

*Please file this Supplement to the ABLE for ALL Savings Plan Program Disclosure Booklet with your records*

**SUPPLEMENT DATED  
JANUARY 2024  
TO THE ABLE FOR ALL SAVINGS PLAN  
PROGRAM DISCLOSURE BOOKLET  
DATED JULY 2023**

The information in this supplement amends and, to the extent it is different, supersedes information contained in the ABLE for ALL Savings Plan Program Disclosure Booklet dated July 2023. Please review this information carefully and keep it with your current copy of the Program Disclosure Booklet. Capitalized terms used without definition in this Supplement have the meanings set forth in the Program Disclosure Booklet.

**Annual Contribution Limit**

Effective January 1, 2024, ABLE's Standard Contribution Limit is \$18,000 per year.

As a result, all references to the previous Annual Contribution Limit throughout this Program Disclosure Booklet are replaced with the new limit of \$18,000.

**ABLE to Work Limit**

Effective January 1, 2024, the ABLE to Work limit is \$14,580 for the 48 contiguous States and District of Columbia; \$16,770 for Hawaii and \$18,210 for Alaska.

As a result, all references to the previous ABLE to Work limit throughout this Program Disclosure Booklet are replaced with these new limits.

**Gifting via Debit Card**

The ability to gift to an ABLE account via debit card will no longer be available.

As a result, all references to gifting via a debit card throughout this Program Disclosure Booklet should be disregarded.



Administrative:

The Oregon 529 Savings Board

July 1, 2023

# Plan Disclosure Booklet

Amounts invested under the ABLE for ALL Savings Plan are not guaranteed or insured by the State of Oregon, the Oregon Treasury Savings Network, the Oregon 529 Savings Board or any other state agency or subdivision of the State of Oregon. You could lose money by investing in an ABLE Account. The Cash Option offers FDIC insurance up to \$250,000, subject to certain restrictions.

The securities described in this Plan Disclosure Booklet are not registered with or in any way approved by the Securities and Exchange Commission or by any state securities commission.

Depending upon the laws of the home state of the contributor or Beneficiary (as defined in this Plan Disclosure Booklet), favorable state tax treatment or other benefits offered by such home state for investing in qualified ABLE programs may be available only if the contributor or Beneficiary invests in the home state's qualified ABLE program (if the home state has a qualified ABLE program).

Any state-based benefit offered with respect to a particular qualified ABLE program should be one of many appropriately weighted factors to be considered in making an investment decision.

The contributor or Beneficiary should consult with his or her financial, tax or other adviser to learn more about how state-based benefits (including any limitations) would apply to the contributors or Beneficiary's specific circumstances and also may wish to contact his or her home state or any other qualified ABLE program to learn more about the features, benefits and limitations of that state's qualified ABLE program.

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## Plan Disclosure Booklet

Before you open an account in the ABLE for ALL Savings Plan (the “Plan”) and before you make any investments in the Plan, you should carefully read and understand this Plan Disclosure Booklet. It includes important information about the Plan, including, among other information, eligibility for opening an ABLE Account, the risks of investing in the Plan, certain limitations and restrictions that will apply to your use of the money in the Plan, the tax treatment of contributions, earnings, and distributions from an ABLE Account, and the fees you will pay for having an ABLE Account in the Plan.

The information in this Plan Disclosure Booklet has been provided by the Oregon 529 Savings Board (the “Board”) and other sources believed to be reliable. Vestwell (the “Plan Manager”) has provided only the information about the Plan Manager and its affiliates included in this Plan Disclosure Booklet, and is not responsible for, and does not guarantee, the accuracy or completeness of any other information in this Plan Disclosure Booklet. Based on the Plan Manager’s limited role herein, any recourse under the Plan, this Plan Disclosure Booklet or the Participation Agreement is limited to the Board. The information in this Plan Disclosure Booklet is believed to be accurate as of the date of this Plan Disclosure Booklet but is subject to change in the future, and this Plan Disclosure Booklet speaks only as of its date. No one is authorized to provide information that is different from the information in this Plan Disclosure Booklet and any Supplements to this Plan Disclosure Booklet that may be issued in the future.

No broker, dealer, salesperson, or any other person has been authorized by the Board, the Oregon Treasury Savings Network (the “Network”), the Plan Manager, Sellwood Consulting, LLC (the “Investment Advisor”) or the Plan to give any information or to make any representations other than those contained in this Plan Disclosure Booklet and, if given or made, such other information or representations must not be relied upon as having been authorized by the Board, the Network, the Plan Manager, the Investment Advisor or the Plan.

## **Tax Consequences and Impact on Means-Tested Benefits**

The Plan has been developed pursuant to Section 529A of the Internal Revenue Code of 1986, as amended ("Section 529A"). ABLE Accounts established under the Plan are intended to be used for the qualified disability expenses of a particular eligible Beneficiary. ABLE Accounts are not intended to be used for, nor should they be used by, any taxpayer for the purpose of evading federal or state income taxes or any tax penalties. This Plan Disclosure Booklet does not address the potential effects on Beneficiaries of the tax laws or laws relating to state benefits of any state other than Oregon. You should consult a qualified tax advisor about how federal tax laws, Oregon state tax laws, or the tax laws of your state of residence apply to your circumstances. You should consult a qualified special needs planner about how federal laws relating to means-tested benefits, Oregon state laws relating to means-tested benefits, or the laws of your state of residence apply to your circumstances. Federal and state laws or regulations are subject to change and could affect the tax treatment of your ABLE Account and how the balances and withdrawals from your ABLE Account are treated for purposes of your eligibility for federal or state means-tested benefits.

NONE OF THE BOARD, THE NETWORK, OR THE PLAN, OR ANY OF THEIR AGENTS OR CONTRACTORS, MAKE ANY REPRESENTATION ABOUT THE SUITABILITY OF THE INVESTMENT OPTIONS DESCRIBED IN THIS PLAN DISCLOSURE BOOKLET FOR ANY PARTICULAR BENEFICIARY. OTHER TYPES OF INVESTMENTS OR OTHER SAVINGS OPTIONS MAY BE MORE APPROPRIATE FOR A BENEFICIARY DEPENDING UPON HIS OR HER PERSONAL CIRCUMSTANCES. EVERY BENEFICIARY AND HIS OR HER AUTHORIZED REPRESENTATIVE SHOULD CONSULT HIS OR HER OWN TAX OR FINANCIAL ADVISOR OR SPECIAL NEEDS PLANNER FOR MORE INFORMATION.

## Introduction to the Plan

### The ABLE Act

The Stephen Beck, Jr., Achieving a Better Life Experience Act of 2014 (the “ABLE Act”) provides certain individuals with disabilities a means to save for disability-related expenses. Added to the Internal Revenue Code of 1986, as amended (“the Code”), Section 529A allows a state to create a qualified ABLE Program. An individual with a qualifying disability can then open a tax-advantaged account within the ABLE program allowing them to save for qualified disability expenses without jeopardizing federal or state means-tested benefits while enjoying tax-free earnings.

### The Plan

The Plan is established pursuant to the ABLE Act and sections 178.300 to 178.380 of the Oregon Revised Statutes, as amended (the “Oregon Act”). The Plan is designed to be a “qualified ABLE program,” which status permits a Beneficiary of an ABLE Account established under the Plan to make tax-free withdrawals to pay for Qualified Disability Expenses under certain circumstances.

*See “Tax Considerations” below.*

Such status also permits amounts in an ABLE Account up to \$100,000 to be disregarded for purposes of determining the Beneficiary’s eligibility to receive benefits under the federal Supplemental Security Income program (“SSI”), and all amounts in an ABLE Account to be disregarded in determining the Beneficiary’s eligibility to receive benefits under any other federal means-tested program. An ABLE Account may be used for the long-term benefit and/or short term needs of the Beneficiary. Savings in the Plan are designed to be in addition to benefits otherwise available to the Beneficiary of an ABLE Account, whether through private sources, employment, public programs or otherwise.

The Hawai’i State Legislature enacted chapter 256B, Hawai’i Revised Statutes, to allow for the establishment of the Hawai’i ABLE Savings Program. Chapter 256B allowed Hawai’i to partner with another state’s ABLE plan. After comprehensive research, an official Request for Proposal (RFP) and successful contract negotiations Hawai’i selected Oregon’s ABLE for ALL Savings Plan for which to partner.

### Beneficiary under the Plan

Subject to the terms and conditions in this Plan Disclosure Booklet, the Participation Agreement, and the enrollment process, a person is entitled to open an ABLE Account in the Plan if the person is an eligible individual under Section 529A of the Code. An individual is eligible for a taxable year if,

during that year, either the individual is entitled to benefits based on blindness or disability under Title II or XVI of the Social Security Act, or a disability certification meeting specified requirements is deemed filed with the Secretary of the United States Treasury. In all cases, the blindness or disability must have occurred before the date on which the individual attained age 26. A person who meets all these requirements is known as an “Eligible Individual.”

### Authorized Legal Representative

If the Beneficiary is not able to exercise signature authority over their ABLE Account or chooses to establish an ABLE Account but not exercise signature authority, an Authorized Legal Representative may act on the Beneficiary’s behalf with respect to the account. If an Authorized Legal Representative establishes an ABLE Account, the Authorized Legal Representative must self-attest/certify to the basis for acting as the Authorized Legal Representative and must also certify that there is no person with a higher priority. The priority for opening an account as an ALR is as follows in this order: an individual selected by the eligible beneficiary with legal capacity, an individual’s agent under a power of attorney, a conservator or legal guardian, a spouse, parent, sibling or grandparent, or a Social Security Administration representative payee (individual or organization). A person may self-attest/certify that they are authorized to open the ABLE account and there is no other person higher in order willing to establish the account. According to Internal Revenue Service (“IRS”) guidance, the Authorized Legal Representative may neither have, nor acquire, any beneficial interest in the ABLE Account during the Beneficiary’s lifetime and must administer the ABLE Account for the benefit of the Beneficiary. Whenever an action is required to be taken by a Beneficiary in connection with an ABLE Account with an Authorized Legal Representative, it must be taken by the Beneficiary’s Authorized Legal Representative acting in that capacity.

