
TEXAS
COLLEGE SAVINGS
PLAN℠
Imagine the
Possibilities

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Dear College Saver:

Thank you for your interest in the Texas College Savings Plan®. As a parent, I know you're committed to doing all you can to help our children reach their full potential. An increasingly important part of that effort is providing resources for a college education.

We're pleased to offer a plan that allows you to save for rising college expenses. The Texas College Savings Plan offers tax advantages, flexibility and diversified investment options to help you save for qualified higher education expenses.

The Texas College Savings Plan is administered by the Texas Prepaid Higher Education Tuition Board, which I chair, and professionally managed by Orion Advisor Solutions, Inc. Earnings and withdrawals for qualified educational expenses are tax-free and can be used at colleges and universities across the U.S. as well as at select schools overseas.

A college savings plan is important, and choosing the right one is essential. With the Texas College Savings Plan, you can give your child a head start toward a better future for themselves — and our state.

If you have any questions or would like more information about the Texas College Savings Plan, please visit our website at **www.texascollegesavings.com** or call us toll-free at **800-445-GRAD (4723), option #3.**

I encourage you to study this booklet and the other documents on our website to see how the Texas College Savings Plan can help you reach your goals. We look forward to helping you.

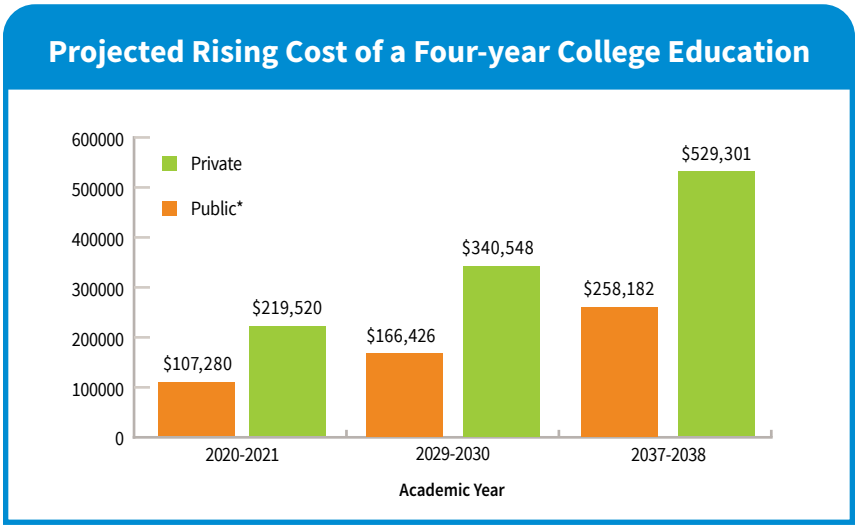
Sincerely,

Glenn Hegar
Texas Comptroller of Public Accounts
Chairman, Texas Prepaid Higher Education Tuition Board



Big Dreams Take Smart Planning

Anything is possible. That's the dream we have for our children, and, sometimes, the dream that takes our lives in exciting new directions. However, the cost of higher education, an important factor in achieving big dreams, keeps rising.



Source of chart data: The College Board, "Trends in College Pricing and Student Aid 2020." Average college costs for four years of school include tuition, fees, books and supplies, room and board, transportation and other expenses as well as an assumed 5% annual rate of increase. This illustration uses the "Average Estimated Full-Time Undergraduate Budgets (Enrollment-Weighted) by Sector, 2020-21" figures to project the hypothetical future costs.

*Costs are for Public Four-Year In-State On-Campus



The Texas College Savings Plan

The Texas College Savings Plan (the "Plan") is a 529 college savings plan administered by the state of Texas and managed by Orion Advisor Solutions, Inc.

The Plan's low initial deposit, affordable costs, flexibility, diversified investment options and tax advantages help make it simple to save and pay for qualified higher education expenses. You can use your savings for registered apprenticeship programs and at eligible colleges, universities, technical or graduate schools in Texas, throughout the U.S. and at select schools overseas.

The Potential Benefits of the Texas College Savings Plan



Please remember, when you invest in securities, your account value will fluctuate and there's always the possibility of losing money.

The possibilities for your child are endless, and the Texas College Savings Plan can help to save more for the education he or she deserves.

It doesn't take a lot to get started

Any U.S. citizen or permanent resident alien 18 years of age or older, regardless of income or state residency, can open or contribute to a Plan account, including parents, grandparents, aunts, uncles or even family friends. And they can do so for as little as $25 per portfolio to start and $25 per portfolio for subsequent investments.

You may also choose to open your account with only $15 per portfolio when you set up an automatic purchase plan to transfer money directly from your bank account or from your paycheck. Just remember, systematic investing does not assure a profit and does not protect against loss in declining markets.

Save more. Take advantage of high account balance maximum

The combined account balance per beneficiary for the Plan and all other Texas 529 programs may reach as high as $500,000. During any time an account exceeds this limit, earnings can continue to accrue, though new contributions will not be allowed.

Gift tax planning advantages make it easy to give

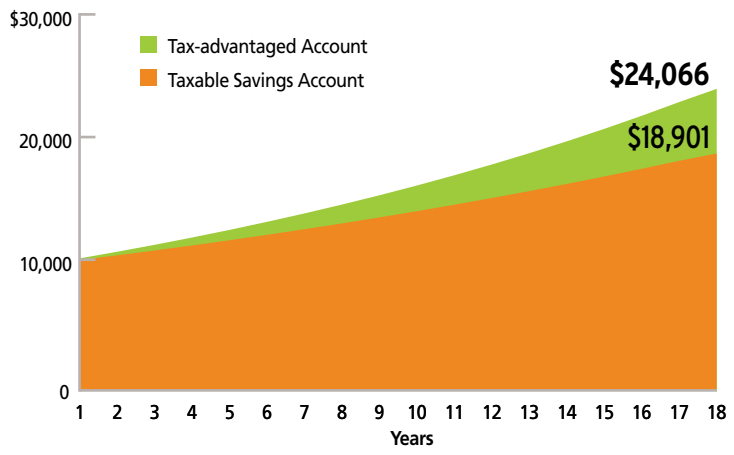
For gift tax purposes, you can contribute up to $15,000 ($30,000 for married couples) per year, per beneficiary. You can also make a one-time, lump-sump contribution of up to $75,000 ($150,000 for married couples) and treat it as having been contributed in equal amounts during the following five years,[1] without triggering gift taxes. In addition, contributions treated as completed gifts are excluded from an account owner's estate, making the Plan an attractive option for grandparents looking for a way to contribute to a grandchild's dreams.

1. Beginning on January 1, 2022, the annual gift tax exclusion will be indexed for inflation, increasing the exclusion amount to $16,000 ($32,000 for married couples making a joint gift). This means that the maximum gift amount under the five-year averaging provision will also be increased beginning in 2022 to $80,000 ($160,000 for married couples making a joint gift). If the contributor dies before the end of the five-year period, a prorated portion of the contribution allocable to the remaining years in the five-year period, beginning with the year after the contributor's death, will be included within his or her gross estate for federal estate tax purposes.

Tax-advantaged savings may help your account grow

Unlike a taxable account, the assets in your Plan account can compound tax free, giving you greater potential for growth over the long term. What's more, you can withdraw the money free from federal taxes, as long as it's used to pay for qualified educational expenses. When withdrawals are used for other purposes (a "non-qualified withdrawal"), any earnings are subject to federal income taxes plus an additional 10% federal penalty and any state and local income taxes, if applicable. Please check with your tax advisor or legal counsel for further information regarding state tax consequences.

The Benefits of Tax-free Growth



This hypothetical illustration assumes an initial investment of $10,000 and a 5% annual rate of return. The taxable account assumes a 28% federal tax rate. The illustration does not represent the performance of any specific account or investment and does not reflect any plan fees or sales charges that may apply. If such fees or sales charges had been taken into account, returns would have been lower.

The Benefits of an Early Start

Opening a Texas College Savings Plan account can help you take advantage of the power of compounding—earnings generated from previous earnings. This may potentially increase your account balance over time. And the earlier you start, the bigger your account may potentially grow.



You retain control and direct how funds are used

The Plan's assets remain in your name for the life of the account. If your beneficiary decides not to pursue a higher education, you can change the beneficiary to another qualified family member without incurring taxes or penalties,[2] keeping the account for future use.

Use your savings at schools throughout the U.S.—and around the world

You can use your savings to pay for the cost of future undergraduate and graduate school college tuition, fees, and related educational expenses at eligible colleges and universities, including certain foreign institutions.

The plan may also be used for K-12 tuition, eligible career schools and registered apprenticeship programs. Tax consequences of using 529 plans for elementary or secondary education tuition expenses will vary depending on state law and may include recapture of tax deductions received from the original state as well as penalties. You should consider consulting with a tax or legal advisor to determine any such consequences.

Choose from a wide range of investments

The Plan offers a wide range of portfolios with investments from DFA, Eaton Vance, Federated Hermes, Vanguard and New York Life. Once you select how to invest, these teams of experienced professionals manage your assets with care. As stated in the current Plan Description, total estimated fees for the portfolios range from 0.3100% to 0.5215%. Fees are subject to change and investments in the Plan are market-based and may rise or fall in value.

2. Please see the Plan Description for details. Consult your tax advisor to determine whether such a change creates a taxable gift.

Investments from Industry Leaders

Saving for qualified education costs often means selecting investments—a task that can seem overwhelming. However, the Texas College Savings Plan helps by offering three investment options— Age-based, Risk-based and Individual Asset Class—tailored to different growth requirements, situations and risk tolerances. Portfolios include different investment allocation strategies from industry leaders DFA, Eaton Vance, Federated Hermes, Vanguard and New York Life.

Age-based option

Your savings are placed in a portfolio matched to your beneficiary's age (see page 6). The Plan will automatically move your savings into the next Age-based portfolio as your beneficiary gets older.

When your beneficiary is younger, the portfolio will be weighted more heavily in equity investments. As your beneficiary approaches college age, the portfolio will be weighted more heavily in fixed income and stable value investments.

Before investing in the Plan's Age-based portfolios, you should review the tables on page 6 and consider additional factors, including your risk tolerance, personal circumstances and complete financial situation.

Risk-based and Individual Asset Class options

If you choose a Risk-based or Individual Asset Class portfolio, your investment does not change with the age of the beneficiary. Each of our Risk-based portfolios offers a group of investments that, together, target a specific risk profile (see page 7). The Individual Asset Class portfolios focus on a single type, or class, of investment and allow you to design your own asset allocation. Your investment will remain in the portfolio(s) you select until you instruct the Plan to move to another portfolio. Current law allows account owners to move investments between portfolios up to twice per calendar year.

A Word from Orion Advisor Solutions, Inc.

Orion was founded to empower the investment community with a suite of services designed to help the individual investor. With a client-centric culture, we proudly support investors in pursuing their savings goals.

Investment Options

Equity
- Vanguard Total Stock Market Index
- Vanguard Total Intl Stock Market Index

Fixed Income and Credit
- Vanguard Total Bond Market Index
- DFA Inflation-Protected Securities
- Federated Hermes High Yield Bond
- Eaton Vance Floating-Rate

Stable Value
- New York Life Guaranteed Interest

Age-based Portfolios

Your account is placed in one of the following ten portfolios, according to your beneficiary's age.

0–3 Years



Seeks long-term capital growth by investing primarily in equity investments. A small percentage of assets are invested in fixed income investments to provide some protection from equity volatility.

4-6 Years



Seeks long-term capital growth by investing primarily in equity investments. A slightly larger percentage of assets are invested in fixed income investments to provide further protection from equity volatility.

7-8 Years



Seeks capital growth by investing in a balanced asset allocation of equity and fixed income.

9 Years



Seeks moderate capital growth by investing in a balanced asset allocation weighted toward equity.

10-11 Years



Seeks moderate capital growth by investing in a balanced asset allocation with near equal weights between equity and fixed income.

12 Years



The Age-based 12 Years portfolio marks the shift to a majority fixed income exposure as the objective changes from capital growth to preservation and income.

13-14 Years



Seeks preservation of income with minimal growth by investing in a blended allocation of equity and fixed income with a heavier weight toward fixed income.

15 Years



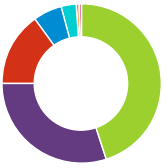
Further reduction in equity exposure seeks preservation of capital and income with minimal growth by investing primarily in fixed income investments and stable value to maintain stability.

16-17 Years



Seeks preservation of income with minimal growth by investing in a blended allocation of equity and fixed income with a heavy weight toward fixed income, as well as the inclusion of stable value to provide additional income.

18 Years and Over



Seeks preservation of capital and income by investing primarily in fixed income, with the inclusion of some equity and some stable value.

Risk-based and Individual Asset Class Portfolio Options

The Risk-based and Individual Asset Class Options offer more flexibility in choosing your investment options. Based on your situation and risk tolerance, you can choose to invest in one, or any combination of these portfolios as well as the Age-based portfolios.

Risk-based Portfolios

Aggressive Allocation



Seeks long-term growth by primarily investing in equity.

Balanced Allocation



Seeks moderate growth by investing in a balanced allocation weighted toward equity investments versus fixed income investments.

Conservative Allocation



Seeks capital preservation by investing primarily in fixed income investments and stable value.

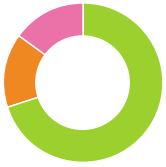
Individual Asset Class Portfolios

Diversified Equity



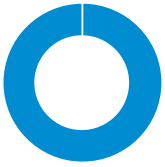
100% equity portfolio seeks long-term growth through a regionally diversified portfolio of investments.

Diversified Fixed Income



100% Fixed Income portfolio seeks to provide diversified exposure to the U.S. bond market.

U.S. Stock



100% equity exposure seeking to closely track the total return of the U.S. Stock Market.

International Stock



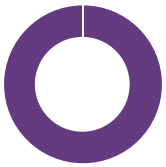
100% equity exposure seeking to closely track the total return of equity investments outside the U.S.

U.S. Bond



100% Fixed Income portfolio seeks to track the total return of the float adjusted aggregate U.S. Bond Market.

Inflation Protection



100% Fixed Income exposure with the goal of providing income and protecting against inflation.

Capital Preservation



100% Stable Value exposure seeks to provide guaranteed income with insurance against risk.

Investing involves risk. This material does not constitute any representation as to the suitability or appropriateness of any security, financial product or instrument. There is no guarantee that an investment in any program or strategy discussed herein will be profitable or will not incur loss. Individual client accounts may vary. Investors should seek financial advice regarding the appropriateness of investing in any security or investment strategy discussed or recommended in this brochure and should understand that statements regarding future prospects may not be realized. Investors should note that security values may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not a guide to future performance.

Fixed Income is an investment style designed to return income on a periodic basis. Generally, fixed income strategies invest in bonds, real estate, loans, and other types of debt instruments. Diversifiable risks associated with fixed income investing include, but are not limited to, opportunity risk, credit risk, reinvestment risk, and call risk.

Compare Your Savings Options

The Texas College Savings Plan offers many potential benefits not found in other education savings options, such as a Coverdell Education Savings Account and a Uniform Gift to Minors Act (UGMA) or Uniform Transfer to Minors Act (UTMA) account.

The Texas College Savings Plan Compared to Other Education Savings Options

Features	The Texas College Savings Plan	Coverdell Education Savings Account	UGMA/UTMA Account
Beneficiary Age Limit	None	Can contribute until child reaches 18. Must spend assets by child's 30th birthday or be subject to tax and penalties	Can contribute until child reaches 18 or 21, depending on state law
Account Owner Income Limit	None	Phases out for incomes between $95,000 and $110,000 if single, $190,000 and $220,000 if married	None
Contribution Limit	$500,000 per beneficiary[3]	$2,000 per year per beneficiary	None
Account Control	Account owner	Parent/account owner	Child assumes control at legal age of majority
Beneficiary Flexibility	Flexible beneficiary designation[4,5]	Flexible beneficiary designation	May not be transferred
Financial Aid Impact	Considered account owner's assets	Considered account owner's assets	Considered student's assets
Asset Use	Can be used for a broad range of qualified education expenses	Can be used for qualified primary, secondary, and higher education expenses	Unrestricted, provided it is for the benefit of the minor
Investment Flexibility	Yes[5]	Yes	Yes
Federal Tax Exemption	For qualified withdrawals	For qualified withdrawals	None
Gift Tax Treatment[6]	Qualifies for $15,000 exclusion from gift tax ($30,000 for married couples filing jointly)	Qualifies for $15,000 exclusion from gift tax ($30,000 for married couples filing jointly)	Qualifies for $15,000 exclusion from gift tax ($30,000 for married couples filing jointly)
Estate Tax Treatment	Considered removed from donor's estate (partial inclusion if donor dies during the five-year election period)	Considered removed from donor's estate	Considered removed from donor's estate

3. All assets, including earnings, under all 529 accounts within all plans maintained by the state of Texas, including the Texas Guaranteed Tuition Plan, the Texas College Savings Plan, the LoneStar 529 Plan® and the Texas Tuition Promise Fund®, established for the benefit of a particular beneficiary, must be aggregated when applying this limit. New contributions will not be allowed when a beneficiary's accounts exceed this limit. Earnings, however, can continue to accrue.
4. Changes in beneficiary are limited to qualified family members of the current beneficiary to avoid federal tax consequences.
5. Account owner may only change how previous contributions and any earnings thereon are invested twice per calendar year or upon a change in beneficiary.
6. Beginning on January 1, 2022, the annual gift tax exclusion will be indexed for inflation, increasing the exclusion amount to $16,000 ($32,000 for married couples making a joint gift). This means that the maximum gift amount under the five-year averaging provision will also be increased beginning in 2022 to $80,000 ($160,000 for married couples making a joint gift).

Your Questions Answered

Q: What is a 529 Plan?

A: Named after Section 529 of the IRS Code, state-sponsored 529 plans are investment plans that receive special federal tax benefits to encourage families to save for college. Also referred to as qualified tuition programs, they are specifically designed to help families—regardless of income level—save for qualified education expenses by offering the potential for tax-deferred growth and tax-free withdrawals for qualified educational expenses.



Q: What defines a "U.S. resident" for the purposes of the Texas College Savings Plan?

A: All U.S. citizens and permanent resident aliens are considered U.S. residents for the purposes of the Texas College Savings Plan.

Q: What are qualified educational expenses?

A: Qualified educational expenses include graduate and undergraduate tuition, fees, certain room and board expenses, textbooks, supplies and equipment required for a student to attend classes at an eligible educational institution, as well as for registered apprenticeship programs, K-12 tuition for private, public or religious schools, and expenses for special needs services in the case of a special needs beneficiary who incurs such expenses in connection with attendance at an eligible educational institution.

Q: Can I open an account for myself?

A: Absolutely. The Texas College Savings Plan can help any U.S. citizen or permanent resident alien save for future educational expenses.

Q: How do I select the right investment option for my account?

A: The Age-based Option is a simple way to save for qualified educational expenses. Contributions are placed in one of ten portfolios depending on the beneficiary's age. The Plan will automatically move your investment to another Age-based portfolio when the beneficiary moves into the next age group.

The Risk-based and Individual Asset Class Options offer customization by allowing you to select your preferred risk tolerance or create your own asset allocation. You can choose to invest in one, or any combination of these portfolios. When deciding how to invest, keep in mind that the Texas College Savings Plan does not require you to choose between the three options. You may choose to:

- Invest 100% in the appropriate Age-based portfolio
- Invest 100% in one or more of the Risk-based or Individual Asset Class portfolios
- Split your contribution between the appropriate Age-based portfolio and one or more of the Risk-based or Individual Asset Class portfolios



Q: Will having a 529 Plan savings account hurt a beneficiary's chances for federal financial aid?

A: College savings can reduce the amount of federal financial aid your beneficiary is eligible to receive; however, savings can increase the total amount of money available to actually pay college expenses.

Whether an account will affect the beneficiary's eligibility for federal financial aid depends on who the purchaser is and the beneficiary's relationship to the purchaser. Find more information about the Free Application for Federal Student Aid (FAFSA®) process at Studentaid.gov/apply-for-aid/fafsa/filling-out/help.

For Texas state-funded financial aid, Texas law provides that the value of the account may not be considered an asset, income, or resource in determining eligibility for Texas state-funded student financial aid.

For school-based financial aid, the effect of being a purchaser or beneficiary of an account varies from institution to institution.

Q: What if my beneficiary receives a scholarship?

A: If that occurs, congratulate your beneficiary, and rest assured that you may still use your savings to pay for qualified educational expenses not covered by the scholarship, such as room and board (for students that are enrolled at least half-time), books and other required supplies.

You can also withdraw an amount equal to the value of the scholarship from your account. Earnings on this amount will be taxed at your tax rate, but will not be subject to the additional 10% federal penalty. Other options include leaving the money in the account or changing your beneficiary.

Q: What if my beneficiary doesn't go to college?

A: As the account owner, you always control the account. If you don't need to use the account for your beneficiary, you can:

- **Keep the funds in the account** Your account will remain available should your beneficiary change his or her mind
- **Change the beneficiary** You can change your beneficiary at any time, as long as the new beneficiary is a qualified family member. Please see the Plan Description for details. Consult your tax advisor to determine whether such a change creates a taxable gift
- **Take a nonqualified withdrawal** While this is always an option, keep in mind your account's earnings will be subject to federal income taxes and an additional 10% federal penalty, and for non-Texans any state and local income taxes, if applicable

Q: Can I roll over assets from another 529 plan?

A: Yes. Rollovers or transfers from another 529 plan without incurring penalties are permitted for the benefit of the beneficiary or a qualified family member of the current beneficiary once every 12 months. However, the rollover must be completed within 60 days. Some qualified savings plans impose a penalty for this type of transfer and some states recapture tax benefits. Please review the terms of your existing account.

Q: How does the Texas College Savings Plan differ from a Coverdell Education Savings Account?

A: While a Coverdell Education Savings Account (ESA) offers similar tax advantages, annual contributions are limited and may not be sufficient to adequately fund a college education. ESAs also impose restrictions on who may contribute, based on income levels.

Q: Can I transfer assets of an UGMA/UTMA account?

