

**Supplement # 1 Dated January 1, 2023  
to the Bright Directions Advisor-Guided 529 College Savings Program  
Program Disclosure Statement Dated November 15, 2022**

The Bright Directions Advisor-Guided 529 College Savings Program (the "Program") Disclosure Statement & Participation Agreement dated November 15, 2022 ("Program Disclosure Statement"), is hereby amended as set forth below. Except as amended herein, the Program Disclosure Statement remains in full force and effect. Unless otherwise defined herein, capitalized terms used in this January 1, 2023, Supplement (the "Supplement") shall have the respective meanings assigned to them in the Program Disclosure Statement. In the event of a conflict between the terms of the Program Disclosure Statement and the terms of this Supplement, the terms of this Supplement shall control.

**NEW in 2023 - Illinois First Steps Program**

The Illinois First Steps Program ("First Steps") is a college savings starter seed deposit program available to qualifying Illinois residents. First Steps is administered by the State of Illinois Treasurer's Office ("Treasurer") and currently provides for a one-time \$50 seed deposit into an omnibus account on behalf of eligible children. First Steps enrollment begins in 2023.

**The details of and requirements for First Steps are set forth in applicable law (15 ILCS 505/16.8), which may be further detailed by administrative rule. The following is a summary of information related to First Steps:**

**Eligible Child:** An eligible child is a child born or adopted on or after January 1, 2023, to an eligible parent, as evidenced by documentation from the Illinois Department of Revenue, the Illinois Department of Public Health or another State or local government agency.

**Eligible Parent:** An eligible parent is 1) a parent of an eligible child, 2) who was a resident of Illinois at the time the child was born or adopted, as evidenced by documentation from the Illinois Department of Revenue, the Illinois Department of Public Health or another State or local government agency. If no eligible parent is living, a parent or legal guardian who is not an eligible parent may claim the seed deposit on behalf of the eligible child.

**Deposits:** Currently, the seed fund deposit for each eligible child is in the amount of \$50. The Treasurer shall make deposits into an omnibus account on behalf of eligible children. The Treasurer may increase or decrease deposit amounts or forgo deposits, based on the availability of funding.

**Claim Process:** The eligible parent, or if none is living, a parent or legal guardian, must claim the seed fund deposit for the eligible child by the eligible child's tenth birthday. To claim the seed fund deposit, the eligible parent, or if none is living, a parent or legal guardian, must establish a Bright Directions Advisor-Guided 529 College Savings Program ("Bright Directions Program") Account or Bright Start Direct-Sold College Savings Program ("Bright Start Program") Account and provide the program with requested information to process the claim to the funds. An eligible child is eligible for only one \$50 seed fund deposit regardless of the number of Accounts opened for such child.

**Use of Funds:** A seed fund deposit, plus any interest, dividends, and other earnings accrued and allocated to such deposit and less any fees allocated to and deducted from such deposit in accordance with Section 16.5 of the State Treasurer Act, 15 ILCS 505 ("First Steps funds"), may be used by an eligible child for qualified higher education expenses as defined under Illinois law if: 1) the eligible parent, or if none was living, a parent or legal guardian, claimed the seed fund deposit for the eligible child by the eligible child's 10th birthday; 2) the eligible child has completed secondary education or has reached the age of 18; and 3) the eligible child is currently a resident of the State of Illinois. Non-residents of Illinois are not eligible to claim or use First Steps funds. For the purposes of First Steps, qualified higher education expenses do not include K-12 expenses.

**First Steps Account Owner:** The Treasurer owns and administers the omnibus accounts that hold the First Step funds, including any claimed seed fund deposits and any unclaimed seed fund deposits. Although the First Steps funds for an eligible child may be reported on the same statement with another Account for such Beneficiary, the Account Owner cannot control the investment or distribution of such funds, cannot change the Account Owner of the First Steps funds and cannot change the Beneficiary of the First Steps funds. Only the eligible child may request a distribution from the First Steps funds, subject to applicable law and rules.

Any seed funds that are unclaimed by the eligible child's 10th birthday and any First Steps funds unused by the eligible child's 26th birthday will be considered forfeited. Unclaimed and unused seed funds and First Steps funds for an eligible child will remain in the omnibus accounts for benefit of future beneficiaries of the First Steps funds.

The First Steps funds for an eligible child will count against the Maximum Account Balance limit.

The Treasurer may adopt rules with respect to the program and may change deposit amounts based on availability of funding.