

529 Quarterly

Second Quarter 2023



What to Know When It's Time to Spend Your Savings

Once your student is enrolled in an accredited school or apprenticeship, it's time to put your Bright Directions 529 College Savings account into action. Here are a few reminders about where the funds can be used, how to make college payments, and what expenses they cover.



Pay for College Almost Anywhere

Your Bright Directions savings can be used nationwide at most accredited colleges and universities as well as trade and graduate schools. All public and private postsecondary educational institutions that participate in the U.S. Department of Education's Federal Student Aid programs are eligible.



Plan Ahead to Make Account Withdrawals

Submit a withdrawal request at least 10 days before your student's payment is due. Make your request online through your Bright Directions account portal or by downloading the Withdrawal Request form from BrightDirections.com and submitting it by mail. In most cases, if a withdrawal request is received in good order on a business day before markets close (typically 3 p.m. CT), the investments will be sold at that day's closing price. Bright Directions receives the proceeds from the mutual funds the next morning and a check will be mailed to you, to your bank account on file, or if you chose, sent straight to your student's school.



Allocate for Expenses Beyond Tuition

A 529 college savings plan can be used to cover qualified educational expenses. Along with tuition and fees, this includes your student's books, supplies, equipment, computer, or special needs services for a special needs beneficiary. Your funds can also be used for room and board if your student is enrolled at least half-time.

Learn more about account withdrawals at

BrightDirections.com/use-of-funds



Put Your Knowledge to the Test

Think you know what qualifies as a qualified educational expense? Time to find out — take our latest quiz to see if you know what your account does and doesn't cover.





Update Your Address Book

Bright Directions has a new mailing address. If you have bill pay contributions, general mail, or friends and families that contribute to your account make sure to notify them of the new address as well.

***NEW* Overnight Mailing Address:**
Bright Directions 529
1248 O Street — Suite 200
Lincoln, NE 68508

Regular Mailing Address:
Bright Directions 529
PO Box 82623
Lincoln, NE 68501



Learn What Your Money Habits Say About You

Everyone has a different relationship with money but approaches to **saving and spending tend to be directly tied to personality traits and behaviors.** Some may love to spend money, while others find safety in the security of saving. Still others may avoid thinking about their finances.



You can understand what motivates your financial decisions with the **Illinois Financial Wellness Hub's Money Personality Quiz**, a free online analysis developed by experts. The assessment

determines your money personality type, shows how your behaviors affect your fiscal decisions, and gives you an action plan for improving your financial wellness.



Create your free account and take the quiz through your personal dashboard at IllinoisTreasurer.Enrich.org.

FINANCIAL TERMINOLOGY

UNDERSTANDING INVESTMENT PORTFOLIOS

An **investment portfolio** is a blend or mix of asset classes that can include stocks, bonds, cash, and other asset types. The Bright Directions 529 program offers a wide variety of investment options for investors including Age-Based and Target Portfolios. These portfolios are diversified into underlying investments from multiple fund families.

Working with your financial advisor you have the flexibility to determine what portfolio(s) work best based on your risk comfort level, your time horizon, and the fit with your overall savings plan and goals.

Bright Directions offers the following portfolio options:

- **Age-Based Portfolios** are professionally managed portfolios that invest in stock, bond, and cash investments. These portfolios automatically adjust over time from more growth-oriented investments while the beneficiary is younger to more conservative investments as the beneficiary gets closer to college age.
- **Target Portfolios** these professionally managed portfolios invest in a set asset allocation. Unlike the Age-Based Portfolios, the Target Portfolios do not adjust over time but rather continue in the targeted asset allocation. The plan offers options that range from conservative to aggressive.
- **Individual Fund Portfolios** are designed for the financial advisor and investor who choose to create a customized asset allocation and investment structure. Bright Directions has over 40 Individual Fund Portfolios that cover the major asset classes. Each Individual Fund Portfolio invests in a single mutual fund or investment fund.

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. 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.

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

Northern Trust
Securities, Inc.
Distributor



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ILLINOIS STATE TREASURER
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