A: Yes. If you are the custodian for the beneficiary, you may elect to place part or all of the UGMA/UTMA assets into a Texas College Savings Plan account in your custodial capacity. However, there are certain considerations when doing so:

- Non-cash assets held in an UGMA/UTMA account must first be liquidated, as only cash contributions are permitted into a college savings account. You should discuss the tax consequences with your tax advisor before executing this transaction
- The account beneficiary may not be changed from the original beneficiary of the UGMA/UTMA account, and all withdrawals must be made for the benefit of the beneficiary, as outlined in the terms governing UGMA/UTMA accounts
- The custodian must notify the Plan when the custodianship terminates and the beneficiary is legally entitled to take control of the account

Increased Earnings Opportunities

- In 2019, the median family income of families with at least one four-year college graduate was $130,990, which was more than twice the median income for families headed by a high school graduate ($61,880).

Source of data: The College Board, "Trends in College Pricing and Student Aid 2020."

Easy Online Enrollment

There's no reason to delay one more day. Take a giant next step and open a 529 account with the Texas College Savings Plan today.

Here's how

1. Visit www.texascollegesavings.com.
2. Click "Enroll Online."
3. Follow the simple instructions.

If you prefer, you may complete and return the Account Application, along with a check for a deposit of $25 or more, made payable to the Texas College Savings Plan. No matter how you open your account, be sure to read the Plan Description and Savings Trust Agreement and other Plan documents carefully. It outlines the risks, fees and other expenses associated with investing in the Plan. If you have questions, call **800-445-GRAD (4723), option #3,** between the hours of 8am and 6pm Central Time, Monday through Friday.

Additional Resources

The following websites can help you understand 529 plans, and other savings options, as you work toward affording higher education for a child in your life.

Save Now for College, www.savenowforcollege.org
Includes information about all Texas 529 plans.

Saving for College, www.savingforcollege.com
Includes information about 529 plans and other ways to save and pay for college.

College Board, www.collegeboard.org
Provides a broad range of information on saving and paying for college, including college cost calculators, financial aid, grants and loans.

College Savings Plan Network, www.collegesavings.org
An affiliate to the National Association of State Treasurers, the College Savings Plan Network's website provides detailed information about 529 college savings plans and allows you to compare plans from around the country.

Texas Higher Education Coordinating Board, www.highered.texas.gov
Provides information on planning and applying for college, as well as higher education funding options.



An education savings plan is important. Choosing the right one is essential.

The Texas College Savings Plan offers

- Professionally managed investments
- Tax-advantaged savings
- Minimal maintenance and competitive portfolio management fees
- The ability for both family and friends to contribute

FOR MORE INFORMATION AND PLAN DETAILS

Go to www.texascollegesavings.com

The Texas College Savings Plan® ("Plan") is administered by the Texas Prepaid Higher Education Tuition Board ("Board"). Orion Advisor Solutions, Inc. is the plan manager. The Plan and the Board do not provide legal, financial, or tax advice and participants in the Plan should consult a legal, financial, or tax advisor before investing. Fees and charges for the most recent quarter are available on our website at: www.texascollegesavings.com/expenses.

Non-residents of Texas should consider whether their home state, or the beneficiary's home state, offers its residents any tax or other state benefits, such as financial aid, scholarship funds, and protection from creditors, that are only available for participants in that state's plan.

An account could lose money including the principal invested. No part of an account is a deposit or obligation of, or is guaranteed or insured by, the Board, the state of Texas, or any agency or agent thereof. Interests in the Plan have not been registered with or approved by the SEC or any state. Investors should carefully consider the investment objectives, risks, fees, charges, and expenses associated with municipal fund securities. The Board may suspend, modify, or terminate the Plan or change investment approaches, offerings, and/or underlying investment funds at any time and without the consent of account owners or beneficiaries. The Plan Description and Savings Trust Agreement contain this and other important information about the Plan and may be obtained by visiting www.texascollegesavings.com or calling 800-445-GRAD (4723), option #3. Investors should read all Plan documents carefully before investing.

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TCSP-010 1318-NLD-06252021

Glenn Hegar Texas Comptroller of Public Accounts

ORION

TEXAS COLLEGE SAVINGS PLAN®

Enrollment Application

| Instructions

Print clearly in all CAPITAL LETTERS using blue or black ink.

When requested, please color in circles completely. For example: ● not Ⓧ not ⊘

Complete this form to establish a Texas College Savings Plan® account.

- To enroll online, visit **www.texascollegesavings.com**
- Please read the Plan Description and Savings Trust Agreement prior to investing. You can obtain a copy at **www.texascollegesavings.com**
- Before investing, you should check with your or your Beneficiary's home state to determine if it offers tax or other benefits for investing in any plan.
- If your mail is returned undeliverable and we don't hear from you and are unable to locate you for at least 2 years, your account may be transferred to the appropriate state within the time period specified by law.

If you have any questions, please call us at **800-445-GRAD (4723), option #3**, Monday through Friday from 8am to 6pm, Central Time.

Please mail or fax the completed form and any required documents to the following address:

The Texas College Savings Plan
P.O. Box 540010
Omaha, NE 68154

Fax: 402-431-4452

1 | Account Type

Important information about opening a new account

To help the government fight the funding of terrorism and money laundering activities, we are required by federal law to obtain, verify and record certain personal information that identifies each person prior to opening an account. This information includes the applicant's name and date of birth, street address, and Social Security number (SSN) or Tax Identification number (TIN).

If you are establishing an account using a Power of Attorney on behalf of an Account Owner, please call us at **800-445-GRAD (4723), option #3**, for instructions about how to properly establish the account.

If you are establishing an UGMA/UTMA account, you must complete the UGMA/UTMA form in addition to the Enrollment Application.

A. Individual *(For an UGMA/UTMA account, do not fill out Section 1A.)*

Name (first, middle initial, last) of Account Owner

Social Security number of Account Owner/Custodian (Required) | Date of Birth (mm/dd/yyyy)

○ Male ○ Female

○ U.S. Citizen/Permanent Resident Alien *(Nonresident aliens are not eligible to participate in the Plan.)*

Street address (No P.O. Boxes)

City | State | Zip

Daytime phone number | Evening phone number

Email address (See Section 9)

Mailing address (if different from above)

City | State | Zip

1 | Account Type (continued)

Please fill out Section B if your Account Type is a Trust, 501(c)(3), Partnership or Corporation.

B. Trusts, 501(c)(3)s, Partnerships and Corporations, please check one of the following and provide the documentation requested.

(For an UGMA/UTMA account, do not fill out Section 1B.)

- ○ Trust *(Please include a copy of the title and signature pages of the Trust Document.)*
- ○ 501(c)(3) *(Please include a copy of the ruling Determination Letter from the IRS.)*
- ○ Partnership *(Please include a copy of the Partnership Agreement.)*
- ○ Corporation *(Please include a copy of the Articles of Incorporation, certified by the Secretary of State or other government entity.)*

Country of Incorporation/ Organization

United States (Entity must be incorporated/organized in the U.S. to be eligible to participate in the Plan.)

Name of Trust, 501(c)(3), Partnership or Corporation _____ Date of Trust (if applicable) _____

Social Security number/U.S. Taxpayer ID number _____ Phone number _____ Email address _____

Street address (No P.O. Boxes) _____

City _____ State _____ Zip _____

Mailing address (if different from above) _____

City _____ State _____ Zip _____

Trustee/Partner/Officer Information

Federal law requires that we obtain your name, street address, date of birth and Taxpayer Identification number prior to opening the account. This Trust, 501(c)(3), Partnership or Corporation entity account may have one or more authorized representatives.

To list additional Trustees/ Partners/Officers, attach a separate sheet.

Name of Trustee/Partner/Officer (first, middle initial, last) _____ Social Security number/U.S. Taxpayer ID number (Required) _____

Street address of Trustee/Partner/Officer (No P.O. Boxes) _____ Date of Birth (mm/dd/yyyy) _____

City _____ State _____ Zip _____

Mailing address (if different from above) _____

City _____ State _____ Zip _____

Name of Trustee/Partner/Officer (first, middle initial, last) _____ Social Security number/U.S. Taxpayer ID number (Required) _____

Street address of Trustee/Partner/Officer (No P.O. Boxes) _____ Date of Birth (mm/dd/yyyy) _____

City _____ State _____ Zip _____

Mailing address (if different from above) _____

City _____ State _____ Zip _____

2 | Designated Beneficiary Information

All information in this section is REQUIRED.

The Designated Beneficiary is the individual whose Qualified Education Expenses will be paid from this Account. *(For an UGMA/UTMA account, do not fill out Section 2.)*

Designated Beneficiary's name (first, middle initial, last)

Social Security number | Date of Birth (mm/dd/yyyy) | Relationship to Account Owner

○ Male ○ Female

○ U.S. Citizen/Permanent Resident Alien *(Nonresident aliens are not eligible to participate in the Plan.)*

○ Check here if the address is the same as the Account Owner or complete the following:

Street address (No P.O. Boxes)

City | State | Zip

3 | Successor Account Owner

You cannot designate a Successor Account Owner for an UGMA/UTMA.

You may name a Successor Account Owner for this Account. In the event of your death, ownership of all assets in the Account will be transferred to the Successor Account Owner. A Successor Account Owner will assume all rights with respect to the Account that the previous Account Owner had. Enforceability of a Successor Account Owner designation may vary by state. A transfer to a Successor Account Owner may have tax consequences. Consult your tax professional for more information.

Successor Account Owner's name (first, middle initial, last)

Social Security number | Date of Birth (mm/dd/yyyy) | Relationship to Account Owner

○ Male ○ Female

○ U.S. Citizen/Permanent Resident Alien *(Nonresident aliens are not eligible to participate in the Plan.)*

Street address (No P.O. Boxes)

City | State | Zip

The initial contribution can be made through any of the following options. The minimum initial contribution to an Account is $25 per Portfolio, except in the case of contributions by Automatic Investment Plan (AIP) or payroll deductions where the minimum initial contribution amount is $15.

○ **Check:** $_____

Checks should be made payable to "Texas College Savings Plan FBO (Name of your Designated Beneficiary)." Third party checks will only be accepted at the Plan Manager's discretion. We do not accept money orders.

○ **One-time Electronic Funds Transfer** via Automated Clearing House (ACH)—One-time electronic transfer from your bank account. (Complete banking instructions in Section 7.)

Amount: $_____

○ **Automatic Investment Plan (AIP)**—Scheduled, recurring purchases from your bank account. A minimum of $15 per portfolio is required. (Complete banking instructions in Section 7.)

Amount: $_____

Frequency: ○ Monthly ○ Quarterly

Timing: Purchase on the _____ day of the month. (If not provided, the purchase will occur on the 10th of the month. Normally the debit will occur the same business day as the purchase date.)

The AIP will begin immediately upon receipt of this application in proper form. Unless otherwise specified above, purchases will be made on the 10th day of the month or the 10th day of the first month of the quarter. If the purchase date is a weekend or holiday, the purchase will occur on or after the preceding business day.

○ **Payroll Deduction**—Enclose an Employee Payroll Deduction Form. You can obtain this form by calling **800-445-GRAD (4723), option #3**, or by downloading the form at **www.texascollegesavings.com**.

Before electing the Payroll Deduction option, you should verify that your employer is currently processing contributions through payroll direct deposit. If your employer is not currently set up to process contributions through payroll direct deposit, you should confirm your employer offers such a service and is able to meet the Plan Manager's operational and administrative requirements. If your employer is interested in establishing the payroll deduction option, please have the appropriate personnel fill out the Employer Authorization Form, which can be downloaded at **www.texascollegesavings.com**.

○ **Rollover/Transfer from another Section 529 Account or from a Coverdell Education Savings Account/ Qualified U.S. Savings Bond**—Enclose Texas College Savings Plan Change of Trustee/Rollover Form. You can obtain this form by calling **800-445-GRAD (4723), option #3**, or by downloading the form at **www.texascollegesavings.com**.

Before selecting your Investment Option(s), please read the Texas College Savings Plan Description and Savings Trust Agreement available at **www.texascollegesavings.com** for complete information about all of the Investment Options available.

Please select one or more Investment Options from the choices below. If you choose more than one Investment Option, please enter the percentage amount of the contribution you would like invested into each of the selected Investment Options. Use whole percentages only and the total of your Investment Option percentages must equal **100%**.

State/Local Government or 501(c)(3) Organizations: If you choose the Age-based Portfolio without naming a Beneficiary, please indicate the specific portfolio in which you would like your contributions to be deposited. Please see the Plan Description and Savings Trust Agreement for detailed portfolio information.

Age-based Portfolio(s) selected by government or 501(c)(3) organizations only: _____

Choose Your Portfolio(s) ***(Required)*****.**

I. Age-based Portfolios Your investment portfolio will automatically change over time based on your Designated Beneficiary's age.	
Age-based Portfolio	%
II. Risk-based Portfolios The assets will remain in your selected portfolio(s) until you update your Investment Option.	
Aggressive Allocation Portfolio	%
Balanced Allocation Portfolio	%
Conservative Allocation Portfolio	%
III. Individual Asset Class Portfolios The assets will remain in your selected portfolio(s) until you update your Investment Option.	
Diversified Equity Portfolio	%
Diversified Fixed Income Portfolio	%
U.S. Stock Portfolio	%
International Stock Portfolio	%
U.S. Bond Portfolio	%
Inflation Protection Portfolio	%
Capital Preservation Portfolio	%
Total	**100%**

Note: All future contributions will be allocated in the same manner as your initial investment allocation shown above. To make any changes, please login to your account on **www.texascollegesavings.com**, submit an Account Maintenance form, or call a Customer Service Representative at **800-445-GRAD (4723), option #3**.

You can automatically reallocate funds from one or more Texas College Savings Plan investment portfolio(s) to one or more different Texas College Savings Plan investment portfolio(s) on a monthly, quarterly or annual basis, on a date selected by you, by completing the section below. For more detailed information about this feature, please see the Plan Description and Savings Trust Agreement.

Each occurrence of establishing, stopping or altering your Systematic Exchange Plan will count as one of your twice-per-calendar-year account reallocations. For more detailed information about this feature, please see the Plan Description and Savings Trust Agreement or call us at **800-445-GRAD (4723), option #3.**

Start date (mm/dd/yyyy): _____

Portfolio Options	Exchange From Amount	Exchange To Amount
I. Age-based Portfolios		
Age-based Portfolio	.00	.00
II. Risk-based Portfolios		
Aggressive Allocation Portfolio	.00	.00
Balanced Allocation Portfolio	.00	.00
Conservative Allocation Portfolio	.00	.00
III. Individual Asset Class Portfolios		
Diversified Equity Portfolio	.00	.00
Diversified Fixed Income Portfolio	.00	.00
U.S. Stock Portfolio	.00	.00
International Stock Portfolio	.00	.00
U.S. Bond Portfolio	.00	.00
Inflation Protection Portfolio	.00	.00
Capital Preservation Portfolio	.00	.00
Total (From & To must equal)	.00	.00

Exchange frequency (choose one):

○ Monthly, beginning (specify month and date): _____

○ Quarterly, beginning (specify month and date): _____

○ Annually, on (specify month and date): _____

When would you like to stop making exchanges?

○ Do not stop

○ Stop date (mm/dd/yyyy): _____

If no stop date is chosen, the default is to continue exchanges until the originating portfolio balance falls below the amount of the exchange.

The Systematic Exchange Plan will begin immediately upon receipt of this application in good order. Unless specified above, exchanges will be made on the 10th day of the month or the 10th day of the first month of the quarter. If the exchange date is a weekend or holiday, the exchange will occur on or after the preceding business day. If no amount is indicated, the exchange will be done for $25.00 on the date you have chosen. If an exchange frequency of annually is selected and no month is listed, the exchange will be made on December 10th.

7 | Bank Account Information

Bank account information is required to establish an Automatic Investment Plan or an Electronic Funds Transfer from your bank account.

You must include a voided check or a preprinted savings slip for a savings account. (Please do not tape or staple it to this application.)

Please allow sufficient time to process debit(s) from your account. Please choose which type of account you will be debiting.

Indicate account type: ○ Checking ◉ Savings

I authorize the Plan, including its affiliates and designees, to debit and/or credit my bank account for purchases and redemptions of units of the portfolio(s) specified. I understand that if I redeem units that have been purchased through a direct link from my bank account to my Plan account within the last 10 days, my redemption proceeds of those units may be delayed up to 10 days to determine that the purchase payment has cleared the bank. I agree that the Plan is purchasing and redeeming such units voluntarily at my request and shall not be liable for any loss arising from any delay in processing or failure to process such purchases and/or redemptions. I understand that this service does not constitute an offer to sell units of any portfolio.

If I change banks, I agree to notify the Plan promptly in writing. I agree to give adequate notice (normally 15 days) to terminate this service. I understand that if a transaction cannot be made because of insufficient funds or unit balance or because either account has been closed, this service will be cancelled and I agree to return promptly any amount overpaid to me from a redemption of units purchased with that payment. I understand that any of the features and privileges described herein may be modified, suspended or cancelled by the Plan at any time without notice and that all services described herein are subject to the terms of the Plan Description and Savings Trust Agreement, which I acknowledge I have received and read.

Please print and sign exactly as your name(s) appears on your bank account. If the bank account is a joint account, both individuals on the account must sign below.

Name of Bank Account Owner	Name of Bank Account Owner
x	**x**
Signature of Bank Account Owner	Signature of Bank Account Owner

8 | Account Profile Information

The following information is being requested for general reporting purposes. Your individual response will be kept confidential. If you have any questions regarding our privacy policy, call **800-445-GRAD (4723), option #3**, or visit our website at **www.texascollegesavings.com**.

1. **How did you hear about the Texas College Savings Plan?** (You may select more than one.)

○ Direct mail	○ Print ad	○ Program representative/event
○ Email	○ News story	○ Friend, family or colleague
○ TV commercial	○ Online advertising	○ Financial advisor
○ Radio	○ Internet search	○ Employer

○ Other _____

2. **What aspect(s) of the Texas College Savings Plan are most appealing to you?**

○ Tax advantages	○ Estate planning	○ Professional money management
○ Flexibility	○ Affordability	

3. **Indicate your education level** (Select highest level completed.)

○ High school	○ Associate's degree	○ Master's degree	○ Professional
○ Some college	○ Bachelor's degree	○ Doctorate	

4. **Annual household income**

○ $0–$24,999	○ $40,000–$74,999	○ $100,000–$249,999
○ $25,000–$39,999	○ $75,000–$99,999	○ Over $250,000

5. **Indicate your primary source of funding for this account**

○ Employment earnings	○ Tax refund or credits
○ Gift or inheritance	○ Roll over from another plan

○ Other _____

6. **Indicate the Beneficiary's ethnicity (Optional)**

○ White	○ African American	○ Native American
○ Asian American	○ Hispanic/Latino	

○ Other _____

9 | eDelivery

○ I would like to receive the following information via electronic mail:[1]

- Statement, Confirms and Plan Documents
- Tax Forms
- Plan News and Updates

_____

Email Address

I consent to the delivery of the documents that are governed under Orion Advisor Solutions, Inc.'s eDelivery services. I understand that when a new document is available, I will receive an email notification to the email address provided. The email will include a link that will take me to the Texas College Savings Plan website, where the document can be viewed and downloaded by logging on to my account. This consent will remain effective until I revoke it.

[1] You may designate or change your delivery options by accessing your account online at www.texascollegesavings.com or calling 800-445-GRAD (4723), option #3 once your account has been established.

10 | Acknowledge and Consent

By signing below, I certify and acknowledge the following:

- The information contained in this form and in any required documentation is true, complete and correct. I have received, read and agree to be bound by the terms set forth in the Plan Description and Savings Trust Agreement, acknowledge that the Plan Description and Savings Trust Agreement may be amended from time to time, and agree to be bound by the terms of any such amendment. I agree that Orion Advisor Solutions, Inc., including its subsidiaries and affiliates (Orion), may use this information to attempt to verify my identity. Orion is requesting a copy of the Articles of Incorporation, Partnership document, Trust agreement or other similar documents solely for the purpose of verifying the identity of the Account Owner as required by federal law. Orion is not assuming any responsibility for monitoring, maintaining, interpreting or enforcing any terms or provisions of those documents.
- I, the Account Owner, am 18 years of age or older and I am a U.S. citizen or permanent resident alien.

Account Owner, Trustee, Partner or Officer signature REQUIRED.

x _____ Signature	_____ Date (mm/dd/yyyy)	_____ Title (if the account is held by a trust, corporation, estate or other entity)
x _____ Signature	_____ Date (mm/dd/yyyy)	_____ Title (if the account is held by a trust, corporation, estate or other entity)
x _____ Signature	_____ Date (mm/dd/yyyy)	_____ Title (if the account is held by a trust, corporation, estate or other entity)

Mail initial deposits and future purchases to:

The Texas College Savings Plan
P.O. Box 540010
Omaha, NE 68154

The Texas College Savings Plan® ("Plan") is administered by the Texas Prepaid Higher Education Tuition Board ("Board"). Orion Advisor Solutions, Inc. is the plan manager. The Plan and the Board do not provide legal, financial, or tax advice and participants in the Plan should consult a legal, financial, or tax advisor before investing. Fees and charges for the most recent quarter are available on our website at: www.texascollegesavings.com/expenses.

Non-residents of Texas should consider whether their home state, or the beneficiary's home state, offers its residents any tax or other state benefits, such as financial aid, scholarship funds, and protection from creditors, that are only available for participants in that state's plan.

An account could lose money including the principal invested. No part of an account is a deposit or obligation of, or is guaranteed or insured by, the Board, the state of Texas, or any agency or agent thereof. Interests in the Plan have not been registered with or approved by the SEC or any state. Investors should carefully consider the investment objectives, risks, fees, charges, and expenses associated with municipal fund securities. The Board may suspend, modify, or terminate the Plan or change investment approaches, offerings, and/or underlying investment funds at any time and without the consent of account owners or beneficiaries. The Plan Description and Savings Trust Agreement contain this and other important information about the Plan and may be obtained by visiting www.texascollegesavings.com or calling 800-445-GRAD (4723), option #3. Investors should read all Plan documents carefully before investing.

