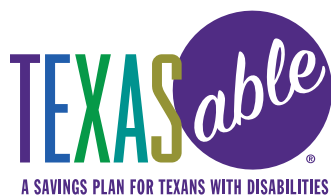


Helping Texans with Disabilities

Save for Today and Plan for Tomorrow



The Texas **Achieving a Better Life Experience** (Texas ABLE®) Program allows Texans with disabilities and their families to save and pay for disability-related expenses while maintaining eligibility for certain means-tested federal and state benefits.

The Texas ABLE Program is made possible through the federal Stephen Beck, Jr., ABLE Act of 2014 that allows states to create tax-advantaged savings programs for eligible people with disabilities. The Texas ABLE Act of 2015 established the Texas ABLE Program. The Texas Prepaid Higher Education Tuition Board, with assistance from the Texas Comptroller of Public Accounts, administers the Program.

Program Highlights

Save and Keep Benefits.

Eligible individuals can save based on their needs and goals of maintaining certain federal and state means-tested benefits. Although an individual does not have to be receiving benefits to be eligible for an ABLE account, funds in the account are generally not considered countable resources when determining eligibility for current or future benefits, such as Supplemental Security Income (SSI) and Medicaid.

Participants can save up to \$100,000 in the ABLE account without impacting SSI benefits or save up to the lifetime limit of \$500,000 if benefit eligibility is not a consideration. While funds of more than \$100,000 will be treated as a countable resource for SSI determination purposes, funds in the account don't count toward the individual's eligibility for Medicaid.¹

Anyone Can Contribute.

Anyone can contribute to a Texas ABLE account, including family, friends and even a special needs trust. Our online gifting tool makes it easy for others to make contributions directly to an account.

Annual contributions from all sources can be as high as \$15,000 per year – or more for working individuals.²

Tax Advantaged Account.

Account withdrawals are tax free if used to pay for qualified disability expenses, and any earnings on the investments grow tax free.

Online Program.

Texas ABLE is an online program. Participants can enroll and manage an account through a secure online portal when and where it is convenient.

Prepaid Debit Card.

Texas ABLE participants can elect to use the U.S. Bank® Focus Card – a reloadable prepaid debit card that provides a simple, fast way to pay for qualified disability expenses while on the go or online. The Focus Card can be used anywhere nationwide or online that accepts Visa® debit cards. Funds on the Focus Card are FDIC-insured up to \$250,000.



1. Exceptions apply. See the Program Disclosure Statement for information and details. You can also find information on what will be treated as a countable resource for SSI determination purposes in the SSA Program Operations Manual System at: <https://secure.ssa.gov/poms.nsf/lnx/0501130740>.
2. Annual contributions to an ABLE account cannot exceed the individual gift tax exclusion for that given year unless exceptions for working beneficiaries included in the Tax Cuts and Jobs Act of 2017 apply.

Eligibility

A Texas resident whose disability was present before the age of 26 and who can establish through one of the following ways that he or she has a disability is eligible to enroll in Texas ABLE.³

- **SSI or SSDI**

The Social Security Administration has determined that the person is eligible to receive Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), and he or she is still eligible to receive SSI or SSDI when he or she opens the account, **or**

- **Physician's Diagnosis**

A licensed physician has provided a written diagnosis that the person is either (a) blind (within the meaning of the Social Security Act), or (b) has a medically determinable physical or mental impairment that results in marked and severe limitations either expected to result in death or has lasted or is expected to last at least 12 months, **or**

- **Compassionate Allowances Conditions**

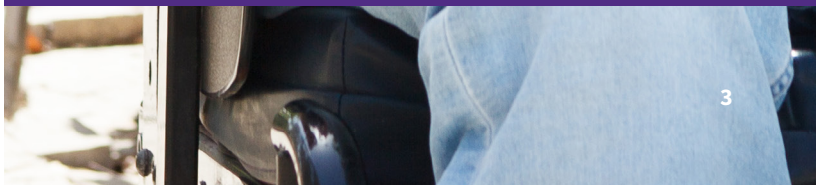
He or she has a condition listed on the Social Security Administration's list of Compassionate Allowances Conditions.⁴

An eligible individual can have only one active ABLE account, except with respect to pending rollovers and program-to-program transfers.

