



TEXAS TUITION
PROMISE FUND®

A Prepaid Plan as Smart as You Are





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Dear College Saver:

Thank you for your interest in the Texas Tuition Promise Fund®. 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 the resources for a college education.

Texas can help you tackle this hurdle with the Texas Tuition Promise Fund, a prepaid tuition plan established by the state and administered by the Texas Prepaid Higher Education Tuition Board, which I chair. The plan allows you to lock in the current price of undergraduate resident tuition and schoolwide required fees at Texas public colleges and universities, excluding medical and dental institutions, avoiding rising tuition costs.

Prepaying for these costs through the Promise Fund can help pave the way for your child's success — and give you some peace of mind. You'll feel good knowing you're locking in today's rates for tomorrow's undergraduate resident tuition and schoolwide required fees at eligible Texas public colleges and universities. With flexible options for every budget, it's a plan as smart as you are.

If you have any questions or would like more information about the Texas Tuition Promise Fund, please visit our website at www.texastuitionpromisefund.com or call us toll-free at **800-445-GRAD (4723), option #5.**

I encourage you to study this booklet to see how the Promise Fund can help you reach your goals. We look forward to helping you.

Sincerely,

A handwritten signature in black ink, reading "Glenn Hegar", is positioned below the word "Sincerely,".

Glenn Hegar

Texas Comptroller of Public Accounts

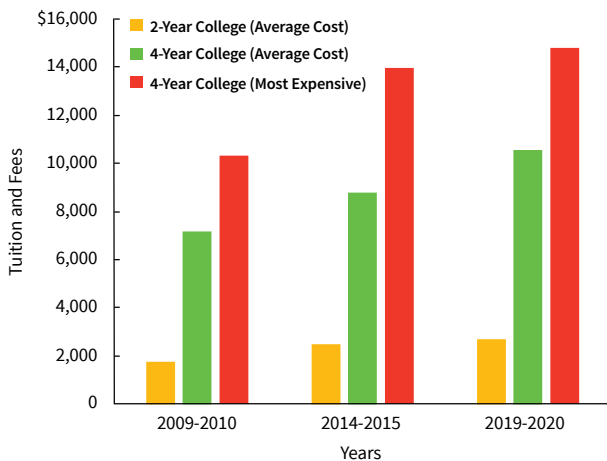
Chair, Texas Prepaid Higher Education Tuition Board



Meeting the Cost of College

As the cost of tuition continues to increase, parents in Texas are looking beyond traditional savings accounts for different ways to help them afford the growing cost of a college education. Some may consider using traditional investment vehicles, such as mutual funds, or stocks and bonds to save for college. However, many factors, such as a lack of familiarity with mutual funds or the stock market, or concerns about the challenge of choosing and managing investments, may keep others from this option.

The growing cost of one year of college in Texas



Texas Tuition Promise Fund (TTPF) rates were used for Tuition and Fees cost for all years. TTPF rates are set each year based on annual surveys of the cost of tuition and schoolwide required fees at Texas public colleges and universities.

A Smart Way to Pay for College

The Texas Tuition Promise Fund® (the Plan),

a tax-advantaged 529 prepaid plan established by the state of Texas, offers an alternative. The Plan allows you to start paying for college tuition now, based on prices determined by today's tuition costs at Texas public colleges and universities, excluding medical and dental institutions. The ability to lock in tuition rates and receive tax-free earnings are benefits that are not available in traditional investments.

Plan Basics

With the Texas Tuition Promise Fund, you can begin paying for Texas public college tuition costs now, based on today's prices. The Plan lets you purchase "tuition units" that your child can use to pay all or a portion of undergraduate resident tuition and schoolwide required fees¹ at Texas public colleges and universities, excluding medical and dental institutions.

The Texas Tuition Promise Fund covers Texas undergraduate resident **tuition** and **schoolwide required fees** at eligible Texas public colleges and universities.¹

When your beneficiary begins college, your units may be used to cover all, or a portion of, the undergraduate resident tuition and schoolwide required fees¹ at Texas public colleges and universities. The Transfer Value of your tuition units can be used to pay undergraduate resident tuition and schoolwide required fees at medical and dental institutions, private and out-of-state colleges and universities, career schools and registered apprenticeship programs. Transfer Value is limited to the lesser of (1) the costs the Tuition Unit would cover at a Texas public college or university or (2) the original purchase price of the Tuition Unit plus or minus the Plan's net investment earnings or losses on that amount.