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TCSP-006 1313-NLD-06252021



Plan Description and Savings Trust Agreement

Effective Date of December 13, 2021

Texas Prepaid Higher Education Tuition Board
Chair, Glenn Hegar, Texas Comptroller of Public Accounts
Austin, Texas



Glenn Hegar
Texas Comptroller of Public Accounts

ORION

ABOUT THIS PLAN DESCRIPTION

The Texas College Savings Plan® is a direct-sold 529 tuition plan. The Texas Prepaid Higher Education Tuition Board maintains and administers the plan. Orion Advisor Solutions, Inc. manages the plan. This Plan Description and Savings Trust Agreement, including the application, has been amended and restated in its entirety, wholly replaces all prior publications, and contains important information you should know before participating in the plan, including information about qualifications for benefits, fees, expenses, and risks. Investing is an important decision. Please read all plan information carefully before opening an account and keep a copy for future reference.

Accounts Not Insured or Guaranteed
An account could lose money including the principal invested. No part of an account is a deposit or obligation of, or is guaranteed or insured by, the board, the state of Texas, or any agency or agent thereof. Interests in the plan have not been registered with or approved by the U.S. Securities and Exchange Commission ("SEC") or any state. Investors should carefully consider the investment objectives, risks, fees, charges, and expenses associated with the plan. The board may suspend, modify, or terminate the plan or change investment approaches, offerings, and/or underlying investments at any time and without the consent of account owners or beneficiaries.

NEITHER UNITS OF THE PLAN, NOR THIS PLAN DESCRIPTION, NOR THE SAVINGS TRUST AGREEMENT HAVE BEEN REGISTERED WITH OR APPROVED BY THE SEC OR WITH ANY STATE, AND NEITHER THE SEC NOR ANY STATE OR OTHER REGULATORY AUTHORITY HAS VERIFIED THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE DOCUMENT OR ENDORSED THE MERITS OF THIS OFFERING.

Residency Considerations
This Plan Description addresses only state-based benefits for Texas residents. Residents of other states should consider whether their or their beneficiary's home state offers its residents 529 plans that provide favorable state tax treatment or other state benefits such as financial aid, scholarships, and protection from creditors that may only be available through that state's plan. State-based benefits offered should only be one of many appropriately weighted factors considered in making a purchase decision. You should consult with your financial, tax, or legal advisor to learn more about how state-based benefits and limitations apply to your circumstances.

No Financial, Tax, or Legal Advice
The state of Texas, the Texas Prepaid Higher Education Tuition Board, the Texas College Savings Plan®, Orion Advisor Solutions, Inc., and their affiliates do not provide financial, tax, or legal advice. The information presented in this Plan Description does not contain financial, tax, legal, or investment advice and cannot be relied upon for such purposes. You should consult your financial, tax, or legal advisor to determine the impact of federal and state laws on your situation.

Statements contained in this Plan Description that involve estimates, forecasts, or matters of opinion, whether expressly stated or not, are intended solely as such and are not to be construed as representations of facts. The information and expressions of opinion herein are subject to change without notice. Neither delivery of this Plan Description, nor any sale made hereunder shall,under any circumstances, create any implication that there has been no change in the affairs of the Texas College Savings Plan® since the date of this Plan Description.

Reports to Account Owners
Quarterly and annual statements will be provided to owners to reflect account activity, which may also be viewed by accessing the plan website at *www.texascollegesavings.com* or by calling 800-445-GRAD (4723), option #3. An account owner has 60 days to notify the plan manager of any errors.

To comply with Rule 15c2-12(b)(5) of the Securities Exchange Act of 1934, the board will also produce and disseminate certain financial information and operating data related to the plan and notices of the occurrence of certain enumerated events as required. Such information will be filed with the Municipal Securities Rulemaking Board.

To prevent errors and protect participants, the plan uses reasonable procedures to confirm that transaction requests are genuine. The account owner may be responsible for losses resulting from fraudulent or unauthorized instructions received by the plan manager, provided the plan manager reasonably believes the instructions were genuine. To safeguard your account, please keep your account information confidential. Contact the plan manager immediately if you believe there is a discrepancy between a transaction you performed and the confirmation statement you received, or if you believe someone has obtained unauthorized access to your account.

Information Subject to Change
The information contained in this Plan Description and Savings Trust Agreement is believed to be accurate as of the date published and is subject to change without notice. No dealer, broker, salesperson, or other person is authorized to provide information that is different from the information contained in this Plan Description. In the event of any conflict, applicable law and regulations, including the Internal Revenue Code of 1986, as amended, the Texas Education Code, and the Texas Administrative Code control over this Plan Description.

REQUIRED CONFIDENTIAL INFORMATION
Establishment of an account is subject to acceptance by the plan manager. The plan manager will verify the applicant's identity and other information in compliance with the applicable requirements of the USA PATRIOT Act and other laws. The application includes the account owner's name, street address, Social Security number, and other identifying information. While all personal information will be treated as confidential, applicable law requires submission of this information to open an account, and the applicant may be required to provide confidential supporting documentation. The plan manager may also confirm an applicant's identity using identity verification reports provided by consumer reporting agencies.

If an applicant fails to provide the required information or provides inaccurate information, there may be a delay in processing the application or the application may be rejected. If the identification process cannot be completed, the plan manager may take certain actions without prior notice to the applicant, including rejecting contribution, withdrawal, and transfer requests, suspending account services, or closing the account. The risk of market loss, tax implications, and any other expenses associated with a liquidation of an account under such circumstances will be solely the account owner's responsibility.

ADDITIONAL INFORMATION
The plan regularly makes available on its website at *www.texascollegesavings.com* financial information and operating data related to the plan, notices of the occurrence of certain events, and material updates to the plan, including changes to portfolios and the plan manager, investment consultant, and other advisers. Hard copies of these documents are available by calling 800-445-GRAD (4723), option #3. All plan documents should be considered together in connection with investing in and contributing to the plan. At your request, we will provide you, without charge, all plan information.

IMPORTANT NOTICES
This Plan Description, Savings Trust Agreement, and all documents and reports, including those subsequently provided or made available, do not constitute an offer to sell or the solicitation of an offer to buy any security other than an investment in the Texas College Savings Plan®, nor does it constitute an offer to sell or the solicitation to any person in any jurisdiction or under any circumstances in which it would be unlawful.

LINKS TO THIRD-PARTY WEBSITES
Links to third-party websites, such as those operated by the investment managers, are provided for informational purposes. Neither the plan nor any other person or entity affiliated with, or performing services for, the plan, make any representation as to the accuracy of the information contained on any third-party website. Website content and website addresses are subject to change and broken links.

THE TEXAS COLLEGE SAVINGS PLAN® IS INTENDED TO BE USED ONLY TO SAVE FOR QUALIFIED HIGHER EDUCATION EXPENSES AS DEFINED BY APPLICABLE LAW. THE TEXAS COLLEGE SAVINGS PLAN® IS NOT INTENDED TO BE USED, AND SHOULD NOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF EVADING FEDERAL OR STATE TAXES OR PENALTIES.

Texas College Savings Plan
P.O. Box 540010
Omaha, Nebraska 68154

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PART 1: INTRODUCTION

The state of Texas created the Texas Prepaid Higher Education Tuition Board (the "board") in 1995 to help Texas families save money for college. The board administers the state's higher education savings programs, which are designed to qualify for tax-favorable treatment under the Internal Revenue Code of 1986, as amended ("Code") §529—the Texas College Savings Plan® (the "plan"), the LoneStar 529 Plan® (an advisor-sold 529 college savings plan), the Texas Guaranteed Tuition Plan (a prepaid tuition plan also known as the Texas Tomorrow Fund® that is closed to new enrollment), and the Texas Tuition Promise Fund® (a prepaid tuition plan open to new enrollment).

These other higher education savings plans administered by the board are not described in this Plan Description and may offer different investment options with different underlying investments or different benefits and may be sold through financial professionals or directly to the public. These other plans may be marketed differently from this plan and may assess different fees and expenses compared to those assessed by this plan. More information about these plans is available at *comptroller.texas.gov/programs/education* or by calling 800-445-GRAD (4723).

As plan administrator, the board establishes the governing rules, appoints the plan manager and other consultants, and adopts the plan's investment policy. An independent certified public accounting firm audits the plan's financial statements each year.

With the assistance of an investment consultant, the board establishes portfolios an account owner may select for investment, the allocation of each portfolio among the investment asset classes, and the selection of the underlying investments. Aon Investments USA, Inc. is the current investment consultant for the plan and advises the board on investment guidelines and asset allocations, recommends suitable investments and alternatives, and monitors investment performance.

Acting under the auspices of the board, Orion Advisor Solutions, Inc. ("Orion"), the current plan manager, tends to the day-to-day administrative operations. Gemini Fund Services, LLC, a subcontractor of Orion, provides administrative, record keeping, customer service, fund accounting, and reporting services for the plan. Northern Lights Distributors, LLC distributes the plan.

THE PLAN

The plan provides a tax-advantaged savings trust account to pay for the cost of future qualified college tuition, fees, and related educational expenses at eligible colleges and universities. The plan, with certain limitations, may also be used for elementary and secondary education ("K-12") tuition, eligible career schools, and registered apprenticeship programs. Your contributions are held separate from those of other Texas 529 plans as well as state assets and cannot be used to satisfy the government's creditors. Money contributed to a savings trust account, net of plan fees and charges, and earnings on the account are held in trust by the plan for the benefit of the account owner and designated beneficiary.

CONTRIBUTIONS

See PART 3: CONTRIBUTIONS

To participate in the plan, you need to open an account with an initial deposit of at least $25 per portfolio, or $15 if made through an automated investment plan or payroll deduction. Although anyone can contribute to the account, as the account owner, you are solely authorized to request withdrawals or transfers or to select investment options. You must be a U.S. citizen or permanent resident alien at least 18 years of age with a valid Social Security number to open an account. Your beneficiary, the individual whose qualified education expenses you will be paying through the plan, can be anyone, including yourself.

Subsequent contributions to your account may be made by check or one-time electronic funds transfer, or automatically on a recurring basis through an automatic investment plan or payroll deduction, if your employer allows.

There is a contribution cap of $500,000 per beneficiary for all Texas 529 plans combined. Accounts with a balance of $500,000 may continue to accrue earnings, but additional contributions, including rollovers, are prohibited.

Your contributions will be accounted for as units issued at a price equal to the net asset value of the portfolio when the contribution is processed, divided by the number of units outstanding.

INVESTMENTS

See PART 4: INVESTMENT OPTIONS

The plan currently offers three broad investment strategies. The board, with the assistance of its professional advisers, selects individual investments to implement each of these approaches. You can allocate your contributions using a single approach or you can distribute your account balance among the various approaches.

When you take an age-based approach to investing in the plan, your contributions will be invested in a group of securities, or a portfolio, tailored to the age of your beneficiary. As your beneficiary gets older,your account

balance and new contributions will automatically be transferred to the next portfolio in the sequence. With a risk-based approach, you invest in a collection of securities with a defined risk profile. Depending on your circumstances, you can invest according to an aggressive, balanced, or conservative risk profile. If you want the most flexibility over where your money is invested, you can choose the individual asset class approach and design your own asset allocation. Unlike the portfolios featured in the other approaches, each portfolio in the individual asset class approach focuses on a specific investment goal by investing in a single type, or asset class, of investment.

You can change your designated allocation for future contributions at any time, either online or by submitting an Account Maintenance Form to the plan manager. However, you can only reallocate assets already invested in your account twice per calendar year, unless you are changing your beneficiary.

Keep in mind that past performance is not a guarantee of future results. Investment returns and principal values will fluctuate, so an account owner's units may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited.

WITHDRAWALS

See PART 5: WITHDRAWALS

You can use the money in your account to pay for the qualified higher education expenses of your beneficiary, as defined by Code §529. This includes tuition, fees, books, supplies, equipment including computers, and special needs services required to enroll at or attend an eligible college, K-12 primary or secondary school tuition, or the cost for an apprenticeship program certified with the Secretary of Labor under section 1 of the National Apprenticeship Act (a "registered apprenticeship program"). Subject to certain limitations, payments on qualified student loans and room and board expenses for students enrolled on at least a half-time basis may also be included.

FEES AND EXPENSES

See PART 6: PLAN FEES AND EXPENSES

Account owners bear the costs and expenses related to the investments and the administration of the plan including an Annual Asset-Based Plan fee, a Program Management Fee, a State Administrative Fee, and other fees and charges.

TAX CONSIDERATIONS

See PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS

Plan distributions to pay for qualified higher education expenses are not subject to federal income tax. Similarly, the earnings portion of qualified withdrawals is not considered "income" for federal tax purposes. Using account assets for any other purpose, however, would likely be subject to federal and state income tax, as well as an additional federal tax of 10%.

The state income tax consequences will vary by state, but there would be no impact in Texas because the state does not impose an income tax on individuals. The state tax consequences of using 529 plans for K-12 tuition will also vary by state and may involve taxes, penalties, and the recapture of tax deductions.

Finally, contributions to the plan would generally be considered a "gift" from you, the account owner, or another contributor to the beneficiary under federal gift tax provisions. Individuals are currently permitted to exclude $15,000 per year per beneficiary (or $30,000 for a married couple) from the federal gift tax. Alternatively, you can make a one-time contribution of $75,000 ($150,000 for married couples) using a special five-year election. These limits assume the contributor makes no other gifts to the beneficiary during the period. Effective 2022, the gift tax exclusion will increase to $16,000 per year per beneficiary.

RISK FACTORS

See PART 8: RISK FACTORS AND CONSIDERATIONS

Participation in the plan involves certain financial and non-financial risks that you should consider before investing.

Investments are subject to standard investment risks, including market and interest rate risk, and you could lose money by investing in the plan. Neither the board, the plan manager, the investment consultant, nor any of their respective affiliates make any guarantee of, or has any legal obligations to ensure, the ultimate payout of any amount, including a return of contributions made. No level of investment return is guaranteed. Past performance is not indicative of the future performance of any portfolio or underlying investment.

Further, there is no assurance that the account balance will be sufficient to cover your beneficiary's qualified higher education expenses at the time of withdrawal. Any additional costs are the responsibility of you or the beneficiary, not the plan.

While the plan is not considered an asset for Texas-sponsored financial aid, the eligibility of you and/or your beneficiary for federal, other state, or institutional benefits (*e.g.*, financial aid or Medicare) could be affected by participation. In addition, federal and state tax laws may change, altering or eliminating the benefits currently provided under the plan.

PART 2: THE APPLICATION PROCESS

To open an account and begin saving for college, you, as the account owner, must submit to the plan manager an application "in Good Order," meaning that it is accurate, legible, completed in full, and signed by the authorized signatory with any required supplemental information, documentation, or payment attached. By submitting an application in Good Order, you agree to the terms and conditions of the application and the Savings Trust Agreement (available at www.texascollegesavings.com/forms-literature/) and the terms and conditions of this Plan Description.

While there are no fees or other charges necessary to establish an account, you must make an initial contribution of at least $25 per portfolio or $15 if made through an automated investment plan or by payroll deduction.

Your account will not be established,and any contributions you tender willbe returned, if your application is not in Good Order. You bear the risk of opportunity costs and any other costs or expenses associated with an application not being in Good Order. By signing the application, you acknowledge receipt of this Plan Description and Savings Trust Agreementand accept the terms and conditions.

OWNERSHIP OF THE ACCOUNT

Each account can have only one account owner and one beneficiary. As the account owner, you are the only person authorized to make decisions affecting the account, such as choosing investments, deciding when and how account assets are used, changing the beneficiary, or closing the account. Plus, only you can request a rollover or transfer of contributions to the account. Individuals or entities other than the account owner can also make contributions to an account, but only you, as the account owner, will receive confirmation of the transactions and only you have control over how these contributions are used.

Any individual, trust, estate, custodian, guardian, partnership, association, company, or corporation can be an account owner. An individual must be a U.S. citizen or permanent resident alien at least 18 years old with a valid Social Security number, and an entity must be domiciled in the United States or its territories (a "United States person" within the meaning of Code §7701(a)(30)).

If the account owner is a corporation, partnership, or other entity, a valid taxpayer identification number must be provided, as well as the name and title of the person authorized to act on the entity's behalf. Each time plan forms are submitted, or transactions are conducted, this person will be required to certify that this authority continues. The plan manager will presume that any documents provided by the account owner are valid and effective to bind the entity and will have no liability for defective documentationsubmitted by account owner or his or her authorized representative. This Plan Description does not address the income or transfer tax consequences of investments in the plan made byan entity or the propriety of such an investment under state law. It is therefore advised that you consult with your legal and/or tax advisors before opening an entity-owned account.

Your beneficiary can be any individual, including yourself, even if not related to you. Subject to the Maximum Texas Program Contribution Limit, you can open multiple accounts for the same beneficiary, and any other individual or entity can maintain an account for your beneficiary. The beneficiary must be designated at the time the account is opened, unless the account is opened by a state or local government or a tax-exempt organization described in Code §501(c)(3) (*e.g.*, a "charity") as part of a scholarship program.

CHANGING THE ACCOUNT OWNER

Although you cannot sell a plan account, you can transfer ownership of the account to another person if certain conditions are met:

- The transfer must be irrevocable and requested in writing in a form acceptable to the board and plan manager;
- all rights, title, interest, and power over the account must be conveyed;
- you, as the original account owner, may not receive any financial consideration or gain in exchange for the transfer; and
- no federal or state law or regulation prohibits the transfer.

Complete, in Good Order, an Account Maintenance Form (available on the plan website at www.texascollegesavings.com/forms-literature/ or by calling 800-445-GRAD (4723), option #3) to transfer ownership rights in an account. Because there may be tax consequences associated with a transfer of ownership, however, you should consult a qualified tax advisor before taking any action.

Transfer of Ownership at Death

You may designate a successor account owner who will have the right of survivorship or otherwise assume your ownership rights and responsibilities under the contract in the event of your death. You can designate a successor account owner on the original application when you open your account or you can add or change a successor account owner designation by completing an Account Maintenance

Form (available at www.texascollegesavings.com /forms-literature/) afterwards. On your death, the successor will become the owner of the account after agreeing to the plan terms and conditions by submitting the appropriate documentation to the plan manager, together with a death certificate.

If you do not complete the successor account owner information, ownership of the account will pass according to the terms of your will or by operation of law. Transfer of ownership rights under these circumstances may require costly probate or administrative action. As the account owner, you have sole responsibility for maintaining up-to-date successor information.

Transfer of Ownership on Divorce

Where a parent is the account owner, the marital estate in a divorce generally includes that account as an asset. The account, and any assets associated with it, whether contributed by the account owner or a third-party, are not the child's (the beneficiary's) property and the parent (the account owner) may not owe a fiduciary duty to the child. Therefore, unless the divorce decree awards ownership of the account to one person or entity, rather than simple control over the account, ownership disputes may arise. Custodial or trust arrangements can further complicate any future account transactions.

To properly transfer ownership in such cases, a valid divorce decree, or valid order modifying a divorce decree, that awards ownership of the account must be presented to the plan manager. Given the complexities involved when assigning ownership of an account in a divorce, it is recommended that you consult your attorney.

CHANGING THE BENEFICIARY

With certain exceptions, you may changethe beneficiary of an account. To avoid the transfer being considered a non-qualified withdrawal subject to federal income tax and an additional tax of 10%, however, the new beneficiary must be a Member of the Family of the existing beneficiary, which under Code §529 includes: the beneficiary's spouse; child, whether by blood or adoption, or a child's descendant; sibling, half-sibling, or step-sibling; parent or parent's ancestor; stepparent; nephew or niece; uncle or aunt; son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law; the spouse of any individual described; or a first cousin of the beneficiary.

Further, if the change of beneficiary would violate the Maximum Texas Program Contribution Limit for the new beneficiary, the change will not be permitted.

Account owners may change the beneficiary of an account by submitting to the plan manager, in Good Order, a Change of Beneficiary Form (available at www.texascollegesavings.com/forms-literature/ or by calling 800-445-GRAD (4723), option #3). You are permitted to change your investment options to tailor them to your new beneficiary's circumstances, but you should be aware that if you have elected an age-based investment approach, the plan manager will automatically move your money to the specific portfolio appropriate for the age of your new beneficiary.

There are no fees for a change of beneficiary, and there are no penalties associated with a change of beneficiary that complies with Code §529. However, a change of beneficiary might have significant gift tax or generation-skipping transfer tax consequences. As a result, you should consult with your tax advisor prior to making any beneficiary change to your account. Also see *PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS* for a more detailed discussion.

SPECIAL RULES FOR UGMA/UTMA CUSTODIAL ACCOUNTS

The custodian of an account opened under a state's Uniform Gifts to Minors Act ("UGMA") or Uniform Transfers to Minors Act ("UTMA") may be able to open a plan account in his or her custodial capacity by submitting, in Good Order, a. UGMA/UTMA Form (available at www.texascollegesavings.com/forms-literature/ or by calling 800-445-GRAD (4723), option #3) along with the application. The laws of each state differ, and it is your responsibility to comply with the provisions of the UGMA/UTMA applicable to you.

In these cases, the plan would consider the custodian to be the account owner until the beneficiary reaches the age of majority. But because the beneficiary would be the owner under most UGMA/UTMA laws, any tax consequences would be attributed to the beneficiary, not the custodian. When the plan manager is notified that the beneficiary reaches the age of majority under the applicable UGMA/UTMA laws, the beneficiary will become the account owner with sole control over the account.

Accounts opened by UGMA/UTMA custodians involve additional restrictions that do not apply to other accounts. Generally, these include:

- During the term of the custodianship, the owner of the account cannot be changed to anyone other than a successor custodian for the benefit of the same beneficiary;
- the custodian is not permitted to change the beneficiary;
- the custodian can use account assets only for the benefit of the beneficiary and in accordance with

the rules under applicable UGMA/UTMA laws; and

- either the custodian or the beneficiary must notify the plan when the custodianship ends, and the beneficiary is legally entitled to take control of the account. Contact the plan manager to determine what information to submit to document the termination of the custodianship.