3. Eligibility requirements are subject to change. The designated beneficiary or, if one has been named, their authorized legal representative, is responsible for notifying the Program if the designated beneficiary ceases to be an eligible individual.
4. The Social Security Administration's list of Compassionate Allowances Conditions can be found here: <https://www.ssa.gov/compassionateallowances/conditions.htm>.



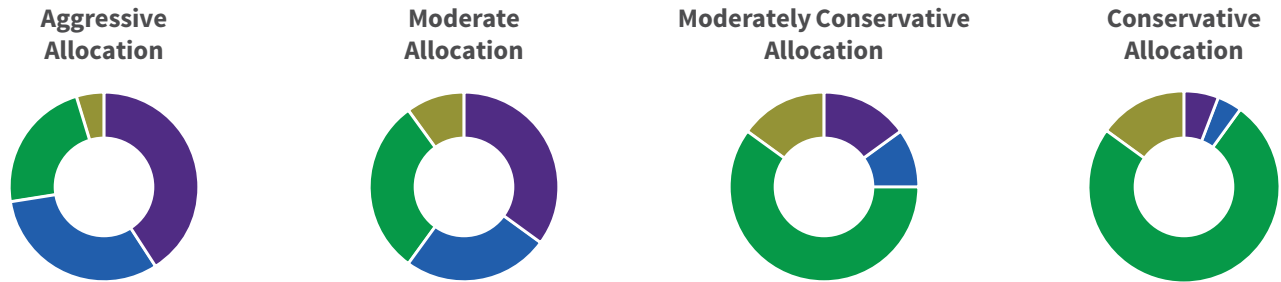
Take our eligibility quiz at
www.TexasABLE.org/eligibility-wizard
to see if you or a loved one is eligible.



Investment Options

When enrolling in Texas ABLE, participants will choose how they want their funds invested. The Program offers five investment options designed to meet different savings goals – four are Managed Allocation options, and one is an FDIC-insured Bank Savings Account option.

Managed Allocation Options:



Underlying Funds

- Vanguard Total Stock Market Index Fund Institutional Plus Shares - VSMPX
- Vanguard Total International Stock Index Fund Institutional Plus Shares - VTPSX
- PIMCO Total Return Fund Institutional Class - PTTRX
- Eaton Vance Floating - Rate Fund Institutional Class - EIBLX

Bank Option:

FDIC-insured Bank Savings Account

Participants may allocate contributions to one or more of the investment options. Choosing investment options takes planning. Participants should consider their savings goals, risk tolerance and investment objectives, and should select investment options suitable to their investment goals. For detailed information about the objectives and risks of the investment options, please see the Program Disclosure Statement. Individuals should consult a trusted advisor before making selections.

Investment options can be changed up to twice a year.



Qualified Disability Expenses

Funds in a Texas ABLE account can be used to pay for a variety of qualified disability expenses that relate to the eligible individual's blindness or disability and are used to maintain or improve his or her health, independence or quality of life. These expenses include basic living expenses and are not limited to items for which there is a medical necessity or that solely benefit the eligible individual.⁵

Categories of qualified disability expenses include:



Education



**Health, Prevention
& Wellness**



Legal Fees



Housing



**Financial Management
& Administrative Services**



Funeral & Burial



Transportation



**Assistive Technology &
Personal Support Services**



**Employment
Training & Support**



**Expenses for
Oversight & Monitoring**

5. See the Program Disclosure Statement for information and details.

How It Works

Open an Account.

There is no enrollment fee to open a Texas ABLE account.