Any U.S. citizen or legal resident 18 years and older can open an account, as long as the child who is the account beneficiary is a Texas resident. If the child is not a Texas resident, his or her parent must be the purchaser and a Texas resident.

Once you choose to purchase a tuition contract from the Texas Tuition Promise Fund, you simply need to:

1. Choose a tuition unit type (see page 5)
2. Select your payment plan option (see page 8)
3. Decide how many tuition units you want to purchase

You may enroll in the Plan any time between September 1 and February 28 (February 29 in leap years). Newborns may be enrolled through July 31.

¹ Schoolwide required fees are those fees that must be paid by all students as a condition of enrollment in the college or university. They do not include course-specific fees such as equipment usage or lab fees. Medical and dental institutions are not eligible Texas public colleges or universities; however, Transfer Value can be paid to those schools.



**As time marches on,
the Texas Tuition
Promise Fund may
help you stay one
step ahead.**

Their dreams. Your promise. Our plan.

The Potential Benefits of the Texas Tuition Promise Fund

The Texas Tuition Promise Fund offers benefits that can help you work toward the education your child deserves.

A Measure of Protection Against Rising Tuition Costs

The Plan allows you the opportunity to start paying for future undergraduate resident tuition and schoolwide required fees at Texas public colleges and universities based on today's prices—providing varying levels of protection against rising tuition costs across three tuition unit types.

Affordability

You may tailor your purchase to your budget by choosing from the three tuition unit types, and a variety of payment plans. The Plan offers the flexibility of selecting more than one type of tuition unit and it does not lock you in once you've made your decision. Depending on your financial situation now, and as you continue to add units to your contract in the future, you may choose to purchase tuition units of one, two or all three types.

The Entire Family Can Give

Once you open your account, you can invite the entire family, as well as friends, to contribute to your child's account. The Plan makes it easy for your relatives and friends to give tuition units to your child on special occasions, such as holidays, birthdays, Quinceañeras and elementary graduations. And though the family will help you save, you will control how the money is spent on your child's college education. As the purchaser, the Plan remains in your name (not the beneficiary's or contributor's) for the life of the contract.

The Plan also offers additional gifting and estate planning advantages.² Please see the Plan Description and Master Agreement for details.

Choice of College

While the cost of tuition units is based on undergraduate resident tuition and schoolwide required fees for the upcoming enrollment periods as reported by Texas public colleges and universities, your child may also use your account's Transfer Value towards the cost of undergraduate tuition and schoolwide required fees at medical and dental institutions, private and out-of-state colleges and universities, career schools and registered apprenticeship programs throughout the U.S.³ The Transfer Value is the lesser of (a) the costs of the tuition and schoolwide required fees your units would cover at a Texas public college or university, or (b) the amount you paid for the unit, plus or minus the Plan's net investment earnings or losses on that amount.²

2. Subject to certain limitations. Transfer Value does not include any state-provided or procured matching contributions or earnings thereon.

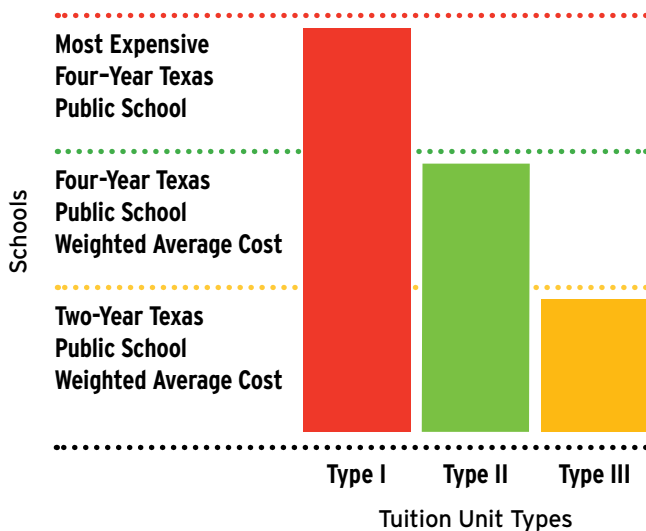
3. You or your beneficiary will need to make up any uncovered portion of the tuition and fees not covered by the Plan.

Three Types of Tuition Units



The Texas Tuition Promise Fund provides three types of tuition units to choose from as you work to secure your child’s opportunity for a college education.