Because only checks, money orders, or Automated Clearing House ("ACH") transfers are allowable deposit methods for an account, if non-cash assets held by a UGMA/UTMA account are used, those assets would need to be liquidated, resulting in potential adverse tax consequences to the beneficiary. Consequently, custodians should consider the tax consequences of using a UGMA/UTMA account to participate in the plan. Please consult a tax or legal professional to determine whether and how to transfer assets of an existing UGMA/UTMA account, and what the implications of such a transfer might be for your specific situation. The board and the plan manager will not be liable for any consequences stemming from a custodian's improper use, transfer, or characterization of custodial assets.

PART 3: CONTRIBUTIONS

The minimum contribution to the plan, initial or subsequent, is $25 per portfolio or $15 if utilizing an automated investment plan or payroll deduction. As the account owner, you should know that this restriction is applied on a per portfolio basis. You can allocate your contributions among as many portfolios as you like, subject to this $25 per portfolio minimum.

A contribution, rollover, or transfer may be rejected if the boardor the plan manager reasonably believes that: (1) the purpose is for other than financing qualified higher educationexpenses for the beneficiary of an account; (2) there appears to be an abuse of the plan; or (3) the transaction is otherwise unlawful.

The board or the plan manager may not be able to decide if these terms have been violated for a specific contribution, rollover, or transfer. Therefore, the board and plan manager make no representation that all violative contributions, rollovers, or transfers will be rejected. You are solely responsible for assuring that you comply with laws respecting contributions, rollovers, or transfers.

METHODS OF CONTRIBUTION

Contributions to an account must be in "cash form," meaning by check, electronic funds transfer ("EFT"), an automatic investment plan ("AIP"), payroll deduction if your employer allows, or federal money wire. Credit cards, money orders, and securities will not be accepted, and cash should never be mailed. Third-party checks will be acceptedat the plan manager's discretion.

Electronic Funds Transfer

You can contribute to your account with a one-time EFT payment through the automated clearing house. To use this option, you must indicate the amount of the contribution and provide a voided bank check or savings account deposit slip. EFTs may also be initiated securely online at *www.texascollegesavings.com* through the account owner portal.

Automatic Investment Plans

You may authorize the plan to make deposits into your account by performing periodic, automated debits from a checking or savings account. To initiate an AIP, an account owner can complete the AIP section of the initial application and submit a voided bank check or savings account deposit slip. Alternatively, if the account has already been opened, you may complete an Account Maintenance Form (available on the plan website at *www.texascollegesavings.com/forms-literature/* or by calling 800-445-GRAD (4723), option #3), in Good Order, and submit it to the plan manager together with a voided bank check or savings account deposit slip.

Recurring contributions must be at least $15 monthly per portfolio. An authorizationto execute these contributions will remain in effect until the plan manager has received notification of its termination. Changes to, or termination of, an AIP must occurat least five business days before the cycle date, or the day you have elected to have the automated transaction occur. If no cycle date is indicated, thecycle date will default to the 10th of the month. If the cycle date falls on a weekend or a holiday, the contribution will be made on the next business day.

Direct Deposit from Payroll

Direct payroll deposit contributions must be at least $15 per month per portfolio. You may be eligible to make periodic contributions to your contract by payroll deduction if your employer allows. Contributions by payroll deduction will only be permitted for employers able to meet the plan's operational and administrative requirements. Both you and your employer must submit forms, in Good Order, to establish payroll deduction contributions. Forms are available on the plan website at www.texascollegesavings.com/forms-literature/, or by calling 800-445-GRAD (4723), option #3.

Systematic Exchange Feature

The plan also allows account owners to make lump sum

contributions to the plan and take advantage of dollar cost averaging via monthly systematic exchanges. You choose an originating portfolio and a destination portfolio into which specified dollar amounts (a minimum of $25) will be transferred on a monthly or quarterly basis. You can elect the systematic exchange feature on your application when you initially open your account, or subsequently on an Account Maintenance Form (available at www.texascollegesavings.com/forms-literature/ or by calling 800-445-GRAD (4723), option #3). The originating portfolio must have a balance of at least $1,000 to initiate this process.

An election to begin or end investing contributions pursuant to the systematic exchange feature of the plan is counted toward your twice per calendar year investment reallocation limit. The transfers themselves, however, do not count as a reallocation. See the *LIMITED INVESTMENT DIRECTION* section for more information about this limitation.

ROLLOVER CONTRIBUTIONS

Rollover contributions to your account can be made either directly or indirectly and must be accompanied by the appropriate form and other required documentation. A direct rollover involves a trustee-to-trustee transfer of assets (*e.g.*, State A's 529 plan transfers assets to your Texas 529 plan). Yet, not all 529 plans permit the direct rollover of assets. In those cases, you would need to make an indirect transfer by withdrawing the money from the contributing 529 plan and depositing those monies in your Texas 529 plan account within 60 days. In all cases, a statement issued by the distributing plan that shows the earnings portion of such rollover must be provided to the plan manager or the entire contribution may be considered taxable.

You should be aware that there may be federal, state, and/or other tax consequences, and in some cases additional taxes or penalties, on a withdrawal from the contributing plan. You are responsible for these consequences and should consult with your tax advisor prior to such transfer. See *PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS* for more information.

Rollovers from a Different Beneficiary

Where the contributing 529 plan and your Texas plan have different beneficiaries, your beneficiary must be a Member of the Family of the contributing plan beneficiary and the money must be deposited into your account within 60 days of the distribution from the transferring account. If your beneficiary is not a Member of the Family of the transferring beneficiary, or the rollover contribution is not made within 60 days, the transfer may be considered a non-qualified withdrawal. A non-qualified withdrawal is subject to federal income tax on any earnings in addition to a 10% additional tax. See the *Changing the Beneficiary* section for more information about the Member of the Family requirement.

Rollovers from the Same Beneficiary

Transfers between two Texas 529 plans for the same beneficiary are not treated as rollovers, but as nontaxable investment option reallocations. There is a twice-per-calendar-year limit on such reallocations for each account. You should note that this limit considers all Texas accounts with the same account owner and the same beneficiary as a single account.

Rollovers or transfers between 529 plan accounts in different states for the same beneficiary may be free of federal income tax and the additional tax so long as the transaction is completed within 60 days and does not occur within 12 months of any previous transfer. You should consult with your tax or financial advisor prior to any transfer.

Coverdell ESAs and Series EE/ I Bonds

Tax-free transfers into an account may also be made from a Coverdell Education Savings Account ("ESA") or in connection with the redemption of Series EE or Series I Bonds. An account statement issued by the financial institution that acted as custodian of the Coverdell ESA showing basis and earnings needs to be submitted to the plan manager. Similarly, an account statement or IRS Form 1099-INT issued by the financial institution that processed the bond redemption showing the amount of interest needs to go to the plan manager. Failure to submit these documents may cause the entire amount transferred to be subject to income tax. Again, you are responsible for any taxes owed and should consult a qualified tax or financial advisor prior to any such transfers.

THIRD-PARTY CONTRIBUTIONS

Anyone can make contributions to your account, but only you, as the account owner, have control over how these contributions are used. Because the individual making a contribution no longer has control over the money, there may be gift or other tax consequences to you as the recipient. See *PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS* for more information.

RECONTRIBUTIONS

If your beneficiary withdraws from school, tuition paid from your account that is refunded from an eligible educational institution can be returned to your account without tax or the additional tax, provided the recontribution is made to an account for the same

beneficiary within 60 days of the refund and does not exceed the refunded amount. Please consult with your tax advisor for more information on any impact a recontribution would have on your personal taxes.

LIMITATIONS ON CONTRIBUTIONS

Additional contributions to your account will be rejected if it would cause the aggregate balance of all Texas 529 program accounts for your beneficiary to exceed the Maximum Texas Program Contribution Limit, which is currently $500,000. This limit considers all 529 programs administered by Texas—the plan, the Texas Guaranteed Tuition Plan, the Texas Tuition Promise Fund®, and the LoneStar 529 Plan®—regardless of the owner. The board sets and may amend the Maximum Texas Program Contribution Limit at any time without prior notice to you.

There is no limit to the growth of an account fromearnings. As such, accounts that have reached the Maximum Texas Program Contribution Limit may continue to increase in value based on market fluctuation. However, no new contributions will be accepted while the account balance exceeds the Maximum Texas Program Contribution Limit.

Excess Contributions

The plan manager will reject any contribution, rollover, or transfer that would cause the account balance to exceed the Maximum Texas Program Contribution Limit (an "Excess Contribution"). Therefore, once your total account balances in all Texas 529 plans combined for one beneficiary, including any earnings, reach $500,000, the plan manager will not accept additional contributions, rollovers, or transfers. Further, if a contribution you intend to make would result in your account balances exceeding $500,000, it will be rejected.

ACCOUNT ADMINISTRATION

Contributions received by the plan manager in Good Order are converted to units at the net asset value calculated for the business day the contributions are invested. The plan manager calculates a net asset value for each unit of a portfolio after 4:00pm ET on each day that the New York Stock Exchange is open for trading by dividing the value of the underlying investments held in a portfolio, plus any receivables and less any liabilities, including the management and administrative fees, by the number of outstanding units of the portfolio.

Following receipt of contributions by check, AIP, or EFT, the board and plan manager reserve the right, subject to applicable law, to not allow withdrawal of those assets or their equivalent for up to ten calendar days. The board and plan manager may impose a fee, which may be deducted from the account, for any check, AIP debit, or EFT contribution returned unpaid by the financial institution upon which it is drawn.

Transaction requests received in Good Order prior to the close of the New York Stock Exchange (normally 4:00pm ET) will be processed on the same business day. If the transaction requestis received after 4:00pm ET, it will be processed on the succeeding business day.

Dividends and/or capital gains paid by the underlying investments to the plan are reflected in the net asset value of the applicable investment fund and are not distributed as cash into individual accounts.

Except for recurring contributions made through an AIP, payroll deduction, or the systematic exchange feature, confirmation statements will be mailed for any activity in an account. Account owners will also receive a quarterly statement of all account activityfor that period. You can elect to receive these confirmations and account statements in electronic format by accessing the account owner portal on the plan website (*www.texascollegesavings.com*). You have 60 days to notify the plan manager of any errors on any account confirmation, statement, or report.

PART 4: INVESTMENT OPTIONS

When you apply for an account, you will decide how your money will be invested by selecting one or more investment approaches and allocating a percentage of your initial contribution to specific portfolios within those approaches. The total allocation for all portfolios combined must equal 100 percent. All subsequent contributions will be invested the same way unless and until you select new allocations.

You can change these designated allocations for future contributions at any time. For assets already in your account, you can reallocate your investments—transfer money between two or more portfolios—only twice per calendar year. In addition, you can reallocate account assets anytime you changeyour beneficiary.

Most of these changes to your investments can be made directly on the plan website (*www.texascollegesavings.com*), and all can be made by submitting an Account Maintenance Form (available at *www.texascollegesavings.com/forms-literature/*) in Good Order to the plan manager or by calling 800-445-GRAD (4723), option #3.

Please note that the investment approaches, portfolio offerings, and underlying investments may change from time to time. Additional investment approaches may be added in the future, and the portfolios comprising those approaches may be changed, consolidated, or eliminated. UNITS IN ANY ELIMINATED PORTFOLIO WILL BE

EXCHANGED FOR UNITS IN ANOTHER PORTFOLIO AS DETERMINED BY THE BOARD, AT ITS DISCRETION WITHOUT PRIOR NOTICE. The consent of account owners, other contributors, or beneficiaries to any such change, addition, elimination, or consolidation of investment approaches, portfolios, and underlying investments is not required. To advance certain public policies, Texas or the U.S. could establish laws that require or preclude the plan from certain investments, which might limit the plan from investments that otherwise meet its investment criteria. Further, while the plan might be exempt from statutes that prohibit certain investments or require specific contract language, the board may voluntarily choose a vendor, including any investment manager, that meets these statutory requirements and the plan's investment objectives.

INVESTMENT APPROACHES

The plan offers accounts owners three investment approaches. You can place your money in:

- a portfolio based on the age of your beneficiary—the age-based approach;
- a portfolio with underlying investments tailored to a specific risk profile—the risk-based approach; or
- a portfolio with one or more underlying investments of the same asset type—the individual asset class approach.

Within these broad categories, account owners are presented with a range of more specific portfolio options that are discussed in more detail below.

The board has designed each portfolio with a different investment objective and asset allocation mix because investors have different investment goals, savings needs, investment time horizons, risk tolerances, and financialand tax situations. Because the portfolios have different investment objectives, you can diversify your investment approach. When investing in the plan, an account owner should consider, among other factors, when contributions willbe made, the contribution amounts, the holding time for assets in the account before withdrawals will start to be made, other resources expected to be available for your beneficiary's education expenses, and the age of your beneficiary. You should also periodically assess and, if appropriate, adjust your investment choices with your time horizon, risk tolerance, and investment objectives in mind. Please see *PART 8: RISK FACTORS AND CONSIDERATIONS* for more information about the risks associated with the plan and investing.

None of the portfolios are designed to provide a specific return. An account may fluctuate in value and be worth more or less than the amounts you contributed at any time. Generally, portfolios with higher allocations in fixed income and stable value investments tendto be less volatile than those with higher equity underlying investments. Each portfolio may invest in mutual fundsor other investments, but you do not have a direct beneficial interest in these mutual funds, separate accounts, and other instruments held by that portfolio and, therefore, do not have the rights of an owner or shareholder in those underlying investments.

Accounts, including amounts contributed and any investment return, are not insured or guaranteed by the board, the plan, the plan manager or its affiliates, orany government agency. Neither the board, nor any member of the board or the state of Texas will be liable for any loss incurred by any person participating in the plan.

The actual mix of assets in portfolios that invest in more thanone underlying investment will vary over time based on market performance. In addition, a portfolio may periodically not be fully invested and may hold a limited amount of cash as needed to avoid overdrafts from redemption requests, securities settlements, or similar situations. In seeking to meet the investment objectiveof each portfolio, underlying investments, allocations to individual underlying investments, and their weightings may change in response to changing market or economic conditions, subject to investment policies and guidelines approved by the board and without prior notice to account owners. The plan manager will allocate each portfolio's assets among underlying investments withinthe guidelines of each portfolio's investment objective.

You, as the account owner, designate your investment approach and select the specific portfolios in which you will invest. As discussed, you can change your approach or your portfolios from time to time, but you do not have the authority to select specific underlying investments. The board, upon the advice of its advisers, has established alternative investment approaches, selects the parameters of the investment approaches, portfolios, and underlying investments, and has the right to change them and apply them to your previous contributions without prior notice to you.

AGE-BASED APPROACH

If you select the age-based approach to investing in the plan, your contributions will initially be invested in a portfolio tailored to the current age of your beneficiary. As your beneficiary gets older,your account balance and new contributions will automatically be transferred to the next sequential portfolio. For example, if you open an account for a newborn and choose the age-based approach, your initial contributions would be invested in the portfolio for beneficiaries aged 0-3 years old. On or around the time your beneficiary turns four, the account balance and future contributions would be contributed to the portfolio for

beneficiaries aged 4-5. The plan currently offers 10 portfolios under the age-based approach. The board has the discretion to change the number of years included within a particular age-based category without prior notice to you.

Portfolios for younger beneficiaries seek to capitalize on the longer investment period and maximizereturns. As time passes and your beneficiary approaches college age (18+ years old), investments are automatically moved to more conservative portfolios that seek to preserve capital as expected disbursements for college expenses approach.

Because of market gains and losses and earnings, the investment allocation of each portfolio may differ over time from the target asset allocation. Tomaintain the target asset allocation for each portfolio, the plan manager will automatically rebalance the portfolios periodically when there is a positive or negative variance of five percent or more. For more information about the risks associated with investing, please see *PART 8: RISK FACTORS AND CONSIDERATIONS*.

Portfolio Descriptions

The ***Age-Based 0-3 Years Portfolio*** invests primarily in equity to maximize the capital growth of the portfolio. The portfolio has a target allocation of 57% domestic equity and 28% international equity, as well as 10% fixed income bonds and 5% bank loans to slightly offset volatility.

The ***Age-Based 4-6 Years Portfolio*** invests primarily in equity and seeks capital growth within the portfolio. The portfolio has a target allocation of 54% domestic equity and 27% international equity, as well as 15% fixed income bonds and 4% bank loans to offset equity volatility.

The ***Age-Based 7-8 Years Portfolio*** invests in a blended allocation of equity and fixed income, yet still more heavily weighted toward equity investments to capture further capital growth opportunities. The portfolio has a target allocation of 48% domestic equity and 24% international equity, as well as 24% fixed income bonds and 4% banks loans to offset equity volatility and provide income.

The ***Age-Based 9 Years Portfolio*** invests in a blended allocation of equity and fixed income and seeks moderate capital growth and income. The portfolio has a target allocation of 42% domestic equity and 21% international equity, as well as 34% fixed income bonds and 3% bank loans to further offset equity volatility and provide income.

The ***Age-Based 10-11 Years Portfolio*** invests in an allocation tilted toward equity over fixed income. The portfolio has a target allocation of 36% domestic equity, 18% international equity, and 43% fixed income bonds and 3% bank loans to provide some capital growth and income.

The ***Age-Based 12 Years Portfolio*** invests in a blended allocation of equity and fixed income with a heavier weight toward fixed income as the investment focus shifts more heavily toward capital preservation and income. The portfolio has a target allocation of 30% domestic equity, 15% international equity, 53% fixed income bonds, and 2% bank loans.

The ***Age-Based 13-14 Years Portfolio*** invests in a blended allocation of equity and fixed income with a heavier weight toward fixed income. The portfolio has a target allocation of 24% domestic equity, 12% international equity, 62% fixed income bonds, and 2% bank loans.

The ***Age-Based 15 Years Portfolio*** invests in a blended allocation of equity and fixed income with a heavy weight toward fixed income, as well as the inclusion of stable value to provide additional income. The portfolio has a target allocation of 18% domestic equity, 9% international equity, 68% fixed income bonds, 2% bank loans, and 3% stable value.

The ***Age-Based 16-17 Years Portfolio*** invests primarily in fixed income, with the inclusion of some equity and some stable value. This portfolio seeks capital preservation and income. The portfolio has a target allocation of 12% domestic equity, 6% international equity, 73% fixed income bonds, 1% bank loans, and 8% stable value.

The ***Age-Based 18 Years and Over Portfolio*** is the final age-based portfolio and is intended to preserve capital and provide income to support withdrawals from the account. The portfolio has a target allocation of 6% domestic equity, 3% international equity, 75% fixed income bonds, 1% bank loans, and 15% stable value.

Accounting Policies

When transferring assets from one portfolio in the age-based approach to another, units of the current portfoliowill be exchanged for an equal dollar value of units of the next portfolio in the age sequence on or about the beneficiary's date of birth. Assets will remain in the age 18 and over portfolio until withdrawn or reallocated by the account owner.

RISK-BASED APPROACH

If you prefer a portfolio with a specific risk profile and asset allocation target, you can select the risk-based approach. Portfolios under this approach invest in a combination of underlying investments that, together, conform to a designated risk profile. Whilethe asset allocations for each of these portfolios is not frequently changed, the board, with its advisers, reviews the underlying investments regularly and may change portfolio allocations or individual components.

Further, because of market gains and losses and earnings, theactual allocation of each portfolio may differ over time from the target asset allocation. Tomaintain the target asset allocation for each portfolio, the plan manager will automatically rebalance the portfolios periodically when there is a positive or negative variance of five percent or more. For more information about the risks associated with investing, please see *PART 8: RISK FACTORS AND CONSIDERATIONS*.

Once you have selected a risk-based portfolio, your money will remain in that portfolio unless you instruct the plan to move it to another, absent a change in the portfolio offerings bythe board.

Portfolio Descriptions

The ***Aggressive Allocation Portfolio*** seeks long-term capital growth by investing in an asset allocation weighted heavily toward equity investments versus fixed income investments. The portfolio has a target allocation of 51% domestic equity, 25% international equity, 20% fixed income bonds, and 4% bank loans.

The ***Balanced Allocation Portfolio*** seeks moderate growth by investing in a balanced asset allocation somewhat weighted toward equity investments over fixed income investments. The portfolio has a target allocation of 42% international equity, 21% international equity, 34% fixed income bonds, and 3% bank loans.

The ***Conservative Allocation Portfolio*** seeks conservative growth by investing primarily in fixed income, with the inclusion of some equity and some stable value. The portfolio has a target allocation of 15% domestic equity, 7% international equity, 71% fixed income bonds, 1% bank loans, and 6% stable value.

INDIVIDUAL ASSET CLASS APPROACH

If you want to create your own asset allocation, you can choose one or more individual asset class portfolios. Each of these portfolios contains a single type, or asset class, of underlying investment. For example, the U.S. Stock Fund Portfolio invests exclusively in domestic stocks, while the International Stock Fund Portfolio includes only foreign stocks. The underlying investment(s) in which each portfolio invests will be reviewedregularly by the board and could change over time. For more information about the risks associated with investing, please see *PART 8: RISK FACTORS AND CONSIDERATIONS*.

As with the risk-based approach, once you have selected an individual asset class portfolio, your money will remainin that portfolio unless you instruct the plan to move it to another, absent a change in offerings by the board.

Portfolio Descriptions

The ***Diversified Equity Portfolio*** seeks long-term capital appreciation by investing its assets in equity investments. The asset allocation for this portfolio is currently 67% in the Vanguard Total Stock Market Index and 33% in the Vanguard Total International Stock Market Index.

The ***Diversified Fixed Income Portfolio*** seeks low volatility and income from a diversified selection of fixed income investments. The asset allocation for this portfolio is currently 70% for the Vanguard Total Bond Market Index, 15% for the Eaton Vance Floating Rate fund, and 15% in the Federated Hermes High Yield Bond fund.

The ***U.S. Stock Portfolio*** seeks long-term capital growth through equity investments by tracking the returns of the U.S. stock market. The investment selected for this portfolio is currently the Vanguard Total Stock Market Index.

The ***International Stock Portfolio*** seeks long-term capital growth through equity investments of non-U.S. companies. The investment selected for this portfolio is currently the Vanguard Total International Stock Market Index.

The ***Bond Portfolio*** seeks to track the performance of a broad, market-weighted bond index. The investment selected for this portfolio is currently the Vanguard Total Bond Market Index.