If the Beneficiary is not able to exercise signature authority over his or her ABLE Account or chooses to establish an ABLE Account but not exercise signature authority, an Authorized Legal Representative may act on the Beneficiary’s behalf with respect to the account. Subject to any further guidance by the Internal Revenue Service (“IRS”), the Authorized Legal Representative may be a person granted a Power of Attorney to act as the Beneficiary’s agent in establishing the ABLE Account and making investment decisions for the Beneficiary (“Power of Attorney”), or, if there is no person with a Power of Attorney, a parent or legal guardian of the Beneficiary.

### The Network, the Board and the Trust

The Network was created by the Oregon Act. The Network is designed to help people save for the costs of higher education and for disability-related expenses. The Plan is administered as part of the Network by the Board, as trustee of the Oregon 529 Savings Network Trust (the “Trust”). The Board

consists of the State Treasurer of Oregon or a designee, and four other members appointed by the State Treasurer. All assets of the Plan are held in the Trust. In addition to the Plan, the Network also includes, and the Board also administers, two college savings plans, the assets of which are held in a separate trust. This Disclosure Booklet is about the Plan only.

*For additional information, see "Oversight of the Plan" below.*

## Plan Governance

Federal law, the Oregon Act, applicable federal and state regulations, this Plan Disclosure Booklet and the Participation Agreement govern the terms of your ABLE Account. Any amendments to applicable federal or state law or regulations, the Plan Disclosure Booklet, or the Participation Agreement will amend the terms of your ABLE Account when such amendments become effective.

## Plan Manager

The Plan Manager is Vestwell, an indirect, wholly owned subsidiary of Vestwell Holdings, Inc. Vestwell provides administrative and record-keeping services to the Plan under the direction of the Board. Vestwell and the Board have entered into a contract (the "Management Agreement") under which Vestwell and its subcontractors, including its affiliated companies, The Bank of New York Mellon and BNY Investment Management Services LLC., provide services to the Plan.

## Investment Advisor

Sellwood Consulting, LLC is the investment advisor (the "Investment Advisor") for the Plan. Sellwood Consulting, LLC is a registered investment adviser under the Investment Advisers Act. The Investment Advisor will provide investment management advisory and related services to the Board for the Plan, which shall include recommending the underlying investments for each of the Plan's Portfolio Options and monitoring of the Portfolio Options in accordance with an Investment Policy Statement approved by the Board.

## Please Read this Plan Disclosure Booklet

Before you open an ABLE Account and before you make any contributions to the Plan, you should carefully read and understand this Plan Disclosure Booklet, and the Participation Agreement. These documents include important information about the Plan, including, among other information, the risks of investing in the Plan, certain limitations and restrictions that will apply to your use of the money in the Plan, tax treatment of contributions, earnings, and distributions, and the fees you will pay for having and ABLE account.

## Portfolio Options

The Plan includes several Portfolio Options, including one designed for savings (the “Cash Option”) and three designed for investment (the “Investment Options.”) When you open an ABLE Account, you select the Portfolio Option(s) to which contributions to your ABLE Account are allocated. You may direct that 100% of the contributions to your ABLE Account be placed in the Cash Option and/or in any of the Investment Options,

### Cash Option

The Cash Option is designed to protect the principal contributed to your ABLE Account. The Cash Option deposits 100% of its funds into an FDIC-insured account with The Bank of New York Mellon (the “Bank”).

*See “FDIC Insurance” below.*

### The Investment Options

There are three different Investment Options. Details of each Investment Option is available in the Portfolio Options Section.

#### **ABLE Conservative Investment Option**

The ABLE Conservative Investment Option seeks to provide current income and some growth by investing in a portfolio of mutual funds intended to produce an overall investment exposure of approximately 20% stocks and 80% bonds. Overall, there’s a small amount of risk and limited appreciation potential, designed for a shorter investment period.

#### **ABLE Moderate Investment Option**

The ABLE Moderate Investment Option seeks to provide a combination of growth and current income by investing in a portfolio of mutual funds intended to produce an overall investment exposure of approximately 50% stocks and 50% bonds. Overall, there’s a medium level of risk for a pursuit of investment return, designed for a medium or uncertain time horizon.

#### **ABLE Aggressive Investment Option**

The ABLE Aggressive Investment Option seeks to provide the potential to grow by investing in a portfolio of mutual funds intended to produce an overall investment exposure of approximately 80% stocks and 20% bonds. Overall, there’s a higher level of risk and potential for return (or loss), designed for a longer investment period (10 years or more).

## Key Features of the Plan

This section provides summary information about certain key features of the Plan, but it is important that you read the entire Plan Disclosure Booklet for more detailed information about the Plan. Any other materials or online information you may have received about the Plan are not intended to serve as a substitute for the more complete description of the Plan provided in this Plan Disclosure Booklet.

### State Sponsor, Administrator and Trustee

The Oregon 529 Savings Board.

### Oregon 529 Savings Network Trust

The trust created by the Board to hold the Plan's assets, which is the issuer of the interests offered under this Plan Disclosure Booklet.

### Plan Manager

The Plan Manager of the Plan, currently Vestwell.

### Investment Advisor

The Investment Advisor for the Plan, currently Sellwood Consulting, LLC.

### Custodian

The custodian for the Plan's assets, currently The Bank of New York Mellon.

### Beneficiary or Eligible Individual

An "eligible individual" under Section 529A. An individual is an Eligible Individual for a taxable year if, during that year, either the individual is entitled to benefits based on blindness or disability under Title II (Social Security Disability Insurance) or Title XVI (Supplemental Security Income) of the Social Security Act, or a disability certification meeting specified requirements is deemed filed with the Secretary. In all cases, the blindness or disability must have occurred before the date on which the individual attained age 26.



## National Program

Oregon's National Program, the ABLE for ALL Savings Plan, is available without regard to the Beneficiary's state of residence. The Hawai'i ABLE Savings Program is a participant in the National Program. The Board also sponsors the Oregon ABLE Savings Plan, participation in which requires that the Beneficiary be a resident of Oregon.

## Minimum Initial Contribution

\$25 per ABLE Account

## Minimum Subsequent Contributions

\$5 per ABLE Account

## Annual Contribution Limit

The Annual Contribution Limit is \$17,000 per year per ABLE account in 2023. Contributions over the Annual Contribution Limit (with the exception of ABLE to Work Contributions, described below) will not be accepted and will be returned to the contributor, if possible. The limit may increase from time to time. You will be notified of any increase.

## ABLE to Work

In addition to the Annual Contribution Limit (i.e. \$17,000 for 2023), a working Beneficiary is allowed to contribute an additional amount up to the lesser of: (i) the Beneficiary's compensation for the taxable year; or (ii) an amount equal to the Federal Poverty Level for a one-person household as determined for the preceding calendar year of the tax year in which contributions are made ( \$13,590 for 2023 and \$15,630 for account owners who reside in the State of Hawai'i).

If the beneficiary or their employer is contributing to a defined contribution plan (401K), annuity plan (403(b)), or deferred compensation plan (457(b)) this calendar year, the beneficiary is not eligible to make ABLE to Work contributions.

## Lifetime Account Limit

No new contributions may be made to any ABLE Account if the proposed contribution will be made at a time that the ABLE Account balance is, or causes the ABLE Account balance to be, equal to or greater than \$400,000, the current Lifetime Account Limit. ABLE Accounts that have reached the Lifetime Account Limit may continue to accrue earnings. This limit may increase from time to time. You will be notified of any increase in the Lifetime Account Limit.

### SSI Account Balance Exclusion Limit

Balances in the ABLE Account of \$100,000 or less are disregarded for purposes of determinations of the Beneficiary's eligibility for benefits under the SSI program. The portion of any ABLE Account balance that exceeds \$100,000 is taken into account for purposes of determinations of the Beneficiary's eligibility for SSI benefits.

### Qualified Withdrawals

Qualified Withdrawals are withdrawals you take to pay for Qualified Disability Expenses.

### Non-Qualified Withdrawals

Non-Qualified Withdrawals are withdrawals used for any expense that is not a Qualified Disability Expense. The earnings portion of Non-Qualified Withdrawals will be subject to income tax, and the additional 10% Tax on earnings, unless an exception applies.

### Rollover

There are two types of Rollovers:

1. ABLE to ABLE Rollover: A tax-free Rollover of funds into an ABLE account or from another qualified ABLE plan may be made as described herein if the Beneficiary of the recipient account is the same Beneficiary or a Sibling of the Beneficiary — as defined by this ABLE Plan — who is an Eligible Individual.
2. College 529 Account to ABLE Rollover: A tax-free Rollover of funds into an ABLE account from a qualified College 529 plan may be made as described herein if the Beneficiary of the recipient account is the same Beneficiary or a Sibling of the Beneficiary — as defined by the College 529 Plan — who is an Eligible Individual.

It is important to note that College to ABLE rollovers are treated by the plan as contributions for the purpose of calculating the Annual Contribution Limit. Therefore the maximum College to ABLE rollover amount is \$17,000 in 2023) LESS the Standard Contributions made to the ABLE account for the current tax year excluding ABLE to Work contributions.

## Portfolio Options

The Plan allows contributions to your ABLE Account to be invested in a Cash Option and/or in one of three different Investment Options.

### Cash Option

The Cash Option is designed as a savings vehicle that is intended to protect your principal investment. The Cash Option deposits 100% of its funds into an FDIC-insured account with The Bank of New York Mellon.

### Investment Options

The Plan offers three different Investment Options with different investment strategies and different degrees of investment risk and potential reward.

## Transfers among Portfolio Options

You may change the Portfolio Option(s) used in your ABLE Account twice per calendar year. However, at any time your ABLE Account can be invested in the Cash Option and/or any of the Investment Options.

## Federal Tax Treatment

There is no federal income tax on Qualified Withdrawals. For federal gift and estate tax purposes, contributions from third parties are generally considered completed gifts to the Beneficiary.

Contributions to an ABLE account may also be eligible for the Saver's Credit under Section 25B(d)(1) of the IRS Code. Contributions are subject to the annual federal gift tax exclusion.

## State Tax Benefits

The availability of favorable state tax treatment, if any, for contributions to or earnings on an ABLE Account depends on the tax laws of the state in which the contributor or Beneficiary, as applicable, resides or otherwise pays taxes. You should consult a qualified tax advisor about how the laws of your state of residence or in which you otherwise pay taxes apply to your circumstances.