How will you prepare for their future?



Weighted Average Cost of Tuition: Each year, the Plan looks at the average cost of a year’s undergraduate resident tuition and schoolwide required fees at Texas public colleges and universities. Medical and dental institutions are not included in the value calculations of Type I, II, and III tuition units. The average is then adjusted based on projected full-time equivalents attending each school to determine a weighted average tuition.⁴

Type I Units

100 units = 30 semester hours = 1 academic year at the most expensive Texas public college or university⁵

Type I Units can be used to pay for undergraduate resident tuition and schoolwide required fees at the most expensive four-year Texas public college or university, excluding medical and dental institutions. All other eligible public colleges in Texas will require less than 100 Type I Units for an academic year consisting of 30 hours.

If the cost per semester hour at your child’s school is less than the cost at the most expensive public institution, the unused tuition units will remain in your account. (See “What happens if I have more tuition units than my beneficiary needs or he/she doesn’t attend college?” on p. 12 for your options should this occur.)

Type II Units

100 units = 30 semester hours = 1 academic year at the weighted average cost of four-year Texas public colleges and universities⁵

Should your budget not allow for Type I Units, you may want to consider the less expensive Type II tuition units. These units are priced to represent the weighted average cost of undergraduate resident tuition and schoolwide required fees at four-year Texas public colleges and universities.

Purchasing Power of Type II Tuition Units

No matter how high tuition costs have risen in Texas, if your child attends a Texas public college or university that is at or below the weighted average cost of tuition when your child starts college, 100 Type II tuition units will fully cover undergraduate resident tuition and schoolwide required fees for 30 semester hours. The actual “purchasing power” of Type II Units will vary depending on the college or university your beneficiary attends and the extent to which its costs are above or below the weighted average cost at eligible four-year Texas public institutions.

4. The weighted average cost of tuition is calculated by: 1) multiplying the tuition at each Texas four-year public college or university by the number of full-time equivalent in-state students enrolled at that school, 2) totaling the results, and 3) dividing that total by the number of full-time equivalent in-state students enrolled at all four-year public colleges and universities in Texas. A separate, but identical calculation is performed for two-year public junior/community colleges based on in-district undergraduate resident tuition and schoolwide required fees.

Because Type II Units represent the weighted average cost of undergraduate resident tuition and schoolwide required fees at Texas public four-year colleges or universities, excluding medical and dental institutions, some will require more than 100 Type II Units and some will require less than 100 Type II Units for one academic year (30 semester hours) of undergraduate resident tuition and schoolwide required fees. If the cost per semester hour at your child’s school is higher than the weighted average cost of undergraduate resident tuition and schoolwide required fees, or if your child takes more than 30 semester hours, you will have to use more tuition units or pay the difference. However, if the cost per semester hour at your child’s school is lower than the weighted average cost of undergraduate resident tuition and schoolwide required fees, the unused tuition units will remain in your account. (See “What happens if I have more tuition units than my beneficiary needs or he/she doesn’t attend college?” on p. 12 for your options should this occur.)

Type III Units

100 units = 30 semester hours = 1 academic year

at a two-year Texas public college or university with tuition prices at the weighted average cost⁵

The least expensive of the three unit types, Type III Units cover the weighted average cost of undergraduate resident tuition and schoolwide required fees at eligible two-year public colleges in Texas paid by residents of the taxing jurisdiction of the two-year public college.

Purchasing Power of Type III Tuition Units

As with Type II Units, no matter how high tuition has risen in Texas, if your child attends a Texas two-year public college that is at or below the weighted average cost of in-district undergraduate resident tuition and schoolwide required fees when your child starts college, 100 Type III tuition units will fully cover these costs for 30 semester hours assuming your child resides within the taxing jurisdiction of the college.

Because Type III Units represent the weighted average cost of in-district undergraduate resident tuition and schoolwide required fees at eligible Texas two-year public colleges, some will require more than 100 Type III Units and some will require less than 100 Type III Units for one academic year (30 semester hours) of these costs. If the cost per semester hour at your child’s school is higher than the weighted average cost of tuition, or if your child takes more than 30 semester hours, you will have to pay the difference. However, if the cost per semester hour at your child’s school is lower than the weighted average cost of in-district undergraduate resident tuition and schoolwide required fees, the unused tuition units will remain in your account. (See “What happens if I have more tuition units than my beneficiary needs or he/she doesn’t attend college?” on p. 12 for your options should this occur.)