The ***Inflation Protection Portfolio*** seeks to provide inflation protection and earn current income consistent with inflation-protected securities. The investment selected for this portfolio is currently the DFA Inflation-Protected Securities fund.

The ***Capital Preservation Portfolio*** seeks to provide a stable flow of current income. The current investment selected for this portfolio is the New York Life Guaranteed Interest Account.

The board, after consultation with its advisers, may change any security selected for any portfolio at any time without prior notice.

A summary of the target allocationsto the underlying investments for each portfolio, called the "Investment Allocation Worksheet," follows. These allocations are current as of the publication date of this Plan Description and are subject to change. See the plan website (at www.texascollegesavings.com/forms-literature/) or call 800-445-GRAD (4723), option #3, for the most up-to-date information.

	Underlying Investments and Target Allocations						
	Vanguard Total Stock Market Index	**Vanguard Total Intl Stock Market Index**	**Vanguard Total Bond Market Index**	**DFA Inflation-Protected Securities**	**Federated Hermes High Yield Bond**	**Eaton Vance Floating-Rate**	**New York Life Guaranteed Interest**
	VSMPX	VTPSX	VBMPX	DIPSX	FIHBX	EIBLX	N/A
Age-Based Portfolios							
0-3 Years	57.00%	28.50%	5.00%	-	4.75%	4.75%	-
4-6 Years	54.00%	27.00%	10.00%	-	4.50%	4.50%	-
7-8 Years	48.00%	24.00%	16.48%	3.52%	4.00%	4.00%	-
9 Years	42.00%	21.00%	20.00%	10.00%	3.50%	3.50%	-
10-11 Years	36.00%	18.00%	25.38%	14.62%	3.00%	3.00%	-
12 Years	30.00%	15.00%	30.83%	19.17%	2.50%	2.50%	-
13-14 Years	24.00%	12.00%	36.24%	23.76%	2.00%	2.00%	-
15 Years	18.00%	9.00%	40.25%	26.65%	1.50%	1.50%	3.10%
16-17 Years	12.00%	6.00%	42.96%	28.90%	1.00%	1.00%	8.14%
18 Years and Over	6.00%	3.00%	45.00%	30.00%	0.50%	0.50%	15.00%
Risk-Based Portfolios							
Aggressive Allocation	51.00%	25.00%	14.00%	1.00%	4.50%	4.50%	-
Balanced Allocation	42.00%	21.00%	20.00%	10.00%	3.50%	3.50%	-
Conservative Allocation	15.00%	7.00%	41.00%	28.00%	1.50%	1.50%	6.00%
Individual Asset Class Portfolios							
Diversified Equity	67.00%	33.00%	-	-	-	-	-
Diversified Fixed Income	-	-	70.00%	-	15.00%	15.00%	-
U.S. Stock	100.00%	-	-	-	-	-	-
International Stock	-	100.00%	-	-	-	-	-
U.S. Bond	-	-	100.00%	-	-	-	-
Inflation Protection	-	-	-	100.00%	-	-	-
Capital Preservation	-	-	-	-	-	-	100.00%

Diversification does not guarantee a profit or protect against loss. Each underlying investment has its own risks. For example, the prices of small-cap stocks are generally more volatile than large company stocks. There are special risks inherent to international investing, including currency, political, social, and economic risks. Investments in growth stocks may be more volatile than other securities. With value investing, if the marketplace does not recognize that a security is undervalued, the expected price increase may not occur. Fixed income investing entails credit and interest rate risks. When interest rates rise, bond prices generally fall, and the value of the underlying investment or account can fall. Derivative instruments, securities whose values depend on the performance of an underlying security or asset, may entail potentially higher volatility and risk of loss compared to traditional stock or bond investments.

Contributions to the Capital Preservation Portfolio are invested in a funding agreement issued by the New York Life Insurance Company issued to the plan manager on behalf of the board. Other portfolios with asset allocations to the Guaranteed Interest Account as of the date of this Plan Description are listed in the above chart. New York Life Insurance Company, a mutual life insurance company founded in 1845, and its family of companies provide insurance, investment, and retirement solutions to both the individual and institutional markets. As of December 31, 2020, New York Life had $702 billion in assets under management. Its main offices are in New York City, New York. Account owners have an interest in the Capital Preservation Portfolio, not the underlying funding agreement, which is not a mutual fund or collective investment trust.

Interest applied to your account will depend on the semi-annual crediting rates provided by the funding agreement, which are subject to change on January 1 and July 1 of each year, and any applicable fees charged by the plan. Crediting rates will never be below 1%, but because the plan charges Program Management and State Administrative fees, the interest posted to your account may be lower than 1%. The current effective annual interest rate applicable to the funding agreement will be posted on the plan's website. If you do not have access to a computer and would like a hard copy of the information sent to you, please call the plan manager at 800-445-GRAD (4723), option #3.

UNDERLYING INVESTMENTS

The board has currently selected Dimensional Fund Advisors LP, Eaton Vance Management, Federated Hermes, Inc., New York Life Insurance Company, and The Vanguard Group, Inc. to each be an Investment Manager. In this capacity, each manages the underlying investment(s) in which the portfolios invest. A separate board of trustees and/or investment manager for an underlying investment, and not the board, the plan, or the plan manager, determines the investment policies and strategies for each underlying investment.

If instructed by the board, the plan manager will cause a portfolio to divest itself of one or more underlying investments. During the transition from one underlying investment to another, a portfolio may be temporarily uninvested in an asset class. During this time, a portfolio may also temporarily hold securities if the disposing underlying investment chooses to use an in-kind redemption. Where this is the case, the plan manager will liquidate the securities received in an orderly manner with due consideration for the interests of account owners and invest the proceeds in the replacement underlying investment selected by the board. Any redemption fees or other transaction costs, as wellas any market impact on the value of the securities being liquidated, will be borne by the portfolio and the account owners invested in it. Please see *PART 8: RISK FACTORS AND CONSIDERATIONS* for more information about the risks associated with the plan and the underlying investments.

For more information on the investment objectives, strategies, and principal risks of the underlying investments, please visit the website or click on the links for the individual fund as indicated below.

INVESTMENT MANAGERS

Dimensional Fund Advisors, LP ("DFA") is a private investment firm with its main offices in Austin, Texas. As of June 30, 2021, DFA had $660 billion in assets under management. Additional information about DFA funds and a prospectus for each can be obtained at www.us.dimensional.com. DFA is the investment manager for the DFA Inflation-Protected Securities Fund (DIPSX).

Eaton Vance Management is an investment fund management and advisory services company. As of December 31, 2020, Eaton Vance had $583.1 billion in assets under management. Its main offices are in Boston, Massachusetts. Additional information about Eaton Vance funds and a prospectus for each can be obtained at www.eatonvance.com. Eaton Vance Management is the Investment Manager for the Eaton Vance Floating-Rate Fund (EIBLX).

Federated Hermes, Inc. is an investment management and financial services company. As of December 31, 2020, Federated Hermes had $619 billion in assets under management. Its main offices are in Pittsburgh, Pennsylvania. Additional information about Federated Hermes funds and a prospectus for each can be obtained at www.federatedinvestors.com. Federated Hermes, Inc. is the Investment Manager for the Federated Hermes High Yield Bond Fund (FIHBX).

The Vanguard Group, Inc. is an institutional investment advisor with its main offices in Valley Forge, Pennsylvania. As of March 31, 2021, Vanguard had $7.3 trillion in assets under management. Additional information about Vanguard funds and a prospectus for each can be obtained at www.vanguard.com. The Vanguard Group, Inc. is the Investment Manager for the following underlying investments: Vanguard Total Bond Market Index (VBMPX), Vanguard Total International Stock Market Index (VTPSX), and Vanguard Total Stock Market Index (VSMPX).

Underlying Investment	Phone	Website
DFA Inflation-Protected Securities	(888) 576-1167	https://us.dimensional.com/funds/inflation-protected-securities
Eaton Vance Floating-Rate Fund	(800) 262-1122	https://funds.eatonvance.com/floating-rate-fund-eiblx.php
Federated Hermes High Yield Bond	(800) 341-7400	https://www.federatedinvestors.com/products/mutual-funds/instl-high-yield-bond/is.do
Vanguard Total Bond Market Index	(800) 888-3751	https://investor.vanguard.com/mutual-funds/profile/VBMPX
Vanguard Total International Stock Market Index	(800) 888-3751	https://investor.vanguard.com/mutual-funds/profile/VTPSX
Vanguard Total Stock Market Index	(800) 888-3751	https://investor.vanguard.com/mutual-funds/profile/VSMPX

PORTFOLIO PERFORMANCE

Performance data and benchmarks for the plan will be available as part of the "College Savings Plan Audited Financial Statements" on the plan website at https://www.texascollegesavings.com/download/audited-financial-statements/ and are incorporated here by reference. Portfolio performance information is net of any annual asset-based fees and does not reflect the impact of any federal or state taxes. If you do not have access to a computer and would like a hard copy of the information sent to you, please call the plan manager at 800-445-GRAD (4723), option #3.

PLEASE KEEP IN MIND, PAST PERFORMANCE — ESPECIALLY SHORT-TERM PAST PERFORMANCE — IS NOT A GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURNS AND PRINCIPAL VALUES WILL FLUCTUATE, SO THAT THE ACCOUNT OWNER'S UNITS IN A PORTFOLIO MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA CITED.

More information, including performance information andeach underlying investment's prospectus, is available by visiting websites listed above. Plan performance is available on the plan website at www.texascollegesavings.com/tcsp-investments/#smooth-scroll-top.

Performance Differences

Performance differences between a portfolio and its underlying investments may occur. Portfolios will not use contributions to purchase shares of an underlying investment until the business day following the deposit of the contribution. This timing difference, depending on how the markets are moving, will cause a portfolio's performance to either trail or exceed the underlying investments' performance.

Further, you own interests in the portfolios, not shares of the underlying investments. As a result, the performance of the portfolios will differ from the performance of any underlying investment. Even where a portfolio invests in a single underlying investment, the differences in the expense ratios of the portfolios and the underlying investments can yield a performance difference.

When you invest money in a portfolio, you will receive an interest in the portfolio as of the trade date. Your money will be used by the plan to purchase an underlying investment. However, the settlement date for the purchase of an underlying investment will typically be one to three business days after the trade date. Depending on the amount of cash flow in or out of the portfolio and whether the underlying investment is going up or down in value, this timing difference will cause the portfolio's performance to either trail or exceed the underlying investment's performance.

Performance Benchmarks

The benchmark for each portfolio is comprised of a broad-based equity, bond, Treasury inflation-protected security bank loan, high yield, money market, or other index that is then weighted in an amount equal to each portfolio's target allocation of underlying investments. Because each underlying investment allocates to only one asset class, a benchmark comprised of multiple asset classes is not necessary.

PART 5: WITHDRAWALS

To avoid tax, you must use the money in your account to pay for the qualified higher education expenses of your beneficiary, what is called a "qualified withdrawal." Using the money for any other purpose is considered a "non-qualified withdrawal." You must pay federal income tax on any investment earnings on any non-qualified withdrawals and a 10% additional tax unless an exception applies, and possibly state income taxes for residents of states other than Texas. See *PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS* for more about the tax consequences of a non-qualified withdrawal.

You may requesta qualified withdrawal from an account by completing, in Good Order, a Withdrawal Request Form (available on the plan website at *www.texascollegesavings.com/forms-literature/*) or by calling 800-445-GRAD (4723), option #3. The plan will then send the amount withdrawn by check payable to:

- an eligible educational institution;
- beneficiary; or
- account owner.

QUALIFIED HIGHER EDUCATION EXPENSES

Code §529 defines "qualified higher education expenses" as tuition, fees, books, supplies, andequipment required for a beneficiary's enrollment or attendance at an eligible educational institution. The term includes computers and peripherals, software (except for non-educational sports, games, or hobby software), and internet service, provided they are used primarily by the beneficiary while enrolled at an eligible educational institution. Expenses for special needs services incurred in connection with enrollment or attendance at an eligible education institution are also included in the definition.

For beneficiaries who are enrolled at least half-time at an eligible educational institution, qualified higher education expenses include reasonable room and board. The amount of room and board cannot exceed the greater of: (1) the allowance included in the "cost of attendance," as defined under federal law, as determined by the eligible educational institution for the period; or (2) the actual invoice amount charged to the beneficiary for room and board, if the beneficiary resides in housing owned or operated by the eligible educational institution.

The following expenses are also treated as qualified higher education expenses under Code §529:

- Up to $10,000 per year of your beneficiary's K-12 tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school;
- Fees, books, supplies, and equipment necessary to participate in a registered apprenticeship program; and
- Up to $10,000 in amounts paid as principal or interest on any qualified education loan (as defined in Code §221(d)) of the beneficiary or a sibling of the beneficiary ("qualified student loan repayments"). Note that the state tax consequences of using 529 plans for K-12 tuition will vary by state and may involve taxes, penalties, and the recapture of tax deductions.

See *PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS* for more information.

ELIGIBLE EDUCATIONAL INSTITUTION

An "eligible educational institution" is any accredited college, university, or vocational school that is eligible to participate in certain federal financial aid programs under the Higher Education Act of 1965, including some foreign institutions. To determine whether the school your beneficiary has chosen is included, please visit the Federal Student Aid website at *www.studentaid.gov*.

ROLLOVER WITHDRAWALS

As the account owner, you can also transfer or roll over money in your account, either directly or indirectly, to another 529 plan. A rollover withdrawal must be accompanied by the appropriate form as well as any documentation required by the receiving plan. While these rollovers can often be achieved without the imposition of federal income tax or the additional tax, some cases, especially indirect transfers, may have substantial tax consequences. Therefore, it is highly advised that you consult with your tax advisor prior to initiating any rollover transaction. Please see *PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS* for more information on the tax treatment of rollovers.

Rollovers to a Different Beneficiary

A rollover contribution to an account for a different beneficiary can occur without the imposition of federal income tax on the earnings or the additional tax of 10%. To qualify, the new beneficiary must be a Member of the Family of the beneficiary for the transferring account and the contribution must be deposited into the new account within 60 days of the withdrawal. If the new beneficiary is not a Member of the Family, or the rollover contribution is not made within 60 days, the transaction may be treated as a non-qualified withdrawal subject to federal income tax and an additional tax of 10%. A rollover may also have gift or other tax consequences for your beneficiary. See the *Changing the Beneficiary* section for more information about the Member of the Family requirement and *PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS* for more information on the tax treatment of rollovers.

Rollovers to the Same Beneficiary

As discussed regarding contributions, transfers between two Texas 529 plan accounts for the same beneficiary are treated as nontaxable reallocations, rather than transfers or rollovers. There is a twice-per-calendar-year limit on such reallocations between any Texas 529 accounts with the same account owner and the same beneficiary.

Rollovers or transfers between two 529 plan accounts in different states for the same beneficiary can also be effectuated tax-free if the transactions are completed within 60 days and take place no more than once every 12 months. You should always consult with your tax advisor prior to any transfer.

Rollovers to an ABLE Program

Under the 2017 Tax Cuts and Jobs Act, you may also roll over 529 plan assets to a qualified Achieving a Better Life Experience ("ABLE") program account for the same beneficiary, or a Member of the Family, within 60 days. For these purposes, the Code §529 definition of a Member of the Family applies, as discussed in more detail in the *Changing the Beneficiary* section.

All contributions made to an ABLE account for a taxable year, including any rollover amounts, cannot exceed the annual ABLE contribution limit (currently $15,000). The Treasury Department and Internal Revenue Service ("IRS") have stated that, in the case of a direct transfer, any rejected contribution returned to a 529 plan account would not be treated as a new contribution to that account.

As of the date of this Plan Description and Savings Trust

Agreement, the IRS has not issued any regulations addressing the tax law changes under the 2017 Tax Cuts and Jobs Act. Further, rollovers from a 529 plan to a qualified ABLE program account only receive favorable tax treatment through December 31, 2025, unless extended by law. Please consult your tax advisor for more information and the specific requirements you will need to satisfy.

ACCOUNT ADMINISTRATION

The net asset value ("NAV") used to calculate the value of a withdrawal from an account will be the first NAV calculated after a completed withdrawal request is received in Good Order by the plan manager.

The plan manager reserves the right to delay remittance of redemption proceeds for contributions by check, direct deposit, or AIP for up to five business days following the date the contribution is processed by the plan. The plan manager also reserves the right to require that an account owner's withdrawal request be signature guaranteed by an eligible guarantor institution, such as a domestic bank, savings and loan institution, domestic credit union, member bank of the Federal Reserve System, or member firm of a national securities exchange.

The plan permits account owners to make systematic withdrawals from their account, provided at least $1,000 is invested in the originating portfolio at the time the withdrawal is established. See the *Systematic Exchange Feature* section for more information.

Residual Account Balances

When your beneficiary graduates from a college or university and money remains in your account, you can retain those assets to pay for future qualified higher education expenses, such as graduate school for that beneficiary or qualified student loan repayments for that beneficiary or a sibling. If your beneficiary does not have other qualified higher education expenses you can change the beneficiary on the account (as described in the *Changing the Beneficiary* section) or request that the remaining assets, including earnings, be paid to you or someone else as a non-qualified withdrawal. Any earnings paid on a non-qualified withdrawal, however, will be subject to federal, and for non-Texans possibly state, income tax and the 10% additional tax, absent an exception.

Record Retention

You should obtain and retain records, receipts, invoices, and/or other documentation adequate to clearly show: (1) the expenses you or your beneficiary (or in the case of qualified student loan repayments, a sibling) paid as qualified higher education expenses; (2) the receipt by your beneficiary of a qualified scholarship; (3) the appointment of the beneficiary to a U.S. military academy; (4) the death or qualified disability of your beneficiary; (5) your use of education tax credits; or (6) that you are otherwise entitled to favorable tax treatment.

PART 6: PLAN FEES AND EXPENSES

Each account bears certain ongoing fees that are charged against portfolio assets to provide for the costs associated with distributing, servicing, and administering the account. These fees reduce the value of an account as they are incurred. Accounts also indirectly bear fees and expenses related to the underlying investments.

The board, in its sole discretion, will establish, and may change at any time, the program management and state administrative fees and expenses it deems appropriate for the plan. These charges are subject to change without notice.

Information on fees for the most recent quarter can be found on our website at *www.texascollegesavings.com/tcsp-investments/#smooth-scroll-top*.

ESTIMATED ANNUAL ASSET-BASED PLAN FEES

The investment managers for each underlying investment receive compensation for their services directly from the underlying investments in which the portfolios invest. These fees are captured as the "Estimated Weighted Average Expense Ratio Related to Underlying Investments" in the fee chart below." More information about the fees and expenses of each underlying investment can be found in the prospectus of each underlying investment.

Program Management Fee

A Program Management Fee at an annual rate of 0.25% of the average daily net assets of the portfolios in the plan is paid monthly to the plan manager for day-to-day administration and investment-related services. Each account bears its pro rata share of the Program Management Fee.

State Administrative Fee

The board receives a State Administrative Fee at an annual rate of 0.06% of the average daily net assets of each portfolio. The fees received by the board are used to administer the plan, including the cost of an independent certified public accounting firm to perform an annual financial audit, investment consultant fees, and outside legal counsel as necessary. Under Texas law, the board may not collect administrative fees in excess of the cost of establishing and maintaining the plan. Each account bears its pro rata share of the State Administrative Fee.

	Estimated Total Annual Asset-Based Fees[2]			
Portfolios	**Estimated Weighted Average Expense Ratio Related to Underlying Investments[1]**	**Program Management Fee**	**State Administrative Fee**	**Estimated Total Annual Asset-Based Fees[2]**
Age-Based Portfolios				
0-3 Years	**0.0932%**	**0.2500%**	**0.0600%**	**0.4032%**
4-6 Years	**0.0899%**	**0.2500%**	**0.0600%**	**0.3999%**
7-8 Years	**0.0860%**	**0.2500%**	**0.0600%**	**0.3960%**
9 Years	**0.0846%**	**0.2500%**	**0.0600%**	**0.3946%**
10-11 Years	**0.0816%**	**0.2500%**	**0.0600%**	**0.3916%**
12 Years	**0.0786%**	**0.2500%**	**0.0600%**	**0.3886%**
13-14 Years	**0.0756%**	**0.2500%**	**0.0600%**	**0.3856%**
15 Years	**0.0703%**	**0.2500%**	**0.0600%**	**0.3803%**
16-17 Years	**0.0640%**	**0.2500%**	**0.0600%**	**0.3740%**
18 Years and Over	**0.0562%**	**0.2500%**	**0.0600%**	**0.3662%**
Risk-Based Portfolios				
Aggressive Allocation	**0.0902%**	**0.2500%**	**0.0600%**	**0.4002%**
Balanced Allocation	**0.0846%**	**0.2500%**	**0.0600%**	**0.3946%**
Conservative Allocation	**0.0701%**	**0.2500%**	**0.0600%**	**0.3801%**
Individual Asset Class Portfolios				
Diversified Equity	**0.0365%**	**0.2500%**	**0.0600%**	**0.3465%**
Diversified Fixed Income	**0.2115%**	**0.2500%**	**0.0600%**	**0.5215%**
U.S. Stock	**0.0200%**	**0.2500%**	**0.0600%**	**0.3300%**
International Stock	**0.0700%**	**0.2500%**	**0.0600%**	**0.3800%**
U.S. Bond	**0.0300%**	**0.2500%**	**0.0600%**	**0.3400%**
Inflation Protection	**0.1100%**	**0.2500%**	**0.0600%**	**0.4200%**
Capital Preservation	**0.0000%[3]**	**0.2500%**	**0.0600%**	**0.3100%**

1. For portfolios investing in more than one underlying investment, the Estimated Weighted Average Expense Ratio related to Underlying Investments Fee is based on a weighted average of each underlying investment's expense ratio as of August 31, 2021, as reported by Morningstar. For portfolios that invest in one underlying investment, the Estimated Weighted Average Expense Ratio related to Underlying Investments Fee is based on the expense ratio for the underlying investment as of August 31, 2021, as reported by Morningstar.
2. Estimated Total Annual Asset-Based Plan Fees are subject to change at any time and are assessed against assets over the course of the year. See "Investment Cost Chart" for the approximate cost of investing in each of the Plan's portfolios over 1-, 3-, 5- and 10-year periods.
3. Although there are no investment expenses associated with the New York Life Guaranteed Interest Account ("GIA"), the yield of the New York Life GIA is reduced by 0.10% to compensate New York Life for operating, administrative, and marketing costs. This will reduce the return of the portfolios that invest in the New York Life GIA.