An eligible individual (the beneficiary) who is at least 18 years of age can open and manage his or her own account, or an authorized legal representative (ex: parent, legal guardian or someone with power of attorney for the beneficiary) may open and manage the account on his or her behalf. No matter who opens and manages the account, by federal law the owner of the account is the eligible individual with the disability.

Contribute.

The minimum initial contribution to open an account is \$50, and subsequent contributions can be as little as \$25. Keep in mind that annual contributions are limited to \$15,000 (from all sources combined). Certain employed ABLE account beneficiaries may contribute up to an additional \$12,760 of income annually. The lifetime contribution limit is \$500,000.

Contributions to the account can be made by check, electronic funds transfer, automatic recurring contributions from a personal checking or savings account, payroll deduction or a rollover from another ABLE program or 529 college savings plan.

Withdraw.

Access the account anytime and withdraw funds as needed to pay for qualified disability expenses. Make withdrawals by check, or through a direct transfer (ACH) to a personal checking or savings account or to a U.S. Bank Focus Card.⁶

There is no enrollment fee to have the optional U.S. Bank Focus Card – the Program’s reloadable prepaid debit card – but there are some fees based on how the card is used. Making a withdrawal to the Focus Card is considered an ACH withdrawal.

The Program charges \$5 for each withdrawal by check. The first two ACH withdrawals each month are free and there is a \$1 fee for each additional ACH withdrawal.

Manage Account Online.

Texas ABLE offers an online portal that allows participants to manage their account from a phone, tablet, laptop or desktop. Participants can view account details, change investment options, make contributions and withdrawals and more.

6. Only you, as the designated beneficiary, or, if one has been named, your authorized legal representative, may direct withdrawals from your ABLE account.



Did You Know?

You can have a Texas ABLE account and a trust.

A Texas ABLE account can be used in conjunction with or as an alternative to a Special Needs Trust or other type of trust. Please consult your financial planner or trust attorney for more information.

You can roll over a 529 college savings account to a Texas ABLE account.

Federal regulations for ABLE accounts allow tax-free rollovers from 529 college savings accounts to an ABLE account. Keep in mind that 529 rollovers count as a contribution and cannot exceed the annual contribution limit of \$15,000.

To complete a rollover, the ABLE account beneficiary and the 529 account beneficiary must be either: (1) the same person, or (2) family members who meet the eligibility requirements, as defined in [Section 529](#) of the Internal Revenue Code.

Start Saving Today!

Open an account at www.TexasABLE.org

Enrollment is quick and easy. It's all online.

Ready To Learn More?

If you have questions, please see our online Frequently Asked Questions or contact us.

www.TexasABLE.org

844-4TX-ABLE (844-489-2253)

customerservice@TexasABLE.org



Total asset-based fees for the most recent quarter are available on our website, please visit www.TexasABLE.org/expenses. Additionally, all program fees are contained in the Program Disclosure Statement.

The Texas ABLE® Program is established and maintained by the Texas Prepaid Higher Education Tuition Board and distributed by Northern Lights Distributors, LLC (“NLD”), member FINRA, SIPC. Orion Advisor Solutions, Inc. (“Orion”) is the program manager and administrative services are provided by Gemini Fund Services, LLC (“Gemini”). NLD and Gemini are not affiliated with Orion.

The account, the principal invested, and any investment return are not guaranteed, insured, or treated as a deposit or other obligation by the state of Texas, the Texas Prepaid Higher Education Tuition Board, any other state or federal governmental agency, or Orion, NLD, or Gemini, or their respective affiliates. An account might not make money and could lose money (including the principal invested) if money is invested in the Program. Accounts in the Program have not been registered with or approved by the U.S. Securities and Exchange Commission or with any state.

Other than the Bank Savings Account Option, accounts are not insured or guaranteed by the FDIC.

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 or calling 844-4TX-ABLE (844-489-2253). Investors should read the Program Disclosure Statement and Participation Agreement carefully before investing.

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