Need help building a plan? Use our online Tuition Planning Calculator to research the various unit pricing and payment options available through the Texas Tuition Promise Fund. Visit www.texastuitionpromisefund.com to get started.

How much undergraduate resident tuition and schoolwide required fees would 100 units cover?⁶

Type of College	Type I	Type II	Type III
Most Expensive Texas Public College	All. No extra money needs to be paid by you.	Some. You make up the difference.	Some. You make up the difference.
College Above Weighted Average Cost	All. Your unused tuition units will remain in your account.	Some. You make up the difference.	Some. You make up the difference.
College at Weighted Average Cost	All. Your unused tuition units will remain in your account.	All. No extra money needs to be paid by you. ⁷	All. No extra money needs to be paid by you. ⁸
College Below Weighted Average Cost	All. Your unused tuition units will remain in your account.	All. Your unused tuition units will remain in your account.	All. Your unused tuition units will remain in your account.

See the pricing schedule found in your enrollment kit and at www.texastuitionpromisefund.com for current tuition unit prices.

5. Some colleges and universities, and certain programs, may require more than 30 semester hours per school year.
 6. This table assumes an academic year of 30 semester credit hours.
 7. No extra money needs to be paid by you if you use Type II Units for your beneficiary to attend a four-year Texas public college at the weighted average cost.
 8. No extra money needs to be paid by you if you use Type III Units for your beneficiary to attend a two-year Texas public college at the weighted average cost.



**We offer three ways
to help you provide the
support they'll need
to reach their potential.**

Their dreams. Your promise. Our plan.

Payment Options

The next decision you need to make is what type of payment plan works best for your budget. Tuition unit prices are set annually, and remain valid during the Plan's sales period from September 1 through August 31 each year. (See the pricing schedule found in your enrollment kit and at www.texastuitionpromisefund.com for current tuition unit prices.)

Your first payment will be due May 1 of the first year of the contract, except contracts for newborns (payments for contracts for newborns are due approximately 60-90 days after establishing the account). You may make your payments via check, money order or cashier's check, or have the money transferred electronically from your checking or savings account. Once enrolled, you can purchase more tuition units any time from September 1 through August 31.

Lump Sum Plan

The Lump Sum Plan allows you to purchase a minimum of 25 Type I or 50 Type II or Type III tuition units, up to the dollar value equivalent of 600 Type I tuition units with one payment, locking in the unit price for that sales period. Your account must be open at least three years from your lump sum payment due date in order to use your tuition units to pay for tuition and schoolwide required fees.



Installment Plan

In contrast to the Lump Sum Plan, the Installment Plan allows you to enter into a contract to purchase a set number of tuition units and pay for them over a period of time. You can purchase from 25 Type I or 50 Type II or Type III tuition units, up to the dollar value equivalent of 600 Type I tuition units. The cost of your tuition units will be locked in at a price that is the current sales price plus an annual interest component. For installment contracts, before you redeem any tuition units, you must wait at least three years after your first installment payment due date, and your installment contract must be paid in full. While you may make certain changes, including adding more tuition units, switching to another type of unit or changing the frequency of your payments, you must continue to make all payments on each due date, until the end of the contract, or risk late fees or cancellation penalties.

You may choose to pay a greater amount than your regularly scheduled payment, including prepaying for all tuition units remaining under the contract, including the remaining interest component, at any time. Prepayments may be applied to reduce the outstanding contract balance, reduce the amount or number of monthly payments or to make monthly payments ahead of schedule, at the option of the purchaser.

Should you choose the Installment Plan, you must decide the type of units and:

1. Payment Frequency

The plan allows monthly or annual payments.

2. Contract Length

- 5 years
- 10 years
- The number of years between the beneficiary's age and projected high school graduation date

Pay-As-You-Go Plan

Under the Pay-As-You-Go Plan, you may choose to purchase anywhere from one tuition unit (to establish the account) to the dollar value equivalent of 600 Type I tuition units. You do not have to decide the number of tuition units to be purchased beforehand. After your initial purchase of at least one tuition unit, you may purchase additional units, or fractions of units, at any time. Additional purchases must be made in amounts of \$15 or more and can be made using the convenience of an automatic bank draft.

While the Pay-As-You-Go Plan offers the flexibility to purchase tuition units on your schedule, the price will be based on the tuition unit price in effect when your payment is received, and will change from enrollment period to enrollment period.