OTHER FEES AND CHARGES

The chart below describes additional service-based and other fees that you may incur. If you request delivery of distribution proceeds by overnight delivery service, outgoing wire or, if available, electronic payment to schools, the applicable fee listed in the chart below will be deducted directly from your account. Fees and expenses similar to those identified in the table below may also be deducted from your account. Fees are subject to change.

Type of Fee	Fee
Outgoing Wires	$5.00
Overnight Delivery (Weekday/Saturday)	$15.00 / $25.00
Re-issue Distribution Checks	$15.00
Request for Historical Statements	$10.00
Returned Item Fee	$20.00
Rollover Out Fee	$20.00

Overnight delivery fees and electronic payment to schools will be reported as withdrawals on Form 1099-Q. Such convenience fees may be considered non-qualified distributions. Please consult your tax advisor regarding the calculation and reporting of any tax liability associated with the payment of these fees from your account.

INVESTMENT COST CHART

The following table compares the approximate cost of investing in the plan over different periods. Your actual cost may be higher or lower based on assumptions that are different than those used here. To illustrate the estimated cost, we havecharted the hypothetical returns for an account owner investing in each portfolio, using the following assumptions:

- $10,000 initial investment;
- 5% annual compounded rate of return;
- all units are redeemed at the end of the period shown for qualified higher education expenses except as noted (the table does not consider the impact of any potential state or federal taxes on the redemption);
- plan fees remain the same throughout; and
- withdrawals are only used for expenses treated as qualified higher education expenses under Code §529.

Cost of a $10,000 Investment in each Portfolio				
	1-Year	**3-Year**	**5-Year**	**10-Year**
Age-Based Portfolios				
0-3 Years	$41	$130	$226	$509
4-6 Years	$41	$128	$224	$505
7-8 Years	$41	$127	$222	$500
9 Years	$40	$127	$221	$498
10-11 Years	$40	$126	$220	$495
12 Years	$40	$125	$218	$491
13-14 Years	$39	$124	$216	$487
15 Years	$39	$122	$213	$481
16-17 Years	$38	$120	$210	$473
18 Years and Over	$37	$118	$205	$463
Risk-Based Portfolios				
Aggressive Allocation	$41	$129	$224	$505
Balanced Allocation	$40	$127	$221	$498
Conservative Allocation	$39	$122	$213	$480
Individual Asset Class Portfolios				
Diversified Equity	$35	$111	$195	$439
Diversified Fixed Income	$53	$167	$292	$655
U.S. Stock	$34	$106	$185	$418
International Stock	$39	$122	$213	$480
U.S. Bond	$35	$109	$191	$431
Inflation Protection	$43	$135	$235	$530
Capital Preservation[1]	$32	$100	$174	$393

[1]Although there are no investment expenses associated with the New York Life Guaranteed Interest Account ("GIA"), the yield of the New York Life GIA is reduced by 0.10% to compensate New York Life for operating, administrative, and marketing costs. This will reduce the return of the portfolios that invest in the New York Life GIA.

PART 7: TAX ON CONTRIBUTIONS AND WITHDRAWALS

The following section is a summary of certain aspects of federal and state income tax and estate and gift tax on contributions to and withdrawals from 529 plans. Any tax and/or legal information in this Plan Description is a summary of our understanding and interpretation of the current tax rules and guidance based on relevant provisions of the Code, proposed regulations, notices, rulings, legislative history, and interpretations of applicable law. The information provided is not intended to be exhaustive and may be subject to change based on any changes in laws, regulations, and/or interpretations. Further, because the proposed federal regulations do not reflect changes subsequently made to Code §529 or changes to published guidance from the IRS, it is likely that the final regulations, when and if issued, may differ significantly from the proposed regulations.

This summary and all other statements in this Plan Descri ption concerning federal and state tax issues: (1) are not offered as individual tax advice to any person, including any account owner, beneficiary, or successor account owner; (2) are provided as general information in connection with the promotion or marketing of the plan; and (3) are not provided or intended to be used, and cannot be used, by any taxpayer for the purpose of avoiding U.S. tax penalties.

It is your or your beneficiary's responsibility to calculate and pay any applicable taxes; the plan cannot make this determination for you. In addition, while Texas does not have a state income tax, if you are a resident of another state it is your responsibility to consider whether transactions in your account could subject you to taxes in your state of residence. You should consult a qualified tax, financial, and/or legal advisor for advice and information about your situation.

FEDERAL INCOME TAX

Your contributions to the plan are not deductible for federal income tax purposes, and the earnings are generally not subject to federal income tax until the assets are withdrawn. Further, so long as you make withdrawals from your account to pay for qualified higher education expenses, distributions and earnings are not includible in your "gross income." If you make a withdrawal from your account for any other purpose, however, what is known as a "non-qualified withdrawal," you will likely be subject to federal income tax on the earnings portion of the withdrawal, plus an additional 10% tax on such earnings unless an exception applies.

If the total amount of all withdrawals from 529 accounts for your beneficiary does not exceed the beneficiary's qualified higher education expenses, then no federal income tax related to that withdrawal will normally be owed. For example, if you withdraw money from your account to pay for your beneficiary's tuition at an eligible educational institution, this would be a "qualified withdrawal" and the earnings portion of that withdrawal would not be subject to federal income tax or the 10% additional tax. By contrast, if you spend that money on a vacation, the withdrawal would be considered a "non-qualified withdrawal" subject to federal tax.

In addition, a 10% additional tax is generally imposed on the earnings portion of any non-qualified withdrawal from a 529 plan. There are certain exceptions:

- withdrawals because of the beneficiary's death or disability;
- withdrawals to the extent of any scholarships received;
- withdrawals based on attendance at a U.S. military academy; and
- withdrawals resulting from the beneficiary's use of certain tax credits.

In these cases, although federal income tax may still be owed, the additional 10% tax would not be imposed.

Rollovers to Another 529 Plan

As discussed in the *Rollover Contributions* section, rollovers may be made either directly or indirectly. Direct rollovers are transfers from one account to another with no intermediary (*e.g.*, State A's 529 plan transfers assets to your Texas 529 plan). Indirect rollovers occur when you withdraw your money from a 529 plan and then contribute that money to another 529 plan or a qualified ABLE program account.

Rollovers, direct or indirect, may occur between the Texas plan and an account in another state's 529 plan without federal income tax liability on the earnings or the 10% additional tax if: (1) the entire transaction is completed within 60 days; and (2) the assets are contributed to an account for the benefit of the same beneficiary or a Member of the Family. Where the transfer is to the same beneficiary, you are limited to one tax-free rollover every 12 months. Transfers not completed within 60 days of the date of distribution by the transferring plan are considered non-qualified withdrawals subject to federal income tax and the 10% additional tax.

Transfers between two Texas-sponsored 529 plans for the same beneficiary are not treated as rollovers, but as non-taxable investment reallocations subject to a twice-per-calendar-year limit. This limitation applies to all accounts with the same account owner/beneficiary combination. If you own multiple Texas-sponsored 529 plan accounts for a beneficiary, you may submit changes for your accounts at the same time and have all these changes be considered a single investment reallocation. Submitting changes on different dates, however, will result in each change being counted separately, with any over the two-per-calendar-year limit being treated as non-qualified withdrawals for federal tax purposes.

For an indirect rollover, you must provide appropriate documentation to substantiate the portion of the assets to be treated as prior contributions rather than earnings, otherwise the entire amount of the rollover will be treated as earnings. In the case of a direct rollover or transfer, the transferring 529 plan may provide this information.
Please note that while qualified rollovers and permitted investment reallocations are not subject to federal income tax or the additional tax of 10%, there may be other substantial federal tax consequences, such as transfer taxes discussed below. Also, while Texas does not have a state income tax, residents of other states should consider whether state income tax applies to non-qualified transfers or withdrawals in their state. If an account owner is a taxable business entity, earnings on non-qualified withdrawals may be subject to the Texas franchise tax. You are encouraged to consult with a tax advisor for information on the tax treatment and implications of any rollover or transfer. You are solely responsible for complying with these requirements.

Rollovers to a Qualified ABLE Program
To avoid tax on a rollover from the plan to an account in a qualified ABLE program, similar conditions must be met: (1) the entire transaction must be completed within 60 days; and (2) the assets must be contributed to an account for the benefit of the same beneficiary or a Member of the Family. Contributions to an ABLE program account together with the rollover cannot exceed the annual contribution limit, currently $15,000.

Rollovers from a Coverdell Savings Account
Amounts contributed to the plan from a Coverdell ESA should be considered a qualified distribution from the ESA and not subject to federal income tax or the additional tax. Appropriate documentation from the transferring Coverdell ESA must be provided to substantiate the portion of the assets to treat as prior contributions rather than earnings subject to tax, or the entire amount will be treated as potentially taxable earnings.

If you make withdrawals from both the plan and a Coverdell ESA, you cannot avoid tax or the additional tax using the same education expenses. You must allocate the expenses between the two sources to designate which portion of each is tax-free and which portion may be subject to federal tax.

Rollovers from Series EE and Series I Bonds
Interest on Series EE Bonds issued after December 31, 1989, as well as interest on all Series I Bonds, may be completely or partially excluded from federal income tax. To be excluded, bond proceeds must be used to pay certain education expenses or contributed to a 529 plan or a Coverdell ESA in the same calendar year the bonds are redeemed. For this purpose, qualifying expenses are limited to tuition and fees required for enrollment or attendance. The amount considered to compute excludable interest is reduced by any scholarships, fellowships, employer-provided educational assistance, and other forms of tuition reduction, including a payment or reimbursement of expenses under a 529 plan. Certain income limitations apply.

If you provide appropriate documentation to the plan manager, the original purchase price of the bonds redeemed and contributed will be added to the contributions portion of the receiving contract, with the interest added to earnings. Otherwise, the entire rollover contribution will be treated as earnings possibly subject to tax.

REPORTING WITHDRAWALS TO THE IRS
IRS Form 1099-Q is sent to the IRS and the account owner annually to report any withdrawals from an account, unless the withdrawal is delivered to the beneficiary or to an institution of higher education, in which case the form will be sent to the IRS and the beneficiary. If the withdrawal is for your beneficiary's qualified higher education expenses, and the total amount of all withdrawals from 529 accounts for that beneficiary does not exceed the beneficiary's adjusted qualified higher education expenses, then no federal income tax should be owed. Account owners are responsible for maintaining records necessary to prove that withdrawals are for qualified higher education expenses.

FEDERAL ADDITIONAL TAX EXCEPTIONS
As already discussed, a 10% additional tax is generally imposed on the earnings portion of any non-qualified withdrawal from a 529 plan. However, there are certain exceptions.

Death of Your Beneficiary
In the event of your beneficiary's death, you may change the beneficiary or request a withdrawal of all or a portion of the account balance. A distribution under these circumstances, if paid to the estate of your beneficiary,

will not be subject to the 10% additional tax, although the earnings will still be subject to federal and any applicable state income tax. If the withdrawn amounts are not paid to the beneficiary's estate, this may constitute a non-qualified withdrawal subject to applicable federal, and for non-Texas residents state, income taxes at the recipient's tax rate and the additional 10% additional tax.

Disability of Designated Beneficiary
If your beneficiary becomes "disabled," as defined by Code §72(m)(7), you can change the beneficiary or withdraw all or a portion of the account balance. These types of distributions will not be subject to the 10% additional tax, but earnings will be subject to federal and applicable state income taxes at the recipient's tax rate.

Receipt of Scholarship
If your beneficiary receives a tax-free scholarship, account assets up to the amount of the scholarship may be withdrawn without imposition of the 10% additional tax. A qualifying scholarship also includes certain educational assistance allowances as well as certain payments for educational expenses, or attributable to attendance at certain educational institutions, as described in Code §25A(g)(2). The earnings portion of the withdrawal is subject to federal and any applicable state income tax at the recipient's tax rate.

Appointment at a U.S. Military Academy
If your beneficiary attends a U.S. military academy, you can withdraw an amount up to the costs of "advanced education," as defined by 10 United States Code §2005(e)(3), related to your beneficiary's attendance at the school without incurring the additional 10% additional tax. The earnings portion of the withdrawal is subject to federal and any applicable state income tax at the recipient's tax rate.

Education Tax Credits
Tax benefits, such as education tax credits, may be available to you and/or your beneficiary in addition to those of the plan. Tax laws provide special rules intended to coordinate these defined opportunities and avoid the duplication of benefits. For example, using an American Opportunity tax credit or a Lifetime Learning tax credit does not affect participation in or receipt of benefits from the plan. However, in determining whether a withdrawal from your account is a qualified withdrawal, you cannot claim the same expenses for which a credit was claimed.

Any contributor who intends to utilize more than one of these tax benefits should consult his or her tax advisor or legal counsel for advice on how these special rules may apply to his or her situation.

FEDERAL TRANSFER TAXES
The 2010 Tax Relief Act made significant changes to federal estate, gift, and generation-skipping transfer ("GST") taxes. The American Taxpayer Relief Act of 2012 made permanent the exemption levels set by those federal estate, gift, and GST tax provisions, and raised the applicable tax rate permanently for amounts over the exemption limits from 35% to 40%. The law also makes permanent "portability," which allows a surviving spouse the right to the unused portion of a deceased spouse's exemption. The Tax Cuts and Jobs Act of 2017 doubled the exemption amount, subject to indexing for inflation from the 2011 base year. Please consult your tax advisor regarding the specific application of these rules to your circumstances.

Gift Tax
Contributions to the plan are considered "completed gifts" to the beneficiary. This means that if the total contributions and other gifts by any account owner or other individual to a single beneficiary in a calendar year is greater than the current exclusion of $15,000 ($30,000 for married couples making a joint gift), the donor is subject to gift tax on the excess amount.

Code §529, however, also provides a five-year averaging provision that allows an account owner or other individual contributing funds to spread the contribution amount over a five-year period. For example, this would allow contributions of the maximum gift amount in 2021 of up to $75,000 ($150,000 for married couples making a joint gift) in one tax year without federal gift tax consequences. However, an account owner or individual who makes a contribution or other gift of the maximum gift amount of $75,000 ($150,000 for married couples making a joint gift), may not make additional gifts to the same beneficiary until the end of the five-year averaging period without incurring federal gift tax.

Code §529 provides that certain transfers may be treated as a taxable gift. For example, if an account is rolled over to a new beneficiary who is a Member of the Family and in the same generation as the previous beneficiary, no federal gift or GST tax will apply. If, however, the new beneficiary is in a lower generation than the previous beneficiary, federal gift tax or GST tax may apply to the amount transferred. In addition, if an account owner transfers ownership of an account to another individual or entity, that transfer may be deemed a gift which could trigger federal gift tax on any amount greater than $15,000 ($30,000 for married couples making a joint gift). Please consult your legal, financial, or tax advisor for further information.

Beginning on January 1, 2022, the annual gift tax exclusion will be indexed for inflation, increasing the exclusion amount to $16,000 ($32,000 for married couples making a joint gift). This means that the maximum gift amount under the five-year averaging provision will also be increased beginning in 2022 to $80,000 ($160,000 for married couples making a joint gift).

Estate Tax
Generally, contributions to a qualified tuition program, such as the plan, are not includible in an account owner's gross estate. If, however, the account owner has elected the five-year averaging and dies before the end of the five-year period, the account owner's gross estate will include the portion of the contributions allocable to periods following the account owner's death. Further, the gross estate of the beneficiary would include amounts distributed from a qualified tuition program on account of the beneficiary's death. Like the federal gift tax, however, there is an exclusion available. For an estate of any decedent dying in calendar year 2021, the basic exclusion amount is $11.7 million ($23.4 million for a married couple). Please contact a tax professional to determine the effect of federal estate tax provisions on your situation.

Generation-Skipping Transfer Tax
In addition to possible federal gift and estate tax consequences, the federal GST tax may apply to contributions to an account if the beneficiary is more than one generation younger than that of the contributor, or if a new beneficiary is more than one generation below that of the previous beneficiary. Contributions that qualify for the annual gift tax exclusion, however, are not subject to federal GST tax. Consult your tax advisor regarding the specific application of these rules to your circumstances.

STATE INCOME TAX
Texas does not impose a state income tax on individuals.

However, if you are not a resident of the state of Texas, the state income tax treatment of contributions to and earnings and distributions from your account will depend on the laws of your home state. Because each state has different tax provisions, this Plan Description does not address the state tax consequences outside Texas of participating in the plan.

If you are a non-resident of Texas, you should also consider whether your home state, or your beneficiary's home state, offers residents any tax or other state benefits, such as financial aid, scholarships, and/or protection from creditors, that are only available for participants in that state's 529 plan. The state tax consequences of using 529 plans for K-12 tuition will also vary by state and may involve taxes, penalties, and the recapture of tax deductions. You also may wish to contact your home state's 529 plan(s) to learn more about those plans' features, benefits, and limitations. Keep in mind that state-based benefits should only be one of many appropriately weighted factors to be considered when deciding whether to open an account. Please consult your financial, tax, or other advisor to learn more about how state-based benefits or any limitations apply to your specific circumstances.

PART 8: RISK FACTORS AND CONSIDERATIONS

Before making any decision to participate in the plan or contribute to an account, you should carefully consider the information in this Plan Description and the accompanying plan materials. This Plan Description should not be construed to provide legal, financial, or tax advice. You should consult an attorney or financial or tax advisor with any legal, business, or tax questions you may have.

The plan is an investment and subject to certain risks. In addition, certain investment approaches carry more or different risks than others. You should assess these risks with the understanding that they could arise at any time during the life of an account.

NO GUARANTEE OF PERFORMANCE
Investments are subject to standard investment risks, including market and interest rate risk. You could lose money by investing in the plan. The value of an account may increase or decrease over time based on the performance of the portfolio(s), causing the account balance to differ from the amounts contributed. Neither the board, the plan manager, the investment consultant, nor any of their affiliates makes any guarantee of, or has any legal obligations to ensure, the ultimate payout of any amount, including a return of contributions made to an account. No level of investment return is guaranteed.

There is no assurance that the account balance will be sufficient to cover your beneficiary's qualified higher education expenses, including K-12 tuition, registered apprenticeship program expenses, or student loan repayments, at the time of withdrawal, even if contributions are made in the maximum allowable amount. Further, the rate of future inflation in qualified higher education expenses is uncertain and could exceed the rate of investment return earned by any of the plan's investment approaches overthe corresponding periods.

PAST PERFORMANCE INFORMATION IS NOT INDICATIVE OF THE FUTURE PERFORMANCE OF ANY PARTICULAR PORTFOLIO OR UNDERLYING INVESTMENT AND THE INVESTMENT RESULTS OF ANY PORTFOLIO OR UNDERLYING INVESTMENT FOR ANY FUTURE PERIOD CANNOT BE EXPECTED

TO BE SIMILAR TO ITS INVESTMENT PERFORMANCE IN THE PAST.

Portfolio performance information as of the most recent quarter end is available on the plan website at *www.texascollegesavings.com/tcsp-investments/#smooth-scroll-top*.

NO GUARANTEE OF ADMISSION

There is no guarantee that your beneficiary will: (1) be admitted to any or a specific college, university, elementary or secondary school, or registered apprenticeship program (all normal admission requirements must still be met); (2) be permitted to continue attending a particular school or program; (3) graduate or receive a degree; (4) be treated as a state resident for tuition or any other rate purpose; or (5) receive any particular treatment under applicable federal or state financial aid programs.

MAIN RISKS OF INVESTING IN STOCK

The value of a portfolio may be affected by changes in the stock markets. Stock markets may experience great short-term volatility and may fall sharply at times. Different stock markets may behave differently from each other, and U.S. stock markets may move in the opposite direction from one or more foreign stock markets.

The prices of individual stocks generally do not all move in the same direction at the same time, and a variety of factors can affect the price of a particular company's stock. These factors may include increased competition, poor earnings, a loss of customers, litigation against the company, general unfavorable performance of the company's sector or industry, or changes in government regulations affecting the company or its industry.

At times, a portfolio may emphasize investments in a particular industry or economic or market sector. To the extent that a portfolio increases its emphasis on investments in a particular industry or sector, the value of its investments may fluctuate more in response to events affecting that industry or sector, such as changes in economic cycles and conditions, government regulations, availability of basic resources or supplies, or other events that affect that industry more than others.

Risks of Growth Investing

If a growth company's earnings or stock price fails to increase as anticipated or if its business plans do not produce the expected results, its securities may decline sharply. Growth companies may be newer or smaller companies that may experience greater stock price fluctuations and risks of loss than larger, more established companies. Newer growth companies tend to retain a large part of their earnings to support research, development, and investments in capital assets. Therefore, they may not pay any dividends for some time or at all. Growth investing has gone in and out of favor during past market cycles and is likely to continue to do so. During periods when growth investing is out of favor or when markets are unstable, it may be more difficult to sell growth company securities at an acceptable price. Growth stocks may also be more volatile than other securities because of investor speculation.

Risks of Value Investing

Value investing entails the risk that if the market does not recognize that a portfolio's securities are undervalued, the prices of those securities might not appreciate as anticipated. A value approach could also result in fewer investments that increase rapidly during times of market gains and could cause underperformance of funds that use a growth or non-value approach to investing. Value investing has gone in and out of favor during past market cycles and when value investing is out of favor or when markets are unstable, the securities of "value" companies may underperform the securities of "growth" companies.

Risks of Foreign Investing

Foreign securities are subject to special risks. Foreign stocks and bonds may be more volatile and less liquid than their U.S. counterparts. Foreign issuers are usually not subject to the same accounting and disclosure requirements applicable to U.S. companies, which may make it difficult for a portfolio to evaluate a foreign company's operations or financial condition. A change in the value of a foreign currency against the U.S. dollar will result in a change in the U.S. dollar value of securities denominated in that foreign currency and in the value of any income or distributions a portfolio may receive on those securities. The value of foreign investments may be affected by exchange control regulations, foreign taxes, higher transaction and other costs, delays in the settlement of transactions, changes in economic or monetary policy in the United States or abroad, expropriation or nationalization of a company's assets, or other political and economic factors. These risks may be greater for investments in developing or emerging market countries.