All Oregon taxpayers are eligible to receive a state income tax credit up to \$340 for joint filers and up to \$170 for single filers on contributions made to an Oregon ABLE Savings Plan account.

## Current Fees and Expenses

The annual Account Maintenance Fee is \$35. An annual asset-based fee of 0.30% will be assessed against each Portfolio Option, subject to certain limitations in the case of the Cash Option. In addition, the Net Asset Value of the Investment Options reflects fees paid to the underlying mutual funds.

There are additional fees for certain types of activity-based transactions. For example, if you choose to make a Rollover out of the Plan or if you choose to receive paper statements, an additional fee will be assessed to your ABLE Account.

## Performance

As it becomes available, current performance information will be posted on the Plan's website at <https://ableforall.com/>. Past performance is not necessarily indicative of future results. Your investment results may be better or worse than the performance shown.

## Risks of Investing in the Plan

ABLE Accounts are not guaranteed or insured by the State of Oregon, the Board or the Network or any of their authorized agents or contractors. The Cash Option offers FDIC insurance up to \$250,000, subject to certain restrictions and individual limits. With respect to the Investment Options, the value of your ABLE Account may decrease. You could lose money, including the principal you invest. Non-Qualified Withdrawals from the Plan may adversely affect a Beneficiary's eligibility for federal means-tested benefits such as SSI and Medicaid. ABLE Account balances in excess of \$100,000 may adversely affect a Beneficiary's eligibility for SSI benefits. If you are no longer considered to be an Eligible Individual, expenses incurred at a time when you are not an Eligible Individual will not be considered Qualified Disability Expenses. Federal or state tax law changes or changes in federal or state law regarding treatment of ABLE account balances and distributions for purposes of eligibility for benefits could negatively affect participation in the Plan.

## Certain Additional Risks of Investing in the Plan

Certain changes may be made to the Plan that could make it less favorable to investors, including an increase in existing fees and expenses and/or the addition of new fees and expenses. The Board may change the Plan Manager, the Investment Advisor and the Investment Options.

## Electronic Delivery

You have the option of receiving all your Plan documents electronically. Electronic delivery will eliminate the \$10 additional annual fee for printing and mailing paper documents.

## ABLE Visa® Prepaid Card

ABLE Visa Prepaid Card will be issued by Sunrise Bank (“Issuing Bank”) in accordance with the terms of the Cardholder Agreement established by the Issuing Bank. The ABLE Visa Prepaid Card program will be managed by True Link Financial. Beneficiaries can request a Visa Card at the ABLE Visa Prepaid Card program’s website managed by True Link Financial. If your ABLE Visa Prepaid Card Account has a zero or negative balance, and has had negative balance for 4+ consecutive months, True Link may automatically close your card without advance notice.

## Gifting

Gifts may be made by third parties via two channels:

1. Paper Form

Download and complete a paper gifting form, attach a check for the gift amount and mail to the Plan Manager. The form can be found at: <https://ableforall.com/forms>. There is no fee for gifts made using a paper form.

2. E-Gift

Online gifting can be performed if the Authorized Legal Representative or the Beneficiary creates an online gifting page for the account. Third parties can then contribute via the E-Gifting link. Fees may be assessed for E-Gifting

## Important Definitions

This Plan Disclosure Booklet is intended to be as clear and understandable as possible. However, certain words and terms used throughout this Plan Disclosure Booklet do carry special meanings. This glossary of certain terms is included here for your easy reference. Refer to the text throughout the Plan Disclosure Booklet for a more complete discussion of these terms.

### ABLE Account

An account in the Plan opened to receive contributions and to provide funds for Qualified Disability Expenses.

### Additional 10% Tax

A 10% additional federal tax imposed on the earnings portion of certain Non-Qualified Withdrawals.

### Authorized Legal Representative

If the Beneficiary is not able to exercise signature authority over their ABLE Account or chooses to establish an ABLE Account but not exercise signature authority, an Authorized Legal Representative may act on the Beneficiary's behalf with respect to the account. If an Authorized Legal Representative establishes an ABLE Account, the Authorized Legal Representative must self-attest/certify to the basis for acting as the Authorized Legal Representative and must also certify that there is no person with a higher priority. The priority for opening an account as an ALR is as follows in this order: An individual selected by the eligible beneficiary with legal capacity, an individual's agent under a power of attorney, a conservator or legal guardian, a spouse, parent, sibling or grandparent, or a Social Security Administration representative payee (individual or organization). A person may self-attest/certify that they are authorized to open the ABLE account and there is no other person higher in order willing to establish the account. According to Internal Revenue Service ("IRS") guidance, the Authorized Legal Representative may neither have, nor acquire, any beneficial interest in the ABLE Account during the Beneficiary's lifetime and must administer the ABLE Account for the benefit of the Beneficiary. Whenever an action is required to be taken by a Beneficiary in connection with a ABLE Account with an Authorized Legal Representative, it must be taken by the Beneficiary's Authorized Legal Representative acting in that capacity.

### Bank

The Bank of New York Mellon.

## Beneficiary or You

You, the Beneficiary of the ABLE Account, are the owner of the account. In order to be a Beneficiary, you must be an Eligible Individual.

## Cash Option

The Portfolio Option designed for the savings portion of amounts contributed to an ABLE Account. Amounts contributed to the Cash Option are deposited by the Trust in a bank account with the Bank.

## Code

The Internal Revenue Code of 1986, as amended.

## Eligible Individual

An individual is an Eligible Individual for a taxable year if, during that year, either (1) the individual is entitled to benefits based on blindness or disability under Title II (SSDI) or XVI (SSI) of the Social Security Act, or (2) a disability certification meeting specified requirements is deemed filed with the Secretary. In all cases, the blindness or disability must have occurred before the date on which the individual attained age 26.

## Good Order

Good Order means we have received your contribution and you have filled out all the correct information necessary to enroll in the Plan or to instruct the Plan to take an action on your behalf, such as to make a contribution or a withdrawal.

## Investment Options

The three Portfolio Options designed for investment purposes. The Investment Options include the ABLE Conservative Investment Option, the ABLE Moderate Investment Option and the ABLE Aggressive Investment Option.

## Management Agreement

The Management Agreement between the Board and the Plan Manager.

## Mutual Fund/Funds

The mutual funds serving as underlying investments for the Investment Options.

## Network

The Oregon Treasury Savings Network.

### Non-Qualified Withdrawal

Any withdrawal from your ABLE Account not used to pay your Qualified Disability Expenses. Note that expenses will not be Qualified Disability Expenses if they are incurred at a time when a Beneficiary is not an Eligible Individual.

### Oregon Act

Sections 178.300 to 178.380 of the Oregon Revised Statutes, as amended.

### Participation Agreement

The agreement between you and the Board, <https://ableforall.com/participation-agreement> that governs your use of the Plan and is enforceable by the Board.

### Plan

The Oregon ABLE Savings Plan.

### Plan Manager

Vestwell, or any successor thereto.

### Portfolio Options

The choices you have within the Plan for the saving or investment of contributions to your ABLE Account. The Portfolio Options include the Cash Option and the Investment Options.

### Proposed Tax Regulations

Proposed U.S. Treasury Department IRS Rulemaking on Section 529A Qualified ABLE Programs.

### Qualified Disability Expenses

Any expenses that (1) are incurred at a time when the Beneficiary is an Eligible Individual, (2) relate to the blindness or disability of the Beneficiary, and (3) are for the benefit of the Beneficiary in maintaining or improving his or her health, independence, or quality of life. Such expenses include, but are not limited to, expenses related to the Beneficiary's education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, funeral and burial expenses, and other expenses that may be identified from time to time by the IRS.



Under current IRS guidance, Qualified Disability Expenses includes basic living expenses and are not limited to expenses for items for which there is a medical necessity or which provide no benefits to others in addition to the benefit to the Beneficiary.

For federal income tax purposes, a Qualified Disability Expense paid on or before the 60<sup>th</sup> day immediately following calendar year end, may be treated as having been paid during the prior calendar year. Any such Qualified Disability Expenses that the Beneficiary elects to have treated as having been paid during the prior year will be excluded as Qualified Disability Expenses for federal income tax purposes for the year in which they were actually paid.

### Qualified Withdrawal

Any withdrawal used to pay for Qualified Disability Expenses.

### Secretary

The United States Secretary of the Treasury.

### Siblings of the Beneficiary

A sibling of the Beneficiary, whether by blood or by adoption. A Sibling of the Beneficiary includes a brother, sister, stepbrother, stepsister, half-brother, and half-sister.

### SSI

The Supplemental Security Income program under Title XVI of the Social Security Act.

### SSDI

The Social Security Disability Insurance program under Title II of the Social Security Act.

### Standard Contribution

Any contribution that is not identified as an ABLE to Work Contribution. Standard Contributions are counted against the Annual Contribution Limit.

### Vestwell

Vestwell Holdings, Inc.

### Unit

Units of participation in a Portfolio Option that are credited to your ABLE Account upon a contribution or deducted from your ABLE Account upon a withdrawal.

## Getting Started

This section discusses who is eligible to open an ABLE Account in the Plan and how to do it. The Plan is designed to be established and maintained online in order to maximize efficiency and customer service.

### Eligibility to Open an ABLE Account

In order to open an ABLE Account, the Beneficiary must be an Eligible Individual under Section 529A of the Code. An individual is an Eligible Individual for a taxable year if, during that year, either the individual:

- Is entitled to Social Security Disability Insurance (“SSDI”); or
- Is entitled to Supplemental Security Income (“SSI”) benefits based on blindness or disability under Title II or XVI of the Social Security Act (“Social Security Act Eligibility”); or
- Has a disability certification meeting specified requirements that is made under penalties of perjury (“Diagnosis-Based Eligibility”).

In all cases, the blindness or disability must have occurred before the date on which the individual attained age 26.

### One Account Rule

No Beneficiary may have more than one ABLE account in existence at the same time (the “One Account Rule”). A prior ABLE account that has been closed does not prohibit the subsequent creation of another ABLE account for the same Beneficiary. As part of the enrollment process, the person establishing the ABLE account will be required to certify under penalties of perjury that he or she neither knows nor has reason to know that the eligible individual already has an existing ABLE account (other than an ABLE account that will terminate with the rollover or program-to-program transfer of its assets into the new ABLE account. If a Beneficiary has more than one ABLE account open at the same time (other than in the case of a 60-day transition period for Rollovers), the later-opened account(s) will not be treated as an ABLE account under Section 529A and will not be eligible for the benefits of ABLE accounts. For example, monies contributed to a second or subsequent ABLE account will not be disregarded for determining eligibility under federal means-tested programs, such as SSI, and could result in the imposition of federal taxes and penalties.