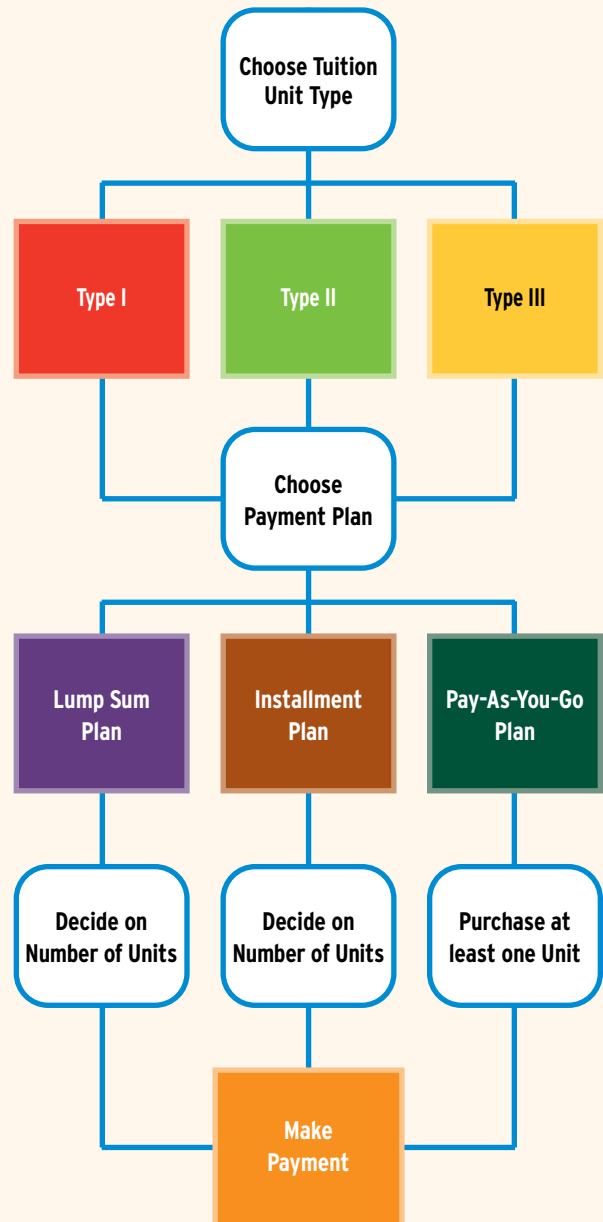
For the purpose of calculating the three-year holding period for an initial Pay-As-You-Go purchase, the first payment due date after initially enrolling in the program is considered the date the initial units were purchased. These units may not be redeemed to pay for tuition and schoolwide required fees until the third anniversary after the payment due date. Additional Pay-As-You-Go purchases start a new three-year holding period as of the date the payment is received for the additional tuition units.

Need help building a plan? Use our online Tuition Planning Calculator to research the various unit pricing and payment options available through the Texas Tuition Promise Fund. Visit www.texastuitionpromisefund.com to get started.

Building your prepaid plan

Steps to take. Decisions to make.

Once you've decided the Texas Tuition Promise Fund is the right way for you to help build toward your child's future...



Open an Account Today

It's simple to start saving toward your child's education with the **Texas Tuition Promise Fund**. You may enroll in the Plan any time between September 1 and February 28 (February 29 in leap years). The enrollment period extends through July 31 for children under one year of age.

The fastest, most convenient way to open an account is to visit www.texastuitionpromisefund.com today to

- Download or order an enrollment kit online under Documents
- Enroll online www.texastuitionpromisefund.com

You may also order an enrollment kit and have questions answered by calling a Customer Service Representative at **800-445-GRAD (4723), option 5**.

Mark your calendar

Important Dates for Texas Tuition Promise Fund Purchasers

9/1-2/28 (2/29 in Leap Years) Enrollment Period

Accounts may be opened *only* during this time for most beneficiaries. For beneficiaries under one year of age, the enrollment period is extended through July 31.

9/1-8/31 Sales Period

This period defines the time frame when the current tuition unit price is valid, and when, once enrolled, you can purchase additional tuition units. This is especially relevant if you select the Pay-As-You-Go or Lump Sum payment options. (See the pricing schedule found in your enrollment kit and at www.texastuitionpromisefund.com for current tuition unit prices.)