Special Risks of Developing and Emerging Markets

The economies of developing or emerging market countries may be more dependent on relatively few industries that may be highly vulnerable to local and global changes. The governments of developing and emerging market countries may also be more unstable than the governments of more developed countries. These countries generally have less developed securities markets or exchanges, less stable and predictable economies, and less developed legal and accounting systems. Securities may be more difficult to sell

at an acceptable price and may be more volatile than securities in countries with more mature markets. Emerging market investing has gone in and out of favor during past market cycles and when emerging market investing is out of favor, or when markets are unstable, the securities of emerging market companies may underperform securities of companies from more mature markets. The value of developing or emerging market currencies may fluctuate more than the currencies of countries with more mature markets. Investments in developing or emerging market countries may be subject to greater risks of government restrictions, including confiscatory taxation, expropriation or nationalization of a company's assets, restrictions on foreign ownership of local companies, and restrictions on withdrawing assets from the country. Investments in companies in developing or emerging market countries may be considered speculative.

Risks of Small, Unseasoned Companies
Generally, small, unseasoned companies are companies that have been in operation for less than three years. In addition to the other risks of smaller issuers, these securities may have a very limited trading market, making it harder to sell them at an acceptable price. The price of these securities may be very volatile, especially in the short term.

Risks of Small-Sized Companies
The stock prices of small-sized companies may be more volatile and their securities may be more difficult to sell than those of larger companies. The markets for their securities may provide limited liability and experience wide price fluctuations. They may not have established markets, may have fewer customers and product lines, may have unseasoned management or less management depth, and may have more limited access to financial resources. Smaller companies may not pay dividends or provide capital gains for some time, if at all.

Risks of Mid-Sized Companies
Mid-sized companies generally involve greater risk of loss than larger companies. The stock prices of mid-sized companies may be more volatile and their securities may be less liquid and more difficult to sell than those of larger companies. They may have less established markets, fewer customers and product lines, less management depth and more limited access to financial resources. Mid-sized companies may not pay dividends for some time, if at all.

Special Risks of Fixed-Income Securities
Fixed-income securities may be subject to credit risk, interest rate risk, prepayment risk, and extension risk. Credit risk is the risk that the issuer of a security might not make interest and principal payments on the security as they become due. If an issuer fails to pay interest or to repay principal, the underlying investments' income or share value might be reduced. A downgrade in an issuer's credit rating or other adverse news about an issuer can reduce the market value of that issuer's securities.

The value of debt securities is also subject to change when prevailing interest rates change. When prevailing interest rates fall, the values of already-issued debt securities generally rise. When prevailing interest rates rise, the values of already-issued debt securities generally fall, and they may sell at a discount from their face amount or from the amount paid for them. These fluctuations will usually be greater for longer-term debt securities than for shorter-term debt securities and money market securities. When interest rates fall, debt securities may be repaid more quickly than expected and a fund may be required to reinvest the proceeds at a lower interest rate, which is referred to as prepayment risk. When interest rates rise, the issuers may repay principal more slowly than expected, which is referred to as extension risk. Interest rate changes normally have different effects on variable or floating rate securities than they do on securities with fixed interest rates.

Developments relating to subprime mortgages have adversely affected fixed-income securities markets in the United States, Europe, and elsewhere. The values of many types of debt securities have been reduced, including mortgage-backed securities and debt securities that are not related to mortgage loans. These developments have reduced the willingness of some lenders to extend credit and have made it more difficult for borrowers to obtain financing on attractive terms or at all. In addition, broker-dealers and other market participants are sometimes reluctant to make markets in some types of debt instruments, which reduces liquidity of those instruments. These developments may also have a negative effect on the broader economy. There is a risk that the lack of liquidity or other adverse credit market conditions may hamper the underlying investments' ability to sell the debt securities in which it invests or to find and purchase suitable debt instruments.

Special Risks of Lower-Grade Securities
Lower-grade debt securities, whether rated or unrated, have greater risks than investment-grade securities. They may be subject to greater price fluctuations and have a greater risk that the issuer might not be able to pay interest and principal when due. The market for lower-grade securities may be less liquid and therefore they may be harder to value or to sell at an acceptable price, especially during times of market volatility or decline.

RISKS OF INVESTING IN UNDERLYING INVESTMENTS

Each of the underlying investments has its own investment risks, and those risks can affect the value of a portfolio's investments. To the extent that a portfolio invests more of its assets in one underlying investment than in another, the risks for that underlying investment will have a greater impact on the portfolio's value than those of other underlying investments.

There is no guarantee that any underlying investment will achieve its investment objective. The underlying investments will each pursue their investment objectives and policies without the approval of the plan. If an underlying investment were to change its investment objective or policies, the portfolio may be forced to sell its shares of that underlying investment at a disadvantageous time. The prospectuses and statements of additional information of the underlying investments are available by visiting the website of each underlying investment.

Focused Investing Risk

At times, an underlying investment may hold a significant portion of its assets in companies in a particular industry or market sector. As a result, events such as changes in economic conditions, government regulations, market declines, or the availability of basic resources or supplies that affect that particular industry or sector more than others may have a greater effect on the underlying investments' performance. It might also be more difficult for the underlying investment to sell securities at a price it considers appropriate if it holds larger blocks of stock because it invests in fewer issuers.

Issuer Risk

A portfolio may invest in underlying investments other than mutual funds, securities, and government debt, such as highly rated debt instruments of private insurance companies or other financial firms. Accordingly, the soundness and prudence of investing may depend on the financial stability, capitalization, and business acumen of the issuer of such instruments. Alternative investments in government bonds may be more stable or yield a better return.

Allocation Risk

A multi-fund portfolio's ability to achieve its investment objective depends largely upon selecting an appropriate mix of underlying investments and asset classes. The expected interaction among the selected asset classes may differ from underlying investment managers' assumptions and those assumptions may not reflect market conditions experienced.

Liquidity Risk

There is a risk that an underlying investment will not be able to pay redemption proceeds to a portfolio within the period stated in the underlying investments' prospectus because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. Such delay could result in a portfolio being unable to make payments within the period stated. Portfolios that invest in non-investment-grade fixed income securities, small capitalization stocks, real estate investment trusts, and emerging country issuers will be especially subject to the risk that during certain periods the liquidity of particular issuers or industries, or all securities within these investment categories, will shrink or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse investor perceptions, regardless of whether or not accurate.

Special Risks of Guaranteed Interest Accounts

The Guaranteed Interest Account ("GIA") is subject to the risk that New York Life Insurance Company will default on its obligations under the funding agreement or that other events could render the agreement invalid. The GIA is not guaranteed by the plan, the state of Texas, the board, the plan manager, the FDIC, the federal government, or any other party.

There is a risk that the funding agreement could be terminated and, as a result, payments under the funding agreement are paid over an extended period of time and subject to a fixed crediting rate that may be lower than market rates. If the agreement is terminated, there is no guarantee that a substitute investment will be available on the same or similar terms.

The funding agreement includes a provision that prohibits direct transfers from the Capital Preservation Portfolio to any "competing" investment option. As of the date of this Plan Description, the plan does not offer a competing investment option.

OTHER INVESTMENT RISKS

The following risks are general risks that apply to all portfolios and underlying investments.

Market Risk

The value of the securities in which a portfolio and an underlying investment invests may go up or down in response to the prospects of individual companies and/or general economic conditions. Price changes may be temporary or last for extended periods. Diversifying across asset classes may not fully mitigate the impact, whether positive or negative, of changes in economic conditions or fundamentals in any single asset class. Market risk

primarily affects stocks, but also affects high-yield bonds and, to a lesser extent, higher quality bonds.

Since early 2020, the worldwide COVID-19 pandemic has severely stressed the health care and public health systems of countries worldwide, with resulting disruption of world economies. The extent or duration of these impacts are still being experienced and cannot be predicted. Governments worldwide are unable to completely control or eliminate either the pandemic or its severe adverse impacts on daily life and world economies, including the securities markets. The adverse consequences of COVID-19 will persist.

Terrorist attacks in the United States, and the continued threat thereof, and related events, including military actions by the U.S. and other countries and continued unrest in the Middle East, have led to increased short-term market volatility and may have long-term effects on U.S. and world economies and markets. The plan does not know the extent to which and how long the securities markets may be affected by such events and cannot predict the effects of such events on the economies of the U.S., or of other countries, or on portfolio or underlying investment values.

Issuer Risk
Changes in an issuer's business prospects or financial condition, including those resulting from concerns over accounting or corporate governance practices, could significantly affect a portfolio's or underlying investments' performance if sufficient investment in those securities exists.

Management Risk
The asset allocation strategy approved by the board or a strategy used by an underlying investment advisor may fail to produce the intended results.

Index Sampling Risk
The securities selected for a portfolio, in the aggregate, may not provide investment performance matching that of the target index.

Investment Style Risk
Returns from one sector of the market (e.g., small, mid-, or large capitalization stocks) may trail returns from other sectors of the stock market.

GOVERNING LAWS MAY CHANGE
Congress could amend Code §529 or other federal laws, Texas could amend the Texas Education Code, and other states could amend their laws. Federal and/or state laws may impose limitations on some investment policies and restrict or prohibit specific investments. Possible legislative action could diminish or even terminate your account's tax advantages. Any of these occurrences could materially change or eliminate the benefits described in this Plan Description. There can also be no assurance that such changes will not adversely affect the value to you, the account owner, or your beneficiary of participating in the plan.

Further, final regulations, other administrative guidance, or court decisions might be issued that could adversely impact the federal tax consequences or requirements with respect to the plan. Because the regulations proposed under Code §529 do not reflect subsequent amendments to the provision, it is likely that the final regulations, if and when issued, will differ from those proposed.

Finally, the plan has not sought or received a ruling from the IRS that the plan conforms to the requirements of Code §529. The board may determine to seek a ruling in the future, but the present policy of the IRS is to not issue any determinations for state-sponsored plans.

To advance certain public policies, Texas or the U.S. could establish laws that require or preclude the plan from certain investments, which might limit the plan from investments that otherwise meet its investment criteria. Further, while the plan might be exempt from statutes that prohibit certain investments or require specific contract language, the board may voluntarily choose a vendor that meets these statutory requirements and the plan's investment objectives.

PLAN TERMS MAY CHANGE
THE BOARD MAY CHANGE INVESTMENT APPROACHES, PORTFOLIO OFFERINGS, AND UNDERLYING INVESTMENTS FROM TIME TO TIME. ADDITIONAL INVESTMENT APPROACHES AND PORTFOLIOS MAY BE ADDED IN THE FUTURE, AND EXISTING INVESTMENT APPROACHES AND PORTFOLIOS MAY BE CHANGED, CONSOLIDATED, OR ELIMINATED. EXISTING ACCOUNT OWNERS MAY BE REQUIRED BY THE BOARD TO PARTICIPATE IN SUCH CHANGES OR, CONVERSELY, MAY BE LIMITED IN THEIR ABILITY TO PARTICIPATE. UNITS IN ANY ELIMINATED PORTFOLIO WILL BE EXCHANGED FOR UNITS IN ANOTHER BY THE BOARD, AT ITS DISCRETION WITHOUT PRIOR NOTICE. THE CONSENT OF ACCOUNT OWNERS, OTHER CONTRIBUTORS, OR BENEFICIARIES TO ANY SUCH CHANGE, ADDITION, ELIMINATION, OR CONSOLIDATION OF INVESTMENT APPROACHES, PORTFOLIOS, AND UNDERLYING INVESTMENT IS NOT REQUIRED. KEEP IN MIND THAT IF THE INVESTMENT OFFERINGS CHANGE, THE RISKS ASSOCIATED WITH INVESTING IN THE PLAN OR ANY PORTFOLIO MAY CHANGE.

The board, in its discretion, may change the plan manager or investment consultant, and it is likely that the plan manager or investment consultant when you open an account will not remain in that position until your account is closed. You will have no voice in the selection of any plan manager or investment consultant.

Duringthe transition from one underlying investment to another, a portfolio may be temporarily uninvested in an asset class. During this time, a portfolio may also temporarily hold securities if the disposing underlying investment chooses to use an in-kind redemption. Where this is the case, the plan manager will liquidate the securities received as promptly as practicable and invest the proceeds in the replacement underlying investment. Any redemption fees or other transaction costs, as wellas any market impact on the value of the securities being liquidated, will be borne by the portfolio and the accounts invested in it.

Account fees, expenses, and charges are subject to change at any time, and new fees, expenses, and charges may be imposed in the future without prior notice to account owners.

OTHER OPTIONS MAY BE BETTER FOR YOU

Neither the board nor the plan manager makes any representation regarding the suitability or appropriateness of any investment approach or portfolio offered by the plan. Other types of investments or college savings plans may be more appropriate, depending on your or your beneficiary's financial status, tax situation, risk tolerance, age, investment goals, savings needs, and investment time horizons.

Limited Liquidity

Contributing funds to an account reduces the ability to readily access those funds (their liquidity). Once contributions have been made to an account, there are limited circumstances in which they can be withdrawn on a tax-free basis.

In addition, you should consider other savings and investment alternatives. Other 529 plans and education savings and investment programs are available that may: (1) offer benefits, including state tax benefits, that are not available under the plan; (2) offer different investment approaches than the plan; and/or (3) involvedifferent fees, expenses, and tax consequences than the plan. Therefore, when considering participation in the plan, you should consult a tax or investment advisor first.

Uncertain Impact on Financial Aid

The plan cannot determine and makes no representation as to what effect, if any, participation in the plan may have on future federal, state, institutional, or private financial aid eligibility for you or your beneficiary. Opening or contributing to a plan account may have a material, adverse effect on your beneficiary's eligibility to receive assistance under some financial aid programs.

Whether your account will affect your beneficiary's eligibility for federal financial aid depends on the beneficiary's relationship to the purchaser. Texas law provides that assets in your account may not be considered in determining eligibility for Texas-sponsored student financial aid. For school-based financial aid, the effect of being an account owner or beneficiary varies from institution to institution.

Because of the uncertainty, you are advised to consult a financial aid professional and/or the state or educational institution offering a financial aid program to determine the impact of participating in the plan.

Uncertain Impact on Medicaid Eligibility

When considering Medicaid eligibility, the impact of having a plan account in your name on behalf of another is not clear. First, there is no assurance the account will not be treated as a "countable resource" in determining the financial eligibility of either you or your beneficiary. Second, withdrawals, whether qualified or non-qualified, could delay Medicaid payments. You should consult your personal benefits advisor to ascertain the impact an account and withdrawals from it may have on Medicaid eligibility and the timing of Medicaid payments. An account may adversely affect an account owner's and/or beneficiary's eligibility for other federal and state assistance programs. The treatment of assets in an account is subject to change at any time. Please consult the agency or entity that administers your specific benefit program for additional information.

Limited Investment Direction

Once an investment decision has been made, you, the account owner, are only allowed to reallocate your investments—transfer assets between two or more portfolios—twice per calendar year. A portfolio's assets are invested in accordance with an investment policy that is established by the board, who may change the investment policy for the plan at any time.

No Shareholder Rights

Account owners do not have a direct ownership interest in the investments held by the portfolio(s) in their account. Therefore, account owners do not have the rights of an owner of such investments, including the right to vote proxies.

No Assignments or Pledges
No portion of any account can be assigned, transferred, pledged as security for a loan, including a loan used to obtain money for contributions to the contract, or otherwise used, either by you, the account owner or your beneficiary.

CYBER RISKS

Failures or breaches of the electronic systems of the Comptroller, the plan manager, investment manager or other parties that provide services to the plan have the ability to cause disruptions and negatively impact the plan's operations, potentially resulting in financial losses to the plan and its beneficiaries. While the Comptroller, the plan manager, and the investment managers have established business continuity plans and risk management systems seeking to address system breaches or failures (including plans and systems reasonably designed to protect the account owner, beneficiary and other personally identifiable information where applicable) there are inherent limitations in such plans and systems.

CREDITOR PROTECTION LAW CONSIDERATIONS

The plan is prohibited from providing legal advice. As such, the board, the plan, and the plan manager make no representations or warranties regarding your protection from creditors.

Federal Law
The Bankruptcy Code generally provides protection in federal proceedings for 529 plans if the beneficiary is the bankruptcy debtor's child, stepchild, grandchild, or step-grandchild, including through adoption or foster care, however you may have protections subject to the following limits:

- contributions made to an account for the same beneficiary at least 720 days before a federal bankruptcy filing are completely protected;
- contributions made to an account for the same beneficiary between 365 days and 720 days before a federal bankruptcy filing are protected up to $6,825 (this limit changes periodically); and
- contributions made to an account for the same beneficiary less than 365 days before a federal bankruptcy filing are not protected against creditor claims.

These limitations consider all 529 plans for the same beneficiary as if they were a single plan.

Texas Law
Texas Education Code §54.769(a) states: "Money in the fund is exempt from claims of creditors, including claims of creditors of a purchaser, a beneficiary, or a successor in interest of a purchaser or beneficiary." In addition, Texas Education Code §54.769(b) provides that payments under the plan are "exempt from attachment, levy, garnishment, execution, and seizure for the satisfaction of any debt, judgment, or claim against a purchaser, beneficiary, or successor in interest of a purchaser or beneficiary." Similarly, Texas Property Code §42.0021 states that "a person's interest in and right to receive payments from a qualified savings plan, whether vested or not, is exempt from attachment, execution and seizure for the satisfaction of debts."

Regardless of where you live, you should consult an attorney for advice on how state law might affect your personal situation.

PRIVACY INFORMATION

As an account owner in the plan, you are entitled to know how the plan and Orion, the current plan manager (together with its affiliates, subcontractors, employees and agents, "we"), protect your personal information and how we limit its disclosure.

This notice was last updated in December 2021. If we materially update or change this notice, we will post an update on the plan website at *www.texascollegesavings.com*. If you do not have access to a computer and would like a hard copy of the information sent to you, please call the plan manager at 800-445-GRAD (4723), option #3.

COLLECTION OF INFORMATION

We obtain non-public personal information about account owners and beneficiaries from the following sources:

- your application and other forms;
- your account information and profile on the plan website; and
- your transactions related to the plan.

We do not collect personal information on the application or through the plan website unless you willingly provide it, either directly by email or on the secure areas of the website. When you log on to the website to access your account, we use your personal credentials to identify you, to provide you with requested products and services, and for everyday business purposes, such as to maintain your account, respond to inquiries, and process transactions. To update your personal information online, log on to the site,

visit the "Select an Account" section, and select the "Maintain Profile" menu.

We use "cookies" to help us manage and improve the plan website. For example, cookies help us recognize new versus repeat visitors, track the pages visited, and enable some special features. You can refuse cookies by turning them off in your browser settings; however, doing so may limit your access to certain sections of the website.

USE OF INFORMATION
We may use your personal information for everyday business purposes, such as to process your transactions, maintain your account, respond to your inquiries, provide you services, and respond to court orders and legal investigations.

RIGHT OF REFUSAL
We will not disclose your personal information to unaffiliated third parties, except as required or permitted by law, unless you expressly consent to such disclosure.

PROTECTION OF INFORMATION
We do not disclose non-public personal information about current or former account owners or beneficiaries to anyone, except as required or permitted by law.

SECURITY MEASURES
We maintain physical, electronic, and procedural safeguards designed to protect your personal account information. All transactions on the plan website are secured by Secure Sockets Layer ("SSL") protocol and 128-bit encryption. SSL is used to establish a secure connection between your personal computer and the plan server, while encryption transmits information in a scrambled format.

For your security, we will not include personal or contract information in non-secure emails. To protect your own privacy, we advise you not to communicate confidential and/or personal information, such as Social Security and account numbers, to us via non-secure emails. Instead, take advantage of the secure features of the plan website to encrypt your email correspondence. To do this, you will need a browser that supports SSL protocol.

We do not guarantee or warrant that any part of the plan website, including any file available for download, is free of viruses or other harmful code. It is your responsibility to take appropriate precautions, such as using antivirus software, to protect your computer.

TO KEEP YOUR ACCOUNT INFORMATION PRIVATE AND PREVENT UNAUTHORIZED TRANSACTIONS, DO NOT ALLOW ANYONE ELSE TO USE YOUR ACCOUNT PASSWORD, AND TAKE SPECIAL PRECAUTIONS WHEN ACCESSING YOUR ACCOUNT ON A COMPUTER USED BY OTHERS OR THE PUBLIC.

CONTACT US
To submit any questions about this Privacy Policy, write to Orion at 17605 Wright Street, Omaha, Nebraska 68130; email Orion by clicking on the "Contact Us" section of the plan website at www.texascollegesavings.com; or, call us at 800-445-GRAD (4723), option #3.

STATE OF TEXAS PRIVACY NOTICES
Federal Privacy Act Notice. Disclosure of your Social Security number on the application is required and authorized under applicable law for the purpose of tax administration and identification. 42 United States Code §405(c)(2)(C)(i); Internal Revenue Code §§529(d) and 6109(a); and Texas Education Code §54.772.

Texas Privacy Notice. The Comptroller's privacy notice is available at https://comptroller.texas.gov/about/policies/privacy.php. Under Chapter 559, Texas Government Code, you are entitled to review, request, and correct information we have on file about you, with limited exceptions. To request information for review or to request an error correction, contact Orion at 17605 Wright Street, Omaha, Nebraska 68130, or by phone at 800-445-GRAD (4723), option #3. You may also request information from the Comptroller online at the link above, by email (open.records@cpa.texas.gov), by mail at Open Records Section, Comptroller of Public Accounts, P.O. Box 13528, Austin, TX 78711-3528, or by fax at 512-475-1610.

Comments or Complaints. You may submit comments or complaints to the Prepaid Higher Education Tuition Program, Office of the Comptroller of Public Accounts, P.O. Box 13407, Austin, Texas 78711-3407, or by calling 512-936-2064.