*See “Tax Considerations” below for more information.*

## Social Security Act Eligibility Certification Requirements

If an individual seeks to open an ABLE Account based on Social Security Act Eligibility, the Proposed Tax Regulations provide that the qualified ABLE Plan may determine the evidence required to establish the individual's eligibility. The Plan currently requires that an individual who claims Social Security Act Eligibility must certify under penalties of perjury that he or she is entitled in the then current year to receive SSI or SSDI benefits, as applicable.

*For more information about benefits based on blindness or disability under Title II or XVI of the Social Security Act, please see <http://www.ssa.gov/disability/professionals/bluebook/general-info.htm> or contact your local Social Security Field Office.*

## Diagnosis-Based Eligibility Certification Requirements

If an individual asserts Diagnosis-Based Eligibility to open an ABLE Account, the Plan, based on the Proposed Tax Regulations and guidance from the U.S. Treasury Department, currently requires that the individual certify under penalties of perjury that: (1) he or she has a medically determinable physical or mental impairment which results in marked or severe functional limitations (within the meaning of the Social Security Act) and which (i) can be expected to result in death or (ii) has lasted or can be expected to last for a continuous period of not less than 12 months; or (2) he or she is blind (within the meaning of the Social Security Act).

The individual must also certify that the disability or blindness occurred before the individual attained age 26.

The Plan further requires that the individual certify under penalties of perjury that he or she has received a written diagnosis relating to the disability from a "licensed physician" (as defined in Section 1861(r) of the Social Security Act, 42 U.S.C. 1395x(r)). The individual must also agree to retain and provide a copy of the physician's written diagnosis and related information to the Plan upon request. If the Beneficiary fails to provide the requested information within 30 days of any request, the Plan reserves the right to reject further contributions to the Plan Account until the requested information is provided.

## Eligibility Requirements are Subject to Federal Law and May Change

Eligibility requirements are based on a good faith interpretation of federal law and regulations and are subject to change at any time. None of the Plan, the Plan Manager, the Investment Advisor, the Custodian, or their authorized agents or representatives will have any responsibility or liability for an individual's failure (or their Authorized Legal Representative's failure) to establish eligibility to open an ABLE Account or maintain eligibility to continue to make contributions to or withdrawals for Qualified Disability Expenses from an ABLE Account.

## Opening Your ABLE Account

To open an ABLE Account, you must first complete and submit an application (the "Application"). The Application and this Plan Disclosure Booklet govern the terms of your ABLE Account. The Application requires you to provide the Plan with certain information, including your eligibility to open an ABLE Account, the Portfolio Option(s) you would like to invest contributions in, your name, address, date of birth, Social Security Number, and other information that will allow the Plan to identify you. Until you provide the information needed, the Plan will not be able to open your ABLE Account or allow you to contribute to the Plan.

You may complete and submit the Application online on the Plan's website. The Plan reserves the right to charge a fee for paper applications.

*See "Cost of Your Account" for a summary of fees and expenses charged in connection with your ABLE Account.*

## Choosing Portfolio Options

The Board has established multiple Portfolio Options for the Plan. To complete your Application, you must select the Portfolio Option(s) to which your contributions will be allocated. You may select the Cash Option and/or a combination of the Investment Options.

*See "Portfolio Options" for summaries of the Cash Option and Investment Options offered under the Plan.*

- After you have completed an Application, you may change your Portfolio Option election(s) used in your ABLE Account twice per calendar year. However, at any time your ABLE Account can be invested in the Cash Option and/or any of the three Investment Option.

*See "Transfers among Portfolio Options" under "Using Your Account" for more information.*

*If you choose to change your Portfolio Option selections or change your allocations, you may do so online. If you choose to stop or change your automatic contribution plan, you may do so online.*

## Federal Income Tax Benefits

Investment earnings on your contributions accumulate on a tax-deferred basis while in an ABLE Account. Qualified Withdrawals are exempt from federal income tax if they are used to pay for the Beneficiary's Qualified Disability Expenses. Qualified Disability Expenses are any expenses that (1) are incurred at a time when the Beneficiary is an Eligible Individual, (2) relate to the blindness or disability of the Beneficiary, and (3) are for the benefit of the Beneficiary in maintaining or improving his or her health, independence, or quality of life. Such expenses include, but are not limited to, expenses related to the Beneficiary's education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, funeral and burial expenses, and other expenses that may be identified from time to time by the IRS.

Under current IRS guidance, Qualified Disability Expenses includes basic living expenses and are not limited to expenses for items for which there is a medical necessity or which provide no benefits to others in addition to the benefit to the Beneficiary. For example, expenses for common items such as smart phones could be considered Qualified Disability Expenses if they are an effective and safe communication or navigation aid for a child with autism.

The Plan Disclosure Booklet does not address the potential effects on Beneficiaries of the tax laws of any state other than Oregon. You should consult a qualified tax advisor about how federal tax laws, Oregon state tax laws, or the laws of your state of residence apply to your circumstances.

## Changes in Eligibility

A Beneficiary has an obligation to promptly notify the Plan of any change in his or her status as an Eligible Individual. There may be circumstances in which a Beneficiary ceases to be an Eligible Individual but then later regains his or her status as an Eligible Individual. An example would be if a disease that causes a disability goes into remission but later reemerges. Therefore, if at any time a Beneficiary no longer meets the definition of an Eligible Individual, his or her account will remain an ABLE Account to which all of the provisions of Section 529A continue to apply. However, under the Proposed Tax Regulations, beginning on the first day of the taxable year following the taxable year in which the Beneficiary ceased to be an Eligible Individual, no additional contribution to the ABLE Account may be accepted by the Plan. If the Beneficiary subsequently becomes an Eligible Individual again, then additional contributions may be accepted subject to the Annual Contribution Limit and the Lifetime Account Limit. For example, if the Beneficiary is no longer an Eligible Individual as of September 10 of a year, beginning on January 1 of the following year, no additional

contributions to the ABLE Account will be accepted. However, if on June 3 of that same year the Beneficiary regains his or her eligibility and provides the required certifications to the Plan, additional contributions will be accepted. Please note that expenses will not be Qualified Disability Expenses if they are incurred at a time when the Beneficiary is not an Eligible Individual.

## Contributing to your ABLE Account

### Who Can Contribute

Any individual (including your friends and family), corporation, trust, or other legal entity may make a contribution to your ABLE Account. However, any contribution to an ABLE account may have gift or other tax consequences to the contributor. The Beneficiary is the owner of the ABLE Account.

Contributions by third parties (i.e., anyone other than the Beneficiary) will become the property of the Beneficiary.

### Minimum Contributions

The minimum initial contribution amount is \$25 per ABLE Account. The minimum subsequent contribution amount is \$5 per ABLE Account.

### How You Can Contribute to Your ABLE Account

Your ability to contribute to your ABLE Account is limited to the following methods: (1) by check (excluding starter and cashier's checks); (2) through an automatic contribution plan; (3) by electronic funds transfer ("EFT") from a linked bank account; (4) by payroll direct deposit (if your employer provides for payroll direct deposit and agrees to submit contributions on your behalf); (5) by direct deposit of Social Security or SSI benefits; or (6) through a Rollover from another qualified ABLE or College 529 program.

See *"Using Your Account"* below for more information about Rollovers.

- Checks should be made payable to "ABLE for ALL Savings Plan." Contributions by check must be drawn on a banking institution located in the United States in U.S. dollars. For further clarification on acceptable methods of payment, please call the Plan customer service number.

- You can contribute through an automatic contribution plan. Changes can be made to your automatic contribution plan online on the Plan website or with a paper form you may obtain by downloading from the Plan website or calling the customer service number.
- EFTs allow you to make contributions from your linked bank account over the internet on the Plan website.
- You may contribute to the Plan by payroll direct deposit if your employer provides this option. You can initiate the payroll direct deposit process from your ABLE for All account website. You will be provided with instructions that you also need to print and submit to your employer.
- You may directly deposit Social Security or SSI benefits to your ABLE for All account. You can initiate the direct deposit process from your ABLE for All account website. You will then be provided with instructions to complete the process on the Social Security Administration website.
- You may contribute to the Plan through a Rollover by completing the appropriate section of the Application and the applicable rollover account form.
- Gifts may be made by third parties via two channels: (1) Paper Forms with a check or (2) Online via your bank account or debit card. To make a paper contribution, simply download the gift form from the ABLE website and attach a check. To make an online gift you must be invited to make the contribution by the account owner. Fees may be assessed for online gifting.

### Annual Contribution Limit

The Plan's Annual Contribution Limit is \$17,000 in 2023, excluding contributions from a Beneficiary's income. In addition to the Annual Contribution Limit, a working Beneficiary would be allowed to contribute an additional amount up to the lesser of: (i) the Beneficiary's compensation for the taxable year; or (ii) an amount equal to the Federal Poverty Level (FPL) for a one-person household as determined for the preceding calendar year of the tax year in which contributions are made (\$13,590 for 2023) The FPL amount applicable to 2023 ranges from \$13,590 for individuals who live in the continental USA, to \$16,990 for individuals who live in Alaska or \$15,630 for individuals who live in Hawaii. A beneficiary cannot contribute this additional amount if the employer has made a contribution for them to a 401(a) defined contribution plan or 403(a) annuity contract, a 403(b) annuity contract, a 401(k) or a 457(b) eligible deferred compensation plan within the calendar year.

### Attempted Contributions over the Annual Contribution Limit

The Plan Manager will not knowingly accept attempted contributions that would cause your ABLE Account to exceed the Annual Contribution Limit (“Excess Contributions”). In the event that an Excess Contribution is inadvertently accepted by the Plan, the Plan Manager will make a good-faith effort to return the Excess Contribution, plus any earnings on the Excess Contribution less any amounts attributable to market losses suffered between the date of the Excess Contribution and the date of refund, to the contributor.