5/1 Initial Payment Due Date

The first payment is due May 1 for all types of payment plans. For beneficiaries under one year of age that are enrolled after February 28, the initial payment due date will be roughly 60-90 days from the date the application is received.

General Information

What does the Texas Tuition Promise Fund pay for?

The Plan can help pay for all, or a portion of the undergraduate resident tuition and schoolwide required fees at public colleges and universities in Texas. Texas law requires Texas two-year and four-year public colleges and universities to accept tuition units as payment for the applicable portion of undergraduate resident tuition and schoolwide required fees. The Plan does not pay for room and board, transportation, books, laboratory fees or other fees required for specific courses.

Must I live in Texas to purchase tuition units?

Any U.S. citizen or legal resident 18 years or older may open a contract or purchase tuition units for an existing account, as long as the child who is the contract beneficiary is a resident of Texas at the time the contract is established. If the child is not a Texas resident, one of the child's parents must be the purchaser and a resident of Texas at the time the contract is established. Parents, grandparents, aunts, uncles or even family friends can contribute to a child's future education by opening an account or by contributing to an existing account.

What happens if my beneficiary goes to a medical and dental institution, private or out-of-state college or university, career school or registered apprenticeship program?

If your child attends a medical and dental institution, private or out-of-state college or university, career school or registered apprenticeship program where tuition and schoolwide required fees are not locked in, you can apply the Transfer Value of your units towards the costs of undergraduate resident tuition and schoolwide required fees. Transfer Value is limited to the lesser of (1) the costs the Tuition Unit would cover at a Texas public college or university or (2) the original purchase price of the Tuition Unit plus or minus the Plan's net investment earnings or losses on that amount.

What is the maximum number of units I can purchase per beneficiary?

For Type I Units, the maximum number of tuition units that may be purchased and assigned to a single beneficiary is 600 units. For Type II and Type III Units, the maximum number of tuition units that may be purchased and assigned to a single beneficiary is an approximate dollar equivalent of 600 Type I Units. These limits apply to all purchases for the same beneficiary, regardless of who the purchasers may be.

How many accounts can I open?

You can open multiple accounts, provided the total number of tuition units purchased for a given beneficiary does not exceed the maximum allowable by the Plan. Please see the Plan Description and Master Agreement for additional information.

What are the fees associated with this plan?

There is a one-time nonrefundable administrative fee of \$25 to enroll in the Plan. If the purchaser has an existing account for the same beneficiary, the administrative fee is not charged for additional accounts for that same beneficiary. There may also be fees for late payments, returned payments, wire transfers, overnight deliveries and other special requests.

Can the federal or state government change the terms or terminate the program?

Yes.

Congress could amend Section 529 of the Internal Revenue Code or other federal law or Texas could amend Subchapter H of Chapter 54 of the Texas Education Code in a manner that would materially change or eliminate the federal tax treatment of the Plan. Court decisions or changes in federal administrative provisions could adversely impact the federal tax consequences or requirements with respect to the Plan or contract. If the Plan is determined to be financially infeasible, the Plan may be modified or terminated by the state legislature.

If the program is terminated, a prepaid tuition contract remains in effect if the beneficiary has been accepted by or is enrolled in an eligible institution or is projected to graduate from high school not later than the third anniversary of the date the program is terminated. Contracts for beneficiaries who are projected to graduate more than three years after termination will be terminated and will result in a refund. (See "If I cancel my contract, who will receive the refund and how much will be refunded?" on page 12 for your options should this occur.)

Plan provisions may be amended by the Texas Prepaid Higher Education Tuition Board (Board) from time to time if the Board determines it is in the Plan's best interest. The Board will notify you in the event of Plan amendment by the Board and will provide you 60 days to terminate your contract and to request a refund before the amendment goes into effect. (See "If I cancel my contract, who will receive the refund and how much will be refunded?" on page 12 for your options should this occur.)

Making Changes to Your Contract



What if my beneficiary attends a school that is not eligible to receive payments from the Plan?

The Plan cannot pay schools or programs that are not eligible under federal tax law or state law. If your child attends a school or program that is not eligible, you can request the Refund Value of unused tuition units. (See "If I cancel my contract, who will receive the refund and how much will be refunded?" below.) Federal income taxes and an additional 10% federal tax penalty on any earnings as well as any state or local taxes may apply.

What happens if I have more tuition units than my beneficiary needs or he/she doesn't attend college?

