

**January 1, 2018 Supplement to Bright Directions Advisor-Guided 529 College Savings Program  
November 6, 2017 Program Disclosure Statement**

The Bright Directions Advisor-Guided 529 College Savings Program (the “Plan”) Program Disclosure Statement dated November 6, 2017 (“Program Disclosure Statement”), is hereby amended by this January 1, 2018 Supplement (“Supplement”), 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 Supplement shall have the meanings assigned 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.

The following provisions are added to the Program Disclosure Statement:

**1. Gift Tax Annual Exclusion Increase in 2018**

For federal gift tax purposes, Contributions to an Account are considered a gift from the contributor to the Beneficiary that is eligible for the annual gift tax exclusion. For 2017, the annual exclusion was \$14,000 per donee. For 2018, the annual exclusion is increasing to \$15,000 per donee. A married donor whose spouse elects on a United States Gift Tax Return Form 709 to “split” gifts with his or her spouse could contribute up to \$28,000 in 2017 and up to \$30,000 in 2018.

In addition, you may elect to have the amount you contributed in any calendar year treated as though you made one-fifth of the Contribution that year, and one-fifth of the Contribution in each of the next four calendar years. (Such an election, however, must be made on the United States Gift Tax Return Form 709). This means that you could contribute up to \$70,000 to an Account in 2017, or up to \$75,000 beginning in 2018, without the Contributions being considered a taxable gift, provided that you make no other gifts to the Beneficiary in the same year or in any of the succeeding four calendar years. Moreover, a married contributor whose spouse elects on a United States Gift Tax Return Form 709 to “split” gifts with his or spouse may contribute up to \$140,000 in 2017 or \$150,000 beginning in 2018 without the Contribution’s being considered a taxable gift, provided that neither spouse makes any other gifts to the Beneficiary in the same year or in any of the succeeding four calendar years.

**2. Expanded Qualified Higher Education Expenses**

Effective for distributions made after December 31, 2017, the definition of Qualified Higher Education Expenses under the Internal Revenue Code of 1986, as amended (the “Code”) is expanded to include expenses for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school. The amount of cash distributions from all qualified tuition programs with respect to a beneficiary during any taxable year shall, in the aggregate, include not more than \$10,000 in expenses for tuition incurred during the taxable year in connection with the enrollment or attendance of the beneficiary as an elementary or secondary public, private, or religious school student.

As of the date of this Supplement, it has not yet been determined whether and how the Illinois statute that establishes the Plan may be modified to include this expanded definition. You should consult your tax advisor regarding your individual situation.

**3. Rollovers to ABLE Programs from Bright Directions**

Effective for periods prior to January 1, 2026, you may direct a transfer of money from your Account to an ABLE account (as defined in section 529A(e)(6)) of the Beneficiary or a member of the family of the Beneficiary, subject to the contribution limits for ABLE accounts. Alternatively, you may make a withdrawal from your Account and re-deposit the withdrawn balance within 60 days into an ABLE account subject to the limitations described in the immediately preceding sentence. Such amounts would count towards the overall limitations on contributions to an ABLE account within a tax year. You should consult your tax advisor regarding your individual situation, including whether a rollover to an ABLE account would result in the recapture of any Illinois State income tax deduction previously claimed.

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