If you identify any excess contributions you must request a return of the contributions from the Plan Manager on or before the day prescribed by law (including extensions of time) for filing tax returns for the taxable year in which the contributions were made.

Excess Contributions inadvertently applied to an ABLE Account and not returned to the contributor on or before the due date (including extensions) of the Beneficiary’s income tax return for the year in which the Excess Contributions were made will result in the imposition on the Beneficiary of a 6% excise tax on the amount of Excess Contributions.

### Lifetime Account Limit

Additional contributions to an ABLE Account are not permitted if, taking into account the proposed contribution, the ABLE Account’s balance is or would be greater than or equal to the Lifetime Account Limit, currently \$400,000. ABLE Accounts that have reached the Lifetime Account Limit may continue to accrue earnings. This limit may increase from time to time. Once the ABLE Account balance falls below the Lifetime Account Limit, contributions may resume, subject to the same limitations.

### Attempted Contributions over the Lifetime Account Limit

The Plan Manager will not knowingly accept attempted contributions that would violate the Lifetime Account Limit (“Excess Aggregate Contributions”). In the event that Excess Aggregate Contributions are inadvertently accepted by the Plan, the Plan will make a good-faith effort to return the Excess Aggregate Contributions, plus any earnings on the Excess Aggregate Contributions, to the contributor.

### Unit Value

The Plan will process ABLE Account transaction requests (e.g., contributions, withdrawals, and transfers) at the Unit value of the applicable Portfolio Option determined after the close of trading on the Business Day your ABLE Account transaction request is received in Good Order by the Plan



Manager. "Business Day" means a day that the New York Stock Exchange is open for regular trading. "Good Order" means we have received your contribution (the money you want to invest) and you have correctly filled out all the necessary information to enroll in the Plan or to instruct the Plan to take an action on your behalf (such as to make a contribution or a withdrawal). The Plan will process an ABLE Account transaction request received in Good Order on a Business Day before the close of regular trading (usually 4:00 p.m. Eastern Time) on the New York Stock Exchange ("NYSE") at the Unit value of the applicable Portfolio Option determined after the close of regular trading on the NYSE. The Plan will process an ABLE Account transaction request received in Good Order on a Business Day after the close of regular trading on the NYSE or on a day when the NYSE is not open for trading at the Unit value of the applicable Portfolio Option determined after the close of regular trading on the NYSE on the next Business Day.

The Plan will not process ABLE Account transaction requests on holidays or other days when the NYSE is closed for any reason. The Plan also reserves the right to refrain from processing ABLE Account transaction requests during any time when trading is restricted by the Securities and Exchange Commission ("SEC") or under any emergency circumstances.

The value of a Unit in each Portfolio Option is computed by dividing (a) a Portfolio Option's assets less any liabilities allocated to that Portfolio Option by (b) the number of outstanding Units of such Portfolio Option.

## Using your ABLÉ Account

### Transfers among Portfolio Options

You may move funds from your current Portfolio Option(s) to a newly selected Portfolio Option twice per calendar year). You may also move funds from one Portfolio Option to another upon a change in Beneficiary to an Eligible Individual who is a Sibling of the Beneficiary. In either case, funds in an ABLÉ Account may only be allocated to the Cash Option and/or any of the three Investment Options at any given time.

### Withdrawals

Only you, as the Beneficiary, or, if one has been named, your Authorized Legal Representative ("ALR"), may direct withdrawals from your ABLÉ Account. Withdrawals may only be made to you or for your benefit, except for Rollovers out of the Plan and returns of Excess Contributions or Excess Aggregate Contributions. To request a withdrawal, go to the Plan website or call the customer service number to request a withdrawal form. For a withdrawal request received in Good Order on a Business Day before the close of regular trading (usually 4:00 p.m. Eastern Time) on the NYSE, the Unit value used to calculate the value of the withdrawal from your ABLÉ Account will be the Unit value of the applicable Portfolio Option determined after the close of regular trading on the NYSE. For a withdrawal request received in Good Order on a Business Day after the close of regular trading on the NYSE or on a day when the NYSE is not open for trading, the Unit value used to calculate the value of the withdrawal will be the Unit value of the applicable Portfolio Option determined after the close of regular trading on the NYSE on the next Business Day.

*See "Unit Value" under "Contributing to Your Account," above, for more information.*

There are restrictions on the availability of funds for withdrawal in order to protect the account owner:

1. Contributions received from a Beneficiary or ALR will be subject to a five (5) Business Day holding period before the funds are available for withdrawal.
2. Contributions made as a result of a gift from a third party will be subject to a five to ten (5-10) Business Day holding period before the funds are available for withdrawal.
3. A change in mailing address will result in a fifteen (15) calendar day holding period before physical checks can be requested and mailed to the new address of record.
4. A change in bank account will result in a ten (10) calendar day holding period before Electronic Fund Transfers can be requested and sent to the new linked bank account.

## Withdrawals Using an ABLE Visa® Prepaid Card

The ABLE Visa Prepaid Card will be issued by Sunrise Bank (“Issuing Bank”) in accordance with the terms of the Cardholder Agreement established by the Issuing Bank. The ABLE Visa Prepaid Card program will be managed by True Link Financial. Beneficiaries can request a Visa Card at the ABLE Visa Prepaid Card program’s website managed by True Link Financial. A maximum of 90% of your available ABLE Account balance can be withdrawn from your available ABLE Account balance to be loaded onto your Visa Card subject to the daily and monthly load card maximums set by the Issuing Bank. You may not add funds to your ABLE Visa Prepaid Card account from any other source, including credit cards, debit cards, bank accounts, cash or by sending personal checks, cashier’s checks, retailer load networks (e.g. Green Dot, MoneyGram, Western Union, etc.), or money orders to the Issuing Bank. You may not use your ABLE Visa Prepaid Card for online gambling or illegal transactions. You can use the ABLE Visa Prepaid Card for Qualified Disability Expenses online or in stores all over the U.S. that accept VISA cards. If your Visa Card Account has a zero or negative balance, and has had a negative balance for 4+ consecutive months, True Link may automatically close your card without advance notice.

To sign up for an ABLE Visa Prepaid Card you must have a valid ABLE for ALL Savings Plan account first. When you sign up for your Visa Card account, you will be required to agree to the Issuing Bank’s Privacy Policy and a separate Cardholder Agreement with the Issuing Bank (including the fees associated with establishing the Visa Card account and any additional card account related fees). If there are insufficient funds in the ABLE Visa Prepaid Card account to cover any Visa Card account fees (including situations where funds have not been loaded into the ABLE Visa Prepaid Card account), funds will be automatically withdrawn from the available balance in your ABLE account and deposited into the Visa Card account to cover such ABLE Visa Prepaid Card account fees. You can load your Visa Card and track your transaction activity for your Visa Card account directly from your online account. Please refer to the Cardholder Agreement for additional details.

## Allocation of Withdrawals between Cash Option and Investment Option

### Types of Withdrawals:

1. Qualified Withdrawal
2. Non-Qualified Withdrawal
3. Rollover

### Qualified Withdrawals

A Qualified Withdrawal is a withdrawal from your ABLE Account that is used to pay for any Qualified Disability Expenses of the Beneficiary. Qualified Disability Expenses are any expenses that: (1) are incurred at a time when the Beneficiary is an Eligible Individual; (2) relate to the blindness or disability of the Beneficiary; and (3) are for the benefit of the Beneficiary in maintaining or improving his or her health, independence, or quality of life. Such expenses include, but are not limited to, expenses related to the Beneficiary's education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, funeral and burial expenses, and other expenses that may be identified from time to time by the IRS.

Under current IRS guidance, Qualified Disability Expenses include basic living expenses and are not limited to expenses for items for which there is a medical necessity or which provide no benefits to others in addition to the benefit to the Beneficiary.

For federal income tax purposes, a Beneficiary may treat as having been paid during the prior calendar year Qualified Disability Expenses paid on or before the 60<sup>th</sup> day immediately following the end of such prior calendar year. Any such Qualified Disability Expenses that the Beneficiary elects to have treated as having been paid during the prior year will be excluded as Qualified Disability Expenses for federal income tax purposes for the year in which they were actually paid.

### Non-Qualified Withdrawals

A Non-Qualified Withdrawal is any withdrawal that does not meet the requirements of being: (1) a Qualified Withdrawal; or (2) a Rollover. The earnings portion of a Non-Qualified Withdrawal is subject to federal income taxation and the Additional 10% Tax except in certain limited circumstances.

*See "Tax Considerations" for more information. Information regarding the Oregon income taxation of withdrawals from an ABLE Account may also be found in "Tax Considerations." The summary does not address the potential effects on Beneficiaries of the tax laws of any state other than Oregon. You should consult a qualified tax advisor regarding how both state and federal tax laws may apply to your particular circumstances.*

## Rollovers

A Rollover is a transfer of funds by any of the following methods:

- Direct Rollover – Rollover assets directly from a 529 college savings plan or another ABLE plan into an Oregon ABLE account. In a direct rollover the movement of funds is coordinated by the 529 college savings plan or old ABLE plan manager and the Oregon ABLE Plan Manager.
- Indirect Rollover – Deposit assets that have been withdrawn from a 529 college savings account or another ABLE plan into an Oregon ABLE account. In an indirect rollover the movement of funds is coordinated by the account owner(s).

The sources of funds for Rollovers are described below:

### **ABLE to ABLE Rollover**

A tax-free Rollover of funds into an ABLE account from another qualified ABLE plan may be made as described herein if the Beneficiary of the recipient account is the same Beneficiary or a Sibling of the Beneficiary – as defined by this ABLE Plan – who is an Eligible Individual. Both a Direct and an Indirect Rollover can be initiated by completing the ABLE to ABLE Rollover Form and delivering the completed Form to the Oregon ABLE Plan Manager.

### **College 529 Account to ABLE Rollover**

A tax-free Rollover of funds into an ABLE account from a qualified College 529 plan may be made as described herein if the Beneficiary of the recipient account is the same Beneficiary or a Sibling of the Beneficiary – as defined by the College 529 Plan – who is an Eligible Individual. There are separate Direct and an Indirect Rollover Forms for College 529 to ABLE Rollovers. A Rollover can be initiated by delivering the appropriate completed College 529 to ABLE Rollover Form to the Oregon ABLE Plan Manager.

