether weekly, twice a month, or monthly—can simplify saving and keep your goals on track.

Start the year with confidence. Connect with your advisor to explore a new plan or increase an existing one.



Ready to get started?
Set up your automatic contributions here.



Audited Financial Statements Available Online

Did you know the last two years of audited financial statements for the Bright Directions 529 College Savings Program are available online? You can easily access these documents in the FAQ section of our website at BrightDirections.com.

The Bright Directions College Savings Program is sponsored by the State of Illinois and administered by the Illinois State Treasurer, as Trustee. Union Bank and Trust Company serves as Program Manager and Northern Trust Securities, Inc., acts as Distributor. Union Bank and Trust Company is registered as a municipal advisor with the U.S. Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB). Balances in your Bright Directions account are not guaranteed or insured by Bright Directions, the State of Illinois, the Illinois State Treasurer, any other state or federal agency, Union Bank and Trust Company or any of its affiliates, Northern Trust Securities, Inc. or any of its affiliates, the Federal Deposit Insurance Corporation (except as provided in the Program Disclosure Statement solely with respect to the FDIC-insured Bank Savings Underlying Investment), or any other entity.

An investor should consider the investment objectives, risks, and charges and expenses before investing. This and other important information is contained in the Bright Directions Advisor-Guided 529 College Savings Program Disclosure Statement, which can be obtained from your financial professional or at BrightDirections.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. Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's 529 plan.

¹An individual who files an individual Illinois state income tax return will be able to deduct up to \$10,000 per tax year (up to \$20,000 for married taxpayers filing a joint Illinois state income tax return) for their total, combined contributions to the Bright Directions Advisor-Guided 529 College Savings Program, Bright Start Direct-Sold College Savings Program, and College Illinois during that tax year. The \$10,000 (individual) and \$20,000 (joint) limit on deductions will apply to total contributions made without regard to whether the contributions are made to a single account or more than one account. The amount of any deduction previously taken for Illinois income tax purposes is added back to Illinois taxable income in the event an Account Owner makes an Illinois Nonqualified Withdrawal from an Account or if such assets are rolled over to a non-Illinois 529 plan. If Illinois tax rates have increased since the original contribution, the additional tax liability may exceed the tax savings from the deduction.

²Federal Qualified Higher Education Expenses include: tuition, fees, books, supplies, and equipment required for enrollment or attendance at an Institution of Higher Education; certain room and board expenses incurred by students who are enrolled at least half-time; expenses for special needs services in the case of a Beneficiary who has special needs; expenses for the purchase of computer or certain peripheral equipment, computer software, or Internet access; expenses for fees, books, supplies, and equipment required for the participation of a Beneficiary in an Apprenticeship Program; Qualified Postsecondary Credentialing Expenses; amounts paid as principal or interest on any Qualified Education Loan of the Beneficiary or a Sibling of the Beneficiary (\$10,000 lifetime maximum); Qualified Elementary and Secondary Expenses (shall not exceed \$10,000 during 2025 or \$20,000 during the taxable year thereafter).

Illinois Qualified Expenses do not include distributions for Qualified Elementary and Secondary Expenses; or distributions for Qualified Postsecondary Credentialing Expenses. Please consult your tax professional for further information and advice.

Not FDIC Insured*/No Bank Guarantee / May Lose Value
(*Except for the Bank Savings Underlying Investment)

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