If you have accumulated more tuition units than you need to cover undergraduate resident tuition and schoolwide required fees, you can:

- Change the beneficiary of your contract to a member of the current beneficiary's family. See the Plan Description and Master Agreement for details and consult your tax advisor to determine whether such a change creates a taxable gift or other adverse tax consequences for you or your beneficiary
- Contribute the Transfer Value of unused tuition units, within 60 days of distribution, to a 529 college savings plan, such as the Texas College Savings Plan® so that the money can be used for graduate school, books or room and board. Transfer Value is the lesser of (1) the costs the unit would cover at a Texas public college or university or (2) the price you paid for the unit, plus or minus the Plan's net investment earnings or losses
- Request a refund and withdraw the Refund Value of unused tuition units that have met the three-year holding period requirement,

or request the Reduced Refund Value of unused tuition units that have not met the three-year holding period requirement. Federal income taxes and an additional 10% federal tax penalty on the earnings as well as any state or local taxes may apply. See the next question for a description of Refund Value

If I cancel my contract, who will receive the refund and how much will be refunded?

The purchaser of the contract receives the refund upon cancellation. The value of the refund depends upon a number of factors, including the timing of the refund and the reason for cancellation.

- For all units held at least three years, the purchaser will receive the Refund Value, which is an amount equal to the purchase price plus annual net earnings, including negative earnings, with the earnings rate set annually by the Board at a rate that is up to 2% less than the actual net earnings, is capped at 5%, and is net of any fees due and payable. The earnings portion of a Refund, if any, is subject to the actuarial soundness of the Plan and is subject to federal income taxes plus a 10% federal tax penalty as well as any state or local taxes that may apply. Refund value shall not be less than reduced refund value
- For units that do not meet the three-year holding period requirement, the purchaser will receive the Reduced Refund Value. It will be the lesser of the purchase price of unused tuition units, or the current market value (as defined in the Plan Description and Master Agreement) of contributions made, minus any outstanding fees imposed by the Plan. This means the Reduced Refund Value will not include any positive earnings, but can be less than the purchase price if there have been periods of negative returns in the market

Can I increase or decrease the amount of tuition units in my account?

Yes.

You may change your contract to a different type of tuition units at any time. You may also increase or decrease the number of tuition units that you want to purchase at any time, including outside the Enrollment Period, with the following exception. If you want to add a new installment plan to an existing contract that has no pre-existing installment plan, the new installment plan may only be added during an Enrollment Period.

Please review the Plan Description and Master Agreement for more information.



For a more comprehensive list of questions and answers, please visit the website at www.texastuitionpromisefund.com

**Get your child on a path
toward college education
by enrolling now.**



The Texas Tuition Promise Fund, a tax-advantaged 529 prepaid tuition plan established by the state of Texas, provides a smart way to start paying for Texas public college undergraduate resident tuition and schoolwide required fees now. The Plan offers three different types of tuition units to help you save for your child's future education, and a variety of payment options to suit any budget. Find out more and enroll online at www.texastuitionpromisefund.com.

The Texas Tuition Promise Fund® (“Plan”) is administered by the Texas Prepaid Higher Education Tuition Board (“Board”) and 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 prior to purchasing a contract.

Participation in the Plan does not guarantee admission to or graduation from any college or university. Only the purchaser may direct redemptions, withdrawals, changes in beneficiary, or other contract changes. Non-residents of Texas should consider whether their home state, or the beneficiary's home state, offers 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.

You may lose money by participating in the Plan. No part of a contract is a deposit or obligation of, or is guaranteed or insured by, the Board, the state of Texas, or any agency or agent thereof. The contracts have not been registered with or approved by the SEC or any state. Purchasers should carefully consider the risks, fees, charges, and expenses associated with contracts, including Plan termination and reduced Transfer or Refund Value. Transfer Value applies to redemptions at private colleges and universities, out-of-state colleges and universities, medical and dental schools, career schools, and registered apprenticeship programs and is the lesser of: (1) the costs the units would cover at a Texas public college or university; or (2) the original purchase price of the units plus or minus net investment earnings or losses on that amount. The Plan Description and Master Agreement contain this and other information about the Plan and may be obtained by visiting www.texastuitionpromisefund.com or calling 800-445-GRAD (4723), option #5. Purchasers should read all Plan documents carefully before purchasing a contract.

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1382-NLD-07262021 TTPF-020



Glenn Hegar Texas Comptroller of Public Accounts