It is important to note that College to ABLE rollovers are treated by the Plan as contributions for the purpose of calculating the Annual Contribution Limit. Therefore, the maximum College to ABLE rollover amount is \$17,000 in 2023) LESS the Standard Contributions made to the ABLE account for the current tax year. Excess contributions will be returned in their entirety. Rollovers may only be made during the lifetime of the Beneficiary.

In the case of an Indirect ABLE to ABLE Rollover, the ABLE account from which amounts were rolled, or taken from, must be closed as of the 60th day after the amount was distributed from the ABLE account in order for the account that received the Rollover to be treated as an ABLE account.

If the account that receives the transfer is not treated as an ABLE account, the account will not be eligible for the benefits of ABLE accounts. For example, the account will not be disregarded for determining eligibility under federal means-tested programs, such as SSI, and could result in the imposition of federal taxes and penalties. To avoid any potential disqualification of an ABLE Account in the Plan, the Plan requires you to certify that the ABLE account from which a Rollover is being made into the Plan has been closed before the ABLE Account in the Plan is opened.

A transfer of funds that does not meet the conditions stated above for Rollovers will constitute a Non-Qualified Withdrawal subject to federal tax on earnings and the Additional 10% Tax. In addition, a transfer to a person who is not a Sibling of the Beneficiary may subject the Beneficiary to federal gift and generation-skipping transfer ("GST") tax. The Plan Manager will assume that the entire amount of any contribution that is a Rollover contribution from another qualified plan is earnings in the ABLE Account receiving the contribution unless the Plan Manager receives appropriate documentation showing the actual earnings portion of the Rollover contribution.

If you are attempting to contribute to the Plan via a Rollover, the qualified plan from which you are transferring funds may restrict or prohibit such transfer or impose charges, so you should investigate this change thoroughly before requesting such a transfer.

### Sibling of the Beneficiary

A Sibling of the Beneficiary is any sibling of the Beneficiary, whether by blood or adoption. A Sibling of the Beneficiary includes a brother, sister, step-brother, step-sister, half-brother, and half-sister.

### Low Balance Accounts

The Program reserves the right to liquidate and close your account if the account balance falls below the initial account opening amount and there has been no activity other than fees in the preceding 12 months. Redemption proceeds will be sent to you via check to the address of record of the account.

### Zero Balance Accounts

If an ABLE account has a zero balance for 12 months or more it may be closed. To reinstate a zero-balance account, the Beneficiary or an Authorized Legal Representative must call the customer service center at 1-844-394-2253, 9:00am to 8:00pm Eastern Time or 1-844-888-2253 (TTY), 9:00am to 8:00pm Eastern Time.

## Social Security and Medicaid Considerations

The Social Security Administration (“SSA”) has issued guidance on how it will treat ABLE accounts for purposes of determining eligibility under SSI. The description below is derived from publicly available sources and is only provided for informational purposes. It is not intended to be exhaustive, and is subject to change at any time.

### Exclusions from Income

SSA will exclude from the income of the Beneficiary any of the following:

- Contributions to an ABLE Account. This includes Rollovers from a Sibling of the Beneficiary’s ABLE account to an SSI recipient’s ABLE account. Note, however, that SSA will not deduct contributions from the countable income of the person who makes the contribution. The fact that a person uses his or her income to contribute to an ABLE Account does not mean that income is not countable for SSI purposes. For example, a Beneficiary can have contributions automatically deducted from his or her paycheck and deposited into his or her own ABLE Account. In this case, the income used to make the ABLE Account contribution would still be included in the Beneficiary’s gross wages.
- Any earnings an ABLE Account receives.
- Distributions from an ABLE Account.

### Exclusions from Countable Resources

SSA will exclude from the Beneficiary’s countable resources a distribution from an ABLE Account for Qualified Disability Expenses other than housing-related Qualified Disability Expenses. This exclusion applies for as long as:

- The Beneficiary maintains, makes contributions to, or receives distributions from the ABLE Account;
- The distribution is unspent; and
- The distribution is identifiable.

The exclusion applies even if the Beneficiary retains the distribution beyond the month in which he or she received the distribution.

**Example:** Eric takes a distribution of \$500 from his ABLE Account in June to pay for a health-related Qualified Disability Expense. His health-related expense is not payable until

September, so Eric deposits the distribution into his checking account in June. Eric maintains his ABLÉ Account at all relevant times, and the distribution is both unspent and identifiable until Eric pays his health-related expense in September. The distribution is not income in June and SSA will exclude the \$500 from Eric's countable resources in July, August, and September.

**Note:** SSA will apply normal SSI resource counting rules and exclusions to assets or other items purchased with funds from an ABLÉ Account.

**Example:** Fred takes a distribution of \$1,500 from his ABLÉ Account in September to buy a wheelchair, which is a Qualified Disability Expense. The wheelchair is an excluded resource in October and beyond because it is an individual's personal property required for a medical condition.

## Expenses Included as Countable Resources

SSA will count the following types of distributions from an ABLÉ Account as countable resources, but only if the Beneficiary retains the distribution beyond the calendar month in which he or she received the distribution:

- Distributions for expenses that are not Qualified Disability Expenses; and
- Distributions for housing-related Qualified Disability Expenses.

**Note:** Remember, however, that if the amounts withdrawn from an ABLÉ Account are spent within the same calendar month as they are received, then they will have no effect on SSI eligibility, even if they fall into the above categories.

**Example A:** Amy takes a distribution of \$500 from her ABLÉ Account in May to pay her June rent. She deposits the \$500 into her checking account in May, and withdraws \$500 in cash on June 3<sup>rd</sup> and pays her landlord. This distribution is a housing-related Qualified Disability Expense and part of her checking account balance as of the first of June, which makes it a countable resource by SSA for the month of June.

**Example B:** Jim takes a distribution of \$800 from his ABLÉ Account in August to pay his August rent. He deposits the \$800 into his checking account on August 3<sup>rd</sup>, and then withdraws \$800 in cash on August 5<sup>th</sup> and pays his landlord. Although this distribution is a housing-related Qualified Disability Expense, it is not included as a countable resource for Jim because he received the distribution in August and also spent it in August.



## ABLE Account Balances over \$100,000 Not Excluded

SSA will count the amount by which an ABLE Account balance exceeds \$100,000 as a countable resource of the Beneficiary.

**Example:** Jennifer has \$101,000 in her ABLE Account. SSA will include \$1,000 as a countable resource for Jennifer.

## Suspension of SSI where Balance of ABLE Account Exceeds \$100,000 by a Certain Amount

A special rule applies when the balance of an SSI recipient's ABLE Account exceeds \$100,000 by an amount that causes the recipient to exceed the SSI resource limit – whether alone or in combination with other resources. When this happens, the recipient is put into a special SSI suspension period during which:

- SSA suspends the recipient's SSI benefits without time limit (as long as he or she remains otherwise eligible) (i.e. the individual's eligibility for SSI does not terminate after 12 continuous months of suspension); and
- The recipient retains continued eligibility for Medical Assistance (Medicaid).

SSA will reinstate the recipient's regular SSI eligibility for any month in which the individual's ABLE Account balance no longer causes the recipient to exceed the resource limit and he or she is otherwise eligible. As of the date of this Plan Disclosure Booklet, SSA is working on additional procedures related to this special suspension status.

**Example:** Paul is the designated Beneficiary of an ABLE Account with a balance as of the first of the month of \$101,000. Paul's only other countable resource is a checking account with a balance of \$1,500. Paul's countable resources are \$2,500 and therefore exceed the SSI resource limit. However, since Paul's ABLE Account balance is causing him to exceed the resource limit (i.e., his countable resources other than the ABLE Account are less than \$2,000), Paul's SSI eligibility is suspended and his cash benefits stop, but he retains eligibility for Medicaid.

## Medicaid

Under Section 529A, following the death of the Beneficiary, any state may file a claim against the ABLE Account itself for the amount of the total medical assistance paid for the Beneficiary under the state's Medicaid plan after the establishment of the account (or any ABLE account from which amounts were rolled to the ABLE Account). The amount paid in satisfaction of such a claim is not a taxable distribution from the ABLE Account. Further, the amount is to be paid to the claiming state

only after the payment of all outstanding payments due for the Qualified Disability Expenses of the Beneficiary, which include burial and funeral expenses, and is to be reduced by the amount of all premiums paid by or on behalf of the Beneficiary to a Medicaid Buy-In program under that state's Medicaid plan. Procedures for filing claims may vary from state to state. Authorized Legal Representatives and executors and administrators should consider seeking legal counsel on the applicability of, and any available exceptions to, Medicaid recapture under applicable state law and regulation. For guidance from the Center for Medicare and Medicaid Services (CMS), please visit <http://www.ablenrc.org/>. Please consult with your state's Medicaid office for questions.

## Portfolio Options

### Overview

The Plan offers a Cash Option and three different Investment Options for you to invest in. Each Portfolio Option caters to a distinct set of investment objectives.

The Cash Option is invested in an FDIC-insured account at the Bank. Each of the Investment Options is invested in several Mutual Funds. Summaries of the underlying Mutual Funds and the risks associated with investments in the Mutual Funds appear in Appendix I to this Plan Disclosure Booklet. Please note that an investment in an Investment Option in the Plan is not an investment in these underlying Mutual Funds, and that an investment in the Cash Option does not create a depositor relationship between the Beneficiary and the Bank.

You may allocate your contributions to any of the Portfolio Options, or you may choose to allocate your contributions among the Cash Option and a combination of the Investment Options. Although Beneficiaries may choose among these Portfolio Options, under federal law, Beneficiaries may not direct the investment of any Portfolio Option. Please be aware that you can transfer your ABLE Account balances from your current Portfolio Option(s) to any of the Portfolio Options twice per calendar year.

Amounts may also be transferred between Portfolio Options upon a change of Beneficiary to a Sibling of the Beneficiary who is an Eligible Individual.

*See "Getting Started" and "Using Your Account," for information about changing Portfolio Option elections.*

Choosing a Portfolio Option for your ABLE Account takes planning. You need to consider your savings goals and your spending needs, understand your investment objectives, and select Portfolio

Options suitable to your investment needs. This section helps you to understand the types of Portfolio Options offered under the Plan, and the risks involved in investing in such Portfolio Options. Beneficiaries should periodically assess, and if appropriate, adjust their investment choices with their time horizon, risk tolerance, and investment objectives in mind.

