

# Texas ABLE® Program Allocation Worksheet

AS OF JUNE 30, 2019

## MANAGED ALLOCATION OPTIONS

|  |  |        | ALLOCATION OPTION                          |                            |   |                             |
|--|--|--------|--|----------------------------|---|-----------------------------|
|  |  |        | Aggressive Allocation Option               | Moderate Allocation Option | Moderately Conservative Allocation Option | Bank Savings Account Option |
| ASSET CLASS                                      | UNDERLYING INVESTMENTS   | TICKER | TARGET INVESTMENT ALLOCATIONS <sup>1</sup> |                            |   |                             |
| U.S. Equity                                      | Vanguard Total Stock Market Index Fund Institutional Plus        | VSMPX  | 45%  | 35%                        | 15%                                       | 0%                          |
| Non-U.S. Equity                                  | Vanguard Total International Stock Index Fund Institutional Plus | VTPSX  | 35%  | 25%                        | 10%                                       | 0%                          |
| Fixed Income                                     | PIMCO Total Return Fund Institutional                            | PTTRX  | 15%  | 30%                        | 60%                                       | 0%                          |
|  | Eaton Vance Floating Rate Fund - I                               | EIBLX  | 5%   | 10%                        | 15%                                       | 0%                          |
| U.S. Dollar                                      | Bank Savings Account   | N/A    | 0%   | 0%                         | 0%  | 100%                        |
| <b>Total Equity</b>                              |  |        | <b>80%</b>                                 | <b>60%</b>                 | <b>25%</b>                                | <b>0%</b>                   |
| <b>Total Fixed Income</b>                        |  |        | <b>20%</b>                                 | <b>40%</b>                 | <b>75%</b>                                | <b>0%</b>                   |
| <b>Total Bank Savings (Cash)</b>                 |  |        | <b>0%</b>                                  | <b>0%</b>                  | <b>0%</b>                                 | <b>100%</b>                 |
| Estimated Underlying Investment Fee <sup>1</sup> |  |        | 0.1785%                                    | 0.3145%                    | 0.5515%                                   | 0.0000%                     |
| Program Management Fee <sup>2</sup>              |  |        | 0.1500%                                    | 0.1500%                    | 0.1500%                                   | 0.1500%                     |
| State Administrative Fee <sup>3</sup>            |  |        | 0.1000%                                    | 0.1000%                    | 0.1000%                                   | 0.1000%                     |
| <b>Estimated Total Plan Fees<sup>4</sup></b>     |  |        | <b>0.4285%</b>                             | <b>0.5645%</b>             | <b>0.8015%</b>                            | <b>0.2500%</b>              |

## BANK SAVINGS ACCOUNT OPTION

|  | BANK SAVINGS ACCOUNT OPTION |
|--|-----------------------------|
| Omnibus Savings Account insured by the FDIC                | 100%                        |
| Program Management Fee <sup>2</sup>                        | 0.15%                       |
| State Administrative Fee <sup>3</sup>                      | 0.10%                       |
| <b>Estimated Total Annual Asset-Based Fees<sup>5</sup></b> | <b>0.25%</b>                |

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- 1 The Total Estimated Annual Asset-Based Fees (“Total Fees”) equal the sum of the estimated underlying investment expenses, the Program Management Fee, and the State Administrative Fee. The portion of the Total Fees attributable to the Program Management Fee and the State Administrative Fee is assessed on a daily basis over the course of the year against assets in each Investment Option. The portion of Total Fees attributable to estimated underlying investment expenses is indirectly borne by each Investment Option as discussed in footnote (3). You should refer to the Example Investment Cost Chart in the Program Disclosure Statement for the total assumed investment cost over 1-, 3-, 5-, and 10-year periods. These figures represent the estimated weighted annual expense ratios of the underlying investments in which the Investment Options invest plus the fee paid to the Program Manager and the state.
- 2 The Program Management Fee may change at any time. The Program Manager pays the Investment Manager, the NAV calculation agent, and the Custodian.
- 3 The State Administrative Fee is used to defray costs incurred by the Board and the Comptroller’s office to provide oversight and administration of the Program.
- 4 The percentages set forth in this column are based on the expense ratios of the underlying investments in which an Investment Option invests. The amounts are calculated using the most recent expense ratio reported prior to the date of this Allocation Worksheet weighted according to the Investment Option’s allocation among the underlying investments in which it invests. Although these expenses are not deducted from an Investment Option’s assets, each Investment Option indirectly bears its pro rata share of the expenses of the underlying investments in which it invests because these expenses reduce the investment’s return.
- 5 The Plan Manager and the Board have agreed to voluntarily waive the Program Management Fee and the State Administrative Fee, respectively (but, in each case, not below zero) to the extent necessary to assist the Bank Savings Account Option in attempting to maintain at least a 0.00% return before monthly fees and transaction fees. There is no guarantee that the Bank Savings Account Option will maintain this return. This undertaking may be amended or withdrawn at any time.

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**Before investing in the Program, investors should carefully consider the federal and state tax consequences, possible negative effects on eligibility for federal or state benefits, and possible Medicaid recapture, investment objectives, risks, administrative fees, service and other charges and expenses associated with the Program. The Program Disclosure Statement and Participation Agreement contains this and other information about the Program, and may be obtained by visiting [www.TexasABLE.org](http://www.TexasABLE.org) or calling 1-844-4TX-ABLE (1-844-489-2253). Investors should read the Program Disclosure Statement and Participation Agreement carefully before investing.**

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