SAVINGS TRUST AGREEMENT

ARTICLE I—GENERAL INFORMATION

This Savings Trust Agreement is promulgated by the Texas Prepaid Higher Education Tuition Board (the "Board") on behalf of the Texas College Savings Plan® (the "Plan") and governed by applicable law and regulation including without limitation Section 529 of the Internal Revenue Code, the Texas Education Code, Chapter 54, Subchapter G (the "Education Code"), and the Plan rules adopted pursuant to Sections 54.701-54.716 of the Education Code and published in Title 34, Chapter 7, Subchapter K, of the Texas Administrative Code (the "Rules"). This Savings Trust Agreement contains the terms and conditions established pursuant to the Plan between the Account Owner and the Board, and incorporates the Account Owner's Application, applicable laws and regulations, and the Plan Description (together, the "Agreement"). By signing the Application or enrolling online, the Account Owner agrees to be bound by the terms of this Agreement, effective as of the date the Application is executed.

Orion Advisor Solutions, Inc. ("Orion"), supported by its affiliates and designees, is the Plan Manager and will provide investment advisory, administrative and recordkeeping services with respect to the Plan, and Northern Lights Distributors, LLC, will provide distribution services with respect to the Plan. The foregoing services are referred to collectively herein as the "Services." The Services include, but are not limited to: investing assets according to the investment policies established by the Board and based on the investmentoption selected by the Account Owner; accepting and processing contributions to and withdrawals from an Account; and, providing certain administrative, recordkeeping, customer service, fundaccounting, and reporting services for the Plan with respect toinvestments in the Plan.

An Account could lose money including the principal invested. No part of an Account is a deposit or obligation of, or is guaranteed or insured by, the Board, the state of Texas, or any agency or agent thereof, or any other entity. Units in the Plan have not been registered with or approved by the Securities Exchange Commission or any state. Investors should carefully consider the investment objectives, risks, fees, charges, and expenses associated with the Plan before investing. The Board may suspend, modify, or terminate the Plan or change investment approaches, offerings, and/or Underlying Investments at any time and without the consent of Account Owners or Beneficiaries. Investors should read all Plan documents carefully before investing.

ARTICLE II—DEFINITIONS

Set forth below are definitions of certain key terms used in this Plan Description and Savings Trust Agreement. Other terms are defined elsewhere in this Agreement.

"529 plan" means a college savings program established under and operated in accordance with Code §529.

"Account" means a savings trust account established by an Account Owner pursuant to this Savings Trust Agreement for purposes of investing in one or more portfolios. Accounts are part of the Plan and are held in the name of the Plan on behalf of and for the benefit of the Account Owners and the Beneficiaries.

"Account Owner" means the individual or entity signing the Application and establishing an Account or any successor to such individual or entity. References in this Agreement to "you" or "your" mean the Account Owner in such capacity.

"ACH" means Automated Clearing House.

"Age-Based Approach" means an investment approach offered under the Plan where contributions are invested in a portfolio based on the age of the Beneficiary.

"Age-Based Portfolio" means a portfolio established under the Age-Based Approach. Assets invested in Age-Based Portfolios are automatically moved from one (1) portfolio to another when the Beneficiary reaches the next age group.

"AIP" means an automatic investment plan, including automatic payments from the Account Owner's bank account or other financial institution or through payroll deductions.

"Application" means the Texas College Savings Plan® enrollment form.

"Beneficiary" means the individual identified by the Account Owner whose Qualified Higher Education Expenses are expected to be paid from the Account or, for Accounts owned by a state or local government or qualifying tax-exempt organization (otherwise known as a 501(c)(3) entity) as part of its operation of a scholarship program, the recipient of a scholarship whose Qualified Higher Education Expenses are expected to be paid from the Account. Any individual may be the Beneficiary of an Account, including the Account Owner.

"Board" or "Plan Administrator" means the Texas Prepaid Higher Education Tuition Board.

"Code" means the Internal Revenue Code of 1986, as amended.

"Code §529" means Section 529 of the Internal Revenue Code of 1986, as amended.

"Comptroller" means the Texas Comptroller of Public Accounts.

"Contribution" means an amount invested in an Account.

"EFT" means electronic funds transfer.

"Eligible Educational Institution" means an accredited post-secondary educational institution offering credit toward a bachelor's degree, an associate's degree, a graduate level or professional degree, or another recognized post-secondary credential, which is eligible to participate in certain federal student financial aid programs. Certain proprietary institutions, foreign institutions and post-secondary vocational institutions are also included as are certain specified military academies.

"FDIC" means the Federal Deposit Insurance Corporation.

"Financial advisor" means any individual or entity that is appropriately licensed and who has entered into an agreement with the Plan Distributor to distribute Savings Trust Agreements and interests in the Plan represented by Accounts to public investors. This term may include brokers and financial intermediaries such as investment advisors or banks.

"In Good Order" means, in the case of a Plan application or other Plan form, that the application or form is accurate, legible, completed in full and signed by the authorized signatory with any required supplemental information, documentation, or payment attached.

"Investment Consultant" means Aon Investments USA Inc. or another investment consulting firm selected by the Board. The Investment Consultant advises the Board on investment guidelines and asset allocations, recommends suitable investments and alternatives, and monitors investment performance.

"Investment Manager" means the entity responsible for establishing and maintaining investment guidelines and asset allocations for an Underlying Investment.

"IRS" means the Internal Revenue Service.

"Maximum Texas Program Contribution Limit" means the maximum contribution balance (currently $500,000) per Beneficiary aggregated across all accounts in Texas-sponsored 529 plans that cannot be exceeded through additional Contributions. Accounts that have reached the limit may continue to accrue earnings, but additional Contributions are prohibited.

"Member of the Family" means a relative of the Beneficiary as defined under Code §529.

"Non-qualified withdrawal" means a distribution from an Account that is not used to pay for the Qualified Higher Education Expenses of the Beneficiary.

"Plan" means the Texas College Savings Plan®, a direct-sold 529 plan administered by the Texas Prepaid Higher Education Tuition Board.

"Plan Description," with respect to the Texas College Savings Plan®, means the Plan Description and Savings Trust Agreement, as amended and supplemented from time to time.

"Plan Distributor" means Northern Lights Distributors, LLC.

"Plan Manager" means Orion Advisor Solutions, Inc. The Plan Manager, supported by its affiliates and designees, is responsible for providing administrative, recordkeeping, distribution, customer service, fund accounting, custodian, and reporting services for the Plan.

"Portfolio" means a Plan portfolio, which may invest in mutual funds or other investments.

"Qualified Higher Education Expenses" means a Beneficiary's qualified higher education expenses, as defined by Code §529(e)(3) of the Code.

"Qualified withdrawal" means a distribution from an Account that is used to pay the Qualified Higher Education Expenses of the Beneficiary.

"Risk-Based Approach" means an investment approach offered under the Plan where the Account Owner allocates assets across the risk/reward spectrum.

"Risk-Based Portfolio" means a portfolio established under the Risk-Based Approach. Investments in a Risk-Based Portfolio generally remain in that portfolio until the Account Owner instructs the Plan to move it to another portfolio.

"Savings Trust Agreement" means the contract between the Account Owner and the Board, which establishes the Account and the obligations of the Board and the Account Owner.

"State" refers to the state of Texas and the Texas state government.

"Successor Account Owner" means the person designated by the Account Owner to assume ownership of the Account in the event the Account Owner dies while there is still money in the Account.

"Underlying Investment(s)" means the one or more mutual funds or other investment vehicles in which assets of a portfolio are invested.

"Unit" means an interest in a portfolio that is purchased with Contributions to an Account.

ARTICLE III—ACCOUNT OWNER REPRESENTATIONS

The Account Owner hereby represents, warrants, understands, acknowledges, and agrees withthe Board as follows:

1. The Account Owner is a citizen or permanent resident alien of the United States of America and 18 years of age or older with a valid Social Security number, or, if opening an Account in a representative or fiduciary capacity, with full power and authority to enter into this Agreement for the entity or individual named as Account Owner, and that entity or individual is a United States person as described in Code §7701(a)(30), and intends to provide for the Qualified Higher Education Expenses of the Beneficiary.

2. The Account Owner has received and read this Agreement, carefully reviewed the information contained herein, and has been afforded a reasonable time prior to the effective date of this Agreement to discuss the terms and conditions herein with the Board, the Plan Manager, and any financial consultant, tax advisor, or legal counsel of the Account Owner.

3. The Account Owner has not relied on any representations or other information, whether oral or written, and whether made by the Board, the Comptroller, the State, the Plan Manager, any of their respective affiliate parties, officers, directors, employees, agents, or representatives, except as otherwise set forth in this Agreement.

4. Participation in the Plan does not guarantee that the Beneficiary:

    a. will be accepted as a student by any Eligible Educational Institution, K-12 school, or registered apprenticeship program;
    b. if accepted, will be permitted to continue as a student;
    c. will be treated as a Texas resident for tuition or other purposes;
    d. will graduate from any Eligible Educational Institution, K-12 school, or registered apprenticeship program; or
    e. will receive any particular treatment under applicable state or federalfinancial aid programs.

Neither the State, the Board, the Plan Manager, nor any affiliate of the foregoing, nor any other person, has made any such representation or guarantee.

5. The investment of assets held in the Account will be governed by the provisions of this Agreement, as amended from time to time. All such assets are held exclusively for the benefit of the Account Owner and the individual named as Beneficiary of the Account. Such assets may be invested in mutual funds, invested in commingled funds as permitted by law, placed in separate accounts managed by the Plan Manager or affiliates of the Plan Manager or any other manager selected by the Board, or invested pursuant to any combination of these or any other investment strategy.

6. Units of portfolios purchased through an Account do not have a direct beneficial interest in the Underlying Investments, or any other investments held by the Plan, and therefore do not confer the rights of an owner or shareholder of such investments.

7. The value of any Account may increase or decrease each day that the New York Stock Exchange is open for trading, based on the investment performance of the portfolio in which the Account is invested, and each portfolio will invest in the Underlying Investment or other investments selected by the Board, or in other funds of one or more other investment advisers or managers that may be hired by the Board.

    THE VALUE OF ANY ACCOUNT(S) TO WHICH CONTRIBUTIONS ARE MADE MAY, AT ANY TIME, BE MORE OR LESS THAN THE AMOUNTS CONTRIBUTED TO THE ACCOUNT(S).

8. No Account will be used as collateral for any loan. Any attempt to use an Account as collateral for a loan shall be void. The Plan itself will not loan any assets to the Account Owner or the Beneficiary.

9. No assignment or transfer of any interest in any Account, except as otherwise contemplated in the Plan Description or this Agreement, shall be made. Any unauthorized assignment or transfer of such an interest shall be void.

The Account Owner has accurately and truthfully completed the Application, and any other documentation furnished or subsequently furnished in connection with the opening or maintenance of, or any withdrawals from, the Account(s).

Where any false statement is made in connection with opening an Account or otherwise, the Board and/or the Plan Manager may take such action as the Board and/or the Plan Manager deem necessary or appropriate, including, without limitation, terminating the Account or requiring satisfaction of indemnity.

ARTICLE IV—PLAN TERMS

1. Incorporation of Plan Description. All terms and conditions of the Plan Description are incorporated by reference into this Agreement and made a part hereof.

2. Change of Plan Manager. Where the Board appoints a new Plan Manager, Account assets may, at the discretion of the Board: (a) continue to be managed by the prior manager; (b) be managed in part by the prior manager, with respect to assets and any earnings thereon prior to such change, and in part by the new manager, with respect to assets and any earnings thereon following such change; or (c) be managed entirely by the new manager. In each event, an Account Owner may not direct investment of any Account assets, except as otherwise described herein.

3. Reporting. The Plan Manager will keep records of all transactions in the Account and provide quarterly statements to each Account Owner. The Board will cause, or require the Plan Manager to cause, reports to be sent to Account Owners, the Internal Revenue Service, and such other regulatory authorities as required by law. The Account Owner agrees to be bound thereby, and to release the Board and the Plan Manager from any and all liability for matters covered by such, unless the Account Owner promptly notifies the Plan Manager in writing within 60 days of the statement or report.
4. Local Taxes. The state or locality in which the Account Owner or Beneficiary resides may imposea tax on the earnings accumulated on Account assets, without deferring such tax until the time that a withdrawalis made from an Account. The Account Owner or Beneficiary is responsible for paying any such taxes imposed.

ARTICLE V—COMPLAINT AND DISPUTE RESOLUTION

The Account Owner, including for the purposes of this article the Beneficiary, agrees to first contact the Plan Manager to attempt to resolve any dispute arising from or related to this Agreement in a spirit of cooperation. Failing to reach an accord informally, the Account Owner agrees to follow the complaint resolution procedures herein and any rule or additional procedures adopted hereunder by the Board.

1. Sovereign Immunity. Under chapter 107 of the Texas Civil Practice and Remedies Code, consent from the Legislature is required before any suit or proceeding may be filed against the Board, the Comptroller, and/or the State. Neither the execution of this Agreement by the Board nor any other conduct of any representative of the Board relating to this Agreement shall be considered a waiver of sovereign immunity to suit or any other applicable immunity.

2. Plan Claims. The Account Owner agrees and acknowledges that some controversies may involve claims that are owned by the Board and/or the Plan and may only be brought by the Board. This provision is not intended to cover such claims.

3. Mediation. The parties hereby establish the following out-of-court alternate dispute resolution procedure to be followed in the event of certain controversies or disputes involving this Agreement that may arise between the Account Owner and the Plan Manager and/or its parent and any of its affiliate parties, officers, directors, employees, agents, or representatives (collectively, the "Plan Parties").

4. In the case of any dispute arising from or related to this Agreement and/or the Plan Description, or any transactions or other administrative matters thereunder, the Account Owner and the Plan Parties agree to submit to non-binding mediation. The parties shall collectively agree to a location within the State, date, duration, and process for any such mediation and be bound by the terms and conditions as set forth in any resulting settlement agreement. The parties shall share the cost of the dispute resolution process equally; provided that the cost of any attorney, witness, or specialist shall be borne by the party authorizing such costs.

5. Litigation. Further adjudication of any controversy between the Account Owner and the Plan Parties shall be resolved in a court of law consistent with the provisions of this Agreement.

ARTICLE VI—FEES AND EXPENSES

The Account Owner may be charged fees in amounts to be determined by the Board for the following:

1. The Board may impose fees to provide for the cost ofmanagement and administration of the Plan. These fees are described in the Plan Description and may be changed by the Board without notice.

2. The Board may impose other fees related to transactions, including fees for returned payments, wires, overnight deliveries, or other requests.

3. Additional fees and/or expenses may be charged to Accounts or Account Owners in the future.

ARTICLE VII—INDEMNIFICATION

The establishment of any Account in the Plan is based upon acknowledgments, statements, agreements,representations, warranties, and covenants set forth in this Agreement. The Account Owner agrees to indemnify and hold harmless the State, the Board, the Plan, and the Plan Manager, and any of their respective affiliate parties, officers, directors, employees, agents, or representatives for any liability or expense (including attorney fees) that may be incurred based on any misstatement or misrepresentation made to the Account Owner or Beneficiary, or any breach by the Account Owner or Beneficiary of the acknowledgments, statements, agreements, representations, warranties, or covenants contained in this Agreement, excepting a liability or expense of the Boardor the Plan Manager arising from a failure to perform duties as specified hereunder.

ARTICLE VIII—DISCLAIMERS

1. Financial, Tax, and Legal Advice. The Account Owner understands and acknowledges: (a) that any tax and legal information in the Plan Description is a summary of the Board's understanding and interpretation of certain applicable tax rules and guidance and is not exhaustive; (b) that the Account Owner and other contributors must consult his or her financial consultant, tax advisor, or legal counsel for any financial, tax, and legal advice related to the Account Owner's particular situation; and (c) that the Board, the Plan, and the Plan Manager, and any of their respective affiliate parties, officers, directors, employees, agents, or representatives may not and do not give and have not given financial, tax, or legal advice to the Account Owner, whether in the Plan Description or otherwise.

2. Accuracy of Information. The Account Owner understands and acknowledges: (a) that the Board, the Plan, and Plan Manager have used reasonable efforts to ensure that the information in this Agreement, the Plan Description, marketing materials, and on the Plan website has been obtained from reliable sources and is accurate; and (b) that the Board, the Plan, and the Plan Manager, and any of their respective affiliate parties, officers, directors, employees, agents, or representatives shall not have any liability to the Account Owner, Beneficiary, or any other person as a result of any inaccurate or incomplete information.

3. Limited Liability. The Account Owner understands and acknowledges: (a) that any claim by the Account Owner or a Beneficiary against the Board, the Plan, or the Plan Manager, and any of their respective affiliate parties, officers, directors, employees, agents, or representatives must be made solely against the assets of the Plan; (b) that the obligations of the Plan are limited obligations payable only from monies received from Account Owners, other contributors, and any net earnings or losses of the Plan; and (c) no recourse shall be had by the Account Owner, Successor Account Owner, or Beneficiary against the Board, the Plan, the Plan Manager, and any of their respective affiliate parties, officers, directors, employees, agents, or representatives, or against the State in connection with any obligation arising out of this Agreement.

4. Extraordinary Events. The Account Owner understands and acknowledges that the Board, the Plan, or the Plan Manager, and any of their respective affiliate parties, officers, directors, employees, agents, or representatives are not liable for any loss caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, terrorism, strikes, changes in federal or state law (including tax law), pandemic, or other conditions beyond their reasonable control.

ARTICLE IX—MISCELLANEOUS PROVISIONS

1. Duties of the Board. Neither the Board nor the Comptroller, or their respective affiliate parties, officers, directors, employees, agents, or representatives, has any duty to perform any action other than those specified in this Agreement. The Board may accept and rely conclusively on any instructions or other communication reasonably believed to have been provided by the Account Owner or other authorized person, and may assume that the authority of any other authorized person continues in effect until the Board receives written notice to the contrary. The Board has no duty to determine or advise Account Owners of the financial, tax, legal, or other consequences of any action or inaction of the Account Owner, or of any actions or failure to act by the Board or Plan Manager based upon such action or inaction.

2. Duties of the Plan Manager. The Plan Manager and any affiliate parties, officers, directors, employees, agents, or representatives have no duty to perform any action other than those specified in this Agreement or any agreement between the Board and the Plan Manager. The Plan Manager may accept and rely conclusively on any instructions or other communication reasonably believed to have been provided by the Account Owner or other authorized person, and may assume that the authority of any other authorized person continues in effect until the Plan Manager receives written notice to the contrary. The Plan Manager has no duty to determine or advise Account Owners of the investment, tax, or other consequences of any action or inaction of the Account Owner, or of any actions or failure to act by the Board or Plan Manager based upon such action or inaction.

   Notices. All notices or other communication shall be sent to the permanent address of the Account Owner as specified in the Application or as updated by the Account Owner on the Plan website. The Account Owner is solely responsible for maintaining accurate, up-to-date address information for the Account. All notices or other communication shall be deemed personally received upon such sending, whether or not actually received.

3. All changes, options, and elections requested by the Account Owner under this Agreement must be in writing, signed by the Account Owner, and received by the Plan Manager in Good Order and in a format approved by the Board and Plan Manager, together with, at the option of the Board, a verification under oath that the information provided is true, accurate, and complete. The Board is not responsible for the accuracy or completeness of such documentation. Unless otherwise provided by the Board, any changes, options, and elections relating to the Beneficiary will take effect as of the date such request is processed by the Board or its designee.

4. Effective Date. The Account Owner understands and acknowledges that this Agreement shall become effective upon the Plan Manager's receipt of the completed Application in Good Order, together with any applicable payment, subject to the right of the Board and/or the Plan Manager to reject such Application where the Application has not been completed in accordance with guidelines under the Plan.

   Amendment or Termination. The Account Owner understands and acknowledges that, except as provided otherwise herein, the Board may amend or suspend the Plan. The Board shall use reasonable efforts to notify the Account Owner of any material amendment or suspension, and the Account Owner agrees to be bound thereby unless the Account Owner notifies the Board of his or her intent to terminate this Agreement within 30 days of any written notification.

5. The Account Owner further understands and acknowledges that the Board, the Comptroller, or the State may terminate the Plan and that nothing contained in this Agreement shall constitute a representation or agreement by the Board, the Comptroller, or the State to maintain the Plan for any specified period. Where the Plan is terminated, the balance of each Account shall be paid to the Account Owner. Any such distribution may be subject to federal income taxes and a 10% additional tax on earnings unless used for Qualified Higher Education Expenses, a qualified transfer is made to another 529 plan sponsored and maintained by the State, or a rollover contribution is made to an account in another qualified tuition program in accordance with Code §529. Where any assets cannot reasonably be paid to the Account Owner or are otherwise unclaimed, such assets shall be delivered to the Comptroller in accordance with the laws regarding unclaimed property.

6. Headings. The heading of each section, paragraph, and provision in this Agreement is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such section, paragraph, and provisions.

7. Successors and Assigns. This Agreement shall be binding upon the parties and their respective heirs, successors (including Successor Account Owners), and permitted assigns. All representations, warranties, acknowledgments, and covenants under this Agreement shall inure to the benefit of the Plan Manager, which shall be a third-party beneficiary of those representations, warranties, acknowledgments, and covenants. With the exception of those rights expressly conferred herein, nothing in this Agreement shall be construed to give to any person, other than the Account Owner, the Board, and the Plan Manager, any legal or equitable right, remedy, or claim with respect to this Agreement or any representations, warranties, acknowledgments, and covenants hereunder.

8. Conflict of Terms. In the event of a conflict or inconsistency between the terms and conditions of this Agreement and applicable laws and regulations, the applicable laws and regulations shall prevail.

9. Waiver. Failure to enforce or any delay in enforcement of any privileges, rights, defenses, remedies, or immunities available to the Board under this Agreement or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered a basis for estoppel.

   Severability. In the event that any clause or portion of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, that clause or portion will be severed from the Agreement and the remainder will continue in full force and effect as if such clause or portion had never been included.

   Governing Law. This Agreement will be construed in accordance with the laws of the State. Venue for any action arising from or relating to the Plan or an Account hereunder shall be in the State district courts of Travis County, Texas.

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