## Cash Option

The Cash Option offers FDIC insurance protection for amounts contributed to the Cash Option, up to FDIC-permitted limits. The Cash Option allocates 100% of its assets to a demand deposit account established by the Trust at the Bank (the “Bank Account”).

## FDIC Insurance

Representatives of the Federal Deposit Insurance Corporation (“FDIC”) have indicated that contributions to and earnings on an FDIC-insured bank account held by a trust such as the Trust will be insured by the FDIC on a pass-through basis to each Beneficiary under existing or amended FDIC regulations, subject to applicable insurance limits and compliance with applicable record-keeping requirements. Accordingly, contributions to and earnings on the Cash Option are insured by the FDIC on a pass-through basis to each Beneficiary in the same manner as other deposits held by the Beneficiary at the Bank in the same ownership right and capacity. (For this purpose, accounts established by a custodian for a minor under UTMA or UGMA are aggregated for insurance purposes with all other accounts with the Bank held by the minor.) FDIC insurance generally protects up to \$250,000 of your deposits at the same bank in the same ownership right and capacity, so the portion of your ABLE Account invested in the Cash Option, taken together with other deposits you hold in a single ownership basis at the Bank, will be insured up to \$250,000.

*For more information on FDIC insurance, visit <http://fdic.gov>. (See also “Investment Risks” below.)*

## Interest Rates

Interest on the Bank Account will be credited by the Bank on the last business day of each month based on the average daily balance on deposit in the Bank Account during such month. The interest rate on the Bank Account will be a rate equal to the upper end of the Federal Funds target rate range established by the Federal Reserve’s Federal Open Market Committee (“FOMC”), less a 15 basis point Bank fee and less a 30 basis point State Administration Fee. The FOMC normally meets eight times a year, and may also hold additional meetings and implement target rate range changes outside of its normal schedule. The State Administration Fee is subject to reduction if its application would cause a negative return on the Cash Option.

Units in the Cash Option will have a daily net asset value that includes interest accruals on the Bank Account and is net of the applicable State Administrative Fee. If the interest rate on the Bank Account for any period is less than or equal to the State Administrative Fee for such period, the net interest accrual on Units in the Cash Option for such period will be zero. If the interest rate on the Bank Account for any period is less than the State Administrative Fee for such period, the Board will waive the portion of the State Administrative Fee that exceeds such interest rate so that the State Administrative Fee shall not cause a negative return on amounts contributed to the Cash Option.

### Notice Regarding Withdrawals

All withdrawals will be processed by the Plan Manager on behalf of the Trust. Beneficiaries will not be able to withdraw Cash Option funds directly from the Bank.

### Investment Risks

With respect to any amount allocated to the Cash Option that is not insured by the FDIC, the Bank will be the sole party responsible for the repayment of the principal amount of such contributions and earnings thereon, even if the Bank goes into receivership or otherwise experiences insolvency. In the event the Bank exercises its right to close the Bank Account, the Plan may be required to transfer amounts invested in the Cash Option to another investment that may not be eligible for FDIC deposit insurance. Accordingly, there is no assurance that any FDIC deposit insurance applicable to your investments in the Cash Option will remain in effect for the duration of your participation in the Plan.

The money you contribute to the Cash Option, taken together with other deposits you have at the Bank, is insured up to FDIC limits and will not be subject to investment risk or loss to principal except as set forth herein. If the Bank is unable to pay all or part of any such amounts, then the FDIC may be obligated to pay the balance of that amount up to the limit previously described.

There is a risk that the Bank Account's interest rate, in the future, could decrease. There is no minimum guaranteed interest rate (floor) for the Bank Account. The fees charged by the Plan, taking into account the Account Maintenance Fee, may exceed the interest paid by the Bank.

## Investment Options

The Plan offers three different Investment Options designed for different investment objectives and risk tolerances.

### The ABLE Conservative Investment Option

The ABLE Conservative Investment Option seeks to provide current income and some growth by investing in a portfolio of mutual funds intended to produce an overall investment exposure of approximately 20% equities and 80% fixed income. Overall, there's a small amount of risk and limited appreciation potential, designed for a shorter investment period.

*See Appendix I for a more detailed summary of the Mutual Funds in which assets are invested under this Investment Option.*

### The ABLE Moderate Investment Option

The ABLE Moderate Investment Option seeks to provide a combination of growth and current income by investing in a portfolio of mutual funds intended to produce an overall investment exposure of approximately 50% equities and 50% fixed income. Overall, there's a medium level of risk for a pursuit of investment return, designed for a medium or uncertain time horizon.

*See Appendix I for a more detailed summary of the Mutual Funds in which assets are invested under this Investment Option.*

### The ABLE Aggressive Investment Option

The ABLE Aggressive Investment Option seeks to provide the potential to grow by investing in a portfolio of mutual funds intended to produce an overall investment exposure of approximately 80% global public stocks and 20% bonds. Overall, there's a higher level of risk and potential for return (or loss), designed for a longer investment period (10 years or more).

*See Appendix I for a more detailed summary of the Mutual Funds in which assets are invested under this Investment Option.*

## Other Considerations

The Board may add or remove Portfolio Options or change the investment allocations of, or the investments held by, any Investment Option at any time. The Board may also change how and with which financial institution the allocations to the Cash Option are deposited.

These investment approaches are not recommendations and do not take into consideration your personal goals or preferences. After evaluating information you consider important in making an

investment choice, the ultimate investment decision is up to you. You should consult with your tax or financial advisor for advice regarding your individual situation.

## Performance

Current performance information will be available on the Plan's website after the Portfolio Options have twelve months of performance information. When posted, performance information will be net of Annual Asset-Based Fees but will not reflect the impact of any potential federal or state taxes. The interest Rate on the underlying Bank Account in the Cash Option and the performance of the underlying Mutual Funds in an Investment Option may be obtained by visiting the applicable Mutual Fund's website.

### Past Performance No Guarantee for Future Results

Past performance information for Portfolio Options (when available) and the underlying Bank Account or Mutual Funds are not indicative of the future performance of any particular Portfolio Option.

Portfolio Option performance information represents past performance and is no guarantee of future results.

### Investment Results of Your Portfolio Option Will Vary

The investment results of any Portfolio Option for any period cannot be expected to be similar to its investment performance for any prior period. In addition, in view of the anticipated periodic determinations of investment allocations and selection of the underlying Mutual Funds for each Investment Option, the future investment results of any Investment Option cannot be expected, for any period, to be similar to the past performance of any other Investment Options or underlying Mutual Funds. Total returns and the principal value of investments in your ABLE Account will fluctuate based on the interest rate on the underlying Bank Account in which the Cash Option is invested and/or the investment performance of the underlying Mutual Funds in which the Investment Options have been invested, so your investment may be worth more or less than its original value when you withdraw your money. Performance may be substantially affected over time by changes in the allocations among Mutual Funds and in the underlying Mutual Funds.

## Cost of your ABLE Account

### Fees and Expenses

Except for the fees listed in this Section, there are currently no other fees, charges, or penalties imposed by or payable to the Plan in connection with opening or maintaining your ABLE Account. The Board reserves the right to change the current fees, or to impose new or additional fees, expenses, charges, or penalties at any time in the future.

### Account Maintenance Fee

Your ABLE Account will be charged an annual Account Maintenance Fee of \$35. The Account Maintenance Fee is designed to help offset the costs of administration of the Plan.

### Annual Asset-Based Fees

Portfolio Option	Estimated Underlying Mutual Fund Expenses*	Program Administrative Fees	Total Annual Asset-Based Fees
Cash Option	0.00%	0.30%	0.30%**
ABLE Conservative	0.041%	0.30%	0.341%
ABLE Moderate	0.041%	0.30%	0.341%
ABLE Aggressive	0.040%	0.30%	0.340%

\* The figures in this column are derived from publicly available information for the underlying Mutual Funds as of July 1, 2023. Each Investment Option indirectly bears the underlying Mutual Funds' expenses because when fees are deducted from an underlying Mutual Fund's assets, the value of the underlying Mutual Fund's shares is reduced. Actual underlying investment expenses may vary. You should refer to the Investment Cost Example for the total assumed investment cost over 1-, 3-, 5-, and 10-year periods.

\*\* To the extent the interest rate on the Bank Account in which assets of the Cash Option are deposited is less during a particular period than the State Administrative Fee, the Board will waive the portion of the State Administrative Fee that exceeds such interest rate for the applicable period, and the Total Annual Asset-Based Fees for the Cash Option will be reduced accordingly for the applicable period.

### Rollover

The Plan will charge a \$50 fee for Rollovers out of the Plan.

### E-Delivery Fee Waiver

The Plan Manager will charge \$10 as an annual print/mail fee. This fee will be waived for Beneficiaries who sign up for electronic delivery of all Plan documents. The print/mail fee will be withdrawn from ABLE Accounts on a quarterly basis beginning with the quarter the ABLE

Account is established. You can opt out of this print/mail fee by signing up for electronic delivery of all Plan documents.

If a Beneficiary switches from paper to electronic delivery after the ABLE Account is established and maintains that election, no annual print/mail fee will be charged in the following year. Signing up for electronic delivery is as easy as going to the Plan website at <https://ableforall.com/> logging into your ABLE Account, and selecting electronic delivery. In addition to being a green alternative, e-delivery documents are in PDF format and may generally be word searched for convenient reference.

### Fees for Additional Services

The Plan Manager may debit your ABLE Account for costs incurred in connection with failed contributions (e.g., returned checks, rejected automatic contribution plan payments, and rejected electronic funds transfers), returned Excess Contributions or Excess Aggregate Contributions, or for additional services you request (e.g., overnight delivery, outgoing wires, reissue of disbursement checks, requests for historical statements, and Rollovers). The current fees for additional services are listed below.

Transaction	Fee
<b>Paper Statement Delivery Fee</b>	\$10 per year <i>(currently waived by the Board)</i>
<b>Paper check disbursement</b>	\$2.50 per disbursement
Overnight delivery	\$15
Outgoing wires	\$15
Re-issue of disbursement checks	\$15
ACH Fail/Returned Checks	\$25
Rollovers (Transfers out of the Program)	\$50



## Investment Cost Example

The example in the following table is intended to help you compare the cost of investing in the different Portfolio Options over various periods of time. This example assumes that:

- You invest \$10,000 in your ABLE Account for the time periods shown below on January 1st.
- You elected to have 100% of your account balance invested in a single portfolio option.
- Your investment has a 5% quarterly compounded return each year. Your actual return may be higher or lower.
- No withdrawals are reflected.
- Total annual asset-based fees remain the same as shown in the Fee Table above.
- A \$35 annual Account Maintenance Fee will be withdrawn from your ABLE Account pro-rata at the end of each calendar quarter.
- The example does not consider the impact of any Application fee, Rollover fee, print/mail fee, or fees for additional services.
- The example does not consider the impact of any potential state or federal taxes on the withdrawal.

Your actual costs may be higher or lower. Based on the above assumptions your costs can be found in the following chart.

### Approximate Cost of \$10,000 Investment

Portfolio Option	1 Year	3 Years	5 Years	10 Years
Cash Option	\$65.87	\$201.79	\$343.71	\$728.81
ABLE Conservative Investment Option	\$70.10	\$214.99	\$366.63	\$779.77
ABLE Moderate Investment Option	\$70.13	\$215.08	\$366.24	\$778.91
ABLE Aggressive Investment Option	\$70.03	\$214.76	\$366.24	\$778.91

## Risk of Investing in the Plan

### No Insurance or Guarantee

Neither investments in the Plan nor earnings, if any, from investments in the Plan are insured or guaranteed by the State of Oregon, the Board, the Network, any other state agency or instrumentality, the Plan, the FDIC (except to the extent described in this Plan Disclosure Booklet in the case of the Cash Option), any federal government agency, the Plan Manager, the Investment Advisor, the Custodian, or their respective contractors or affiliates.

### You Could Lose Money

The value of your ABLE Account may decrease. You could lose money, including the principal you invest. The Cash Option offers FDIC insurance up to \$250,000 subject to certain restrictions.

*See "Investment Risks" below.*

### Potential Impact on Supplemental Social Security Income

Balances over \$100,000 and certain distributions could affect the Beneficiary's eligibility for SSI.

*See "Social Security and Medicaid Considerations" for more information.*

### Potential Impact on Medicaid Eligibility

The Centers for Medicare & Medical Services (CMS) have provided guidance on how ABLE funds will be treated for purposes of determining Medicaid eligibility. CMS guidance can be found here:

<http://www.medicaid.gov/sites/default/files/federal-policy-guidance/downloads/smd17002.pdf>.

*Please consult with your state's Medicaid office for questions.*

### Potential Impact on State Benefits

Balances in an ABLE Account, along with distributions from an ABLE Account, could affect the Beneficiary's eligibility for state benefits programs.

*Please consult your state benefits agency or advisor for more information.*

### Changes in Your Eligibility Status

Expenses incurred at a time when you are not an Eligible Individual will not be considered Qualified Disability Expenses. The earnings portion of Non-Qualified Withdrawals will be includable as ordinary income and subject to the Additional 10% Tax penalty when you file your tax returns. An example of a Non-Qualified Withdrawal would be a withdrawal used for anything that is not a Qualified Disability Expense.

## Investment Risks

With each of the Investment Options, there is the risk that the Investment Advisor's recommendation of Mutual Funds or of asset allocations among the selected Mutual Funds will not produce the desired results. It is possible to lose money on ABLE Account funds invested under an Investment Option.

However, the Cash Option is principal-protected (up to FDIC limits). Summaries of risks of the underlying Mutual Funds for the Investment Options are set forth in Appendix I.

## Changes in Law

The Plan is established pursuant to the Oregon Act and Section 529A of the Code. Changes to the Oregon Act or state and federal laws may affect the continued operation of the Plan as contemplated in this Plan Disclosure Booklet. Congress could also amend the Code or other federal laws in a manner that would materially change or eliminate the federal tax treatment described in this Plan Disclosure Booklet. Your state of residence could also make changes that could materially affect the state tax treatment of the Plan. The State of Oregon could make changes to the Oregon Act that could terminate or otherwise adversely affect the Plan. Changes in the law governing the tax consequences described in this Plan Disclosure Booklet might necessitate material changes to the Plan or termination of the Plan. Final regulations or other administrative guidance or court decisions might be issued that could adversely impact the federal tax consequences of contributions to, investments in, or withdrawals from, ABLE Accounts.

## Modification or Termination of Portfolio Options

The Board may, at any time, modify the Plan to provide for additional or different Portfolio Options, or make other changes to the Plan, including the termination, consolidation or change in the investment policy applicable to one or more Portfolio Options or the termination of the Plan.

## No Re-contributions of Withdrawals

Withdrawals, once made, cannot be undone by recontributing the withdrawn amount into your ABLE Account, even if you directed the withdrawal by mistake. If you attempt to recontribute money that you previously withdrew, the re-contribution will be treated as a new and separate contribution. The withdrawal will also be treated as a Non-Qualified Withdrawal, which would subject you to tax consequences and which may have adverse effects on your eligibility for means-tested benefits.

**Example:** On January 1, you contribute \$100 to your ABLE Account. On January 5, you withdraw the \$100. On January 10, you realize that you withdrew the \$100 by mistake.

*You cannot undo the withdrawal by recontributing the withdrawn amount. If you attempt to put the \$100 back into your ABLÉ Account, it will be treated as a second contribution of \$100, and your contribution total for the year will be \$200. The \$100 withdrawal will also be treated as a Non-Qualified Withdrawal.*

## Risks Related to Illiquidity

Investment in the Plan involves the risk of limited liquidity because the circumstances under which funds may be withdrawn from your ABLÉ Account without incurring adverse tax consequences are limited to withdrawals for Qualified Disability Expenses. Additionally, in certain circumstances, your ability to withdraw funds may be restricted for up to ten (10) business days.

*See "Withdrawals" under "Tax Considerations," for further information about these restrictions.*

## Limitations on Reallocating Monies among Investment Options

You may only transfer funds from your current Portfolio Option(s) to other Portfolio Options twice per calendar year. You may also transfer funds among Portfolio Option(s) upon a change in the Beneficiary to an Eligible Individual who is a Sibling of the Beneficiary.

## Change of the Plan Manager or Investment Advisor, Terms and Conditions of the Plan, Portfolio Options, and Mutual Funds

The Board may change the Plan Manager and/or Investment Advisor in the future or add plan managers and/or investment advisors. If this happens (or even if it does not), there is no assurance that you would not experience a material change to certain terms and conditions of your Participation Agreement, including the fees charged under the Plan. If Vestwell ceases to be the Plan Manager, you may have to open a new ABLÉ Account in the Plan with the successor plan manager in order to make future contributions. The Plan may change the Portfolio Options available for reasons including, but not limited to, Sellwood ceasing to be the Investment Advisor, which could result in a change in the Mutual Funds used in the Investment Options as well. After such changes, the Portfolio Options offered by the Plan may not correspond with those described in this Plan Disclosure Booklet.

## Medicaid Recapture

Under Section 529A of the Code, following the death of the Beneficiary, any state may file a claim against the ABLÉ Account for the amount of the total medical assistance paid for the Beneficiary under the state's Medicaid plan after the establishment of the ABLÉ Account (or any ABLÉ account from which amounts were rolled or transferred to the current ABLÉ Account). The amount paid in

satisfaction of such a claim is not a taxable distribution from the ABLE Account. Further, the amount is to be paid only after the payment of all outstanding payments due for the Qualified Disability Expenses of the Beneficiary, which includes funeral and burial expenses, and is to be reduced by the amount of all premiums paid by, or on behalf of, the Beneficiary to a Medicaid Buy-In program under that state's Medicaid plan. Procedures for filing claims may vary from state to state. Authorized Legal Representatives and executors and administrators should consider seeking legal counsel on the applicability of, and any available exceptions to, Medicaid recapture under applicable state law and regulation.

### Suitability; Investment Alternatives

The Board, the Plan Manager, the Investment Advisor and the Custodian make no representations regarding the appropriateness of any of the Portfolio Options as an investment for any particular individual investor. Other types of investments may be more appropriate depending on an individual's residence, financial status, tax situation, risk tolerance, or age. The investments, fees, expenses, eligibility requirements, tax and other consequences, and features of these alternatives may differ from those of the Plan. Other types of investments, standing alone or used in combination with the Plan, may be a better alternative for certain Beneficiaries. Before investing in the Plan, you may wish to consult a tax advisor, investment advisor, or special needs planner.

### Investment in the Plan is not a Direct Investment in the Bank Account or Mutual Funds

Although contributions to your ABLE Account will be invested in the Cash Option, which is invested in the Bank Account, and/or in Investment Options that invest in Mutual Funds, none of the Plan's Portfolio Options is a bank account or a mutual fund. Units in the Portfolio Options are not registered with the SEC or any state, nor are the Plan or any of the Plan's Portfolio Options registered as investment companies with the SEC or any state.

## Tax Considerations

The following discussion summarizes certain aspects of federal and state income, gift, estate, and generation skipping tax (“GST”) tax consequences relating to the Plan and contributions to, earnings of, and withdrawals from ABLE Accounts. This summary is not exhaustive and is not intended as individual tax advice. In addition, there can be no assurance that the IRS will agree with the tax treatment described herein or that, if challenged, such tax treatment would be upheld in court. The applicable tax rules are complex, and certain of the rules are at present uncertain, and their application to any particular person may vary according to facts and circumstances specific to that person. The Code and regulations thereunder, and judicial and administrative interpretations thereof, are subject to change, retroactively and/or prospectively.

This summary is based on the relevant provisions of the Code, the Proposed Tax Regulations, and Oregon tax law and regulations. It is possible that Congress, the U.S. Treasury Department, the IRS, the State of Oregon, and other taxing authorities or the courts may take actions that will adversely affect the tax law consequences described and that such adverse effects may be retroactive. No final tax regulations or rulings concerning the Plan have been issued by the IRS and, when issued, such regulations or rulings may alter the tax consequences summarized herein or necessitate changes in the Plan to achieve the tax benefits described. This summary does not address the potential effects on Beneficiaries of the tax laws of any state other than Oregon. You should consult a qualified tax advisor about how the laws apply to your circumstances. Federal and state laws or regulations are subject to change and could affect the tax treatment of your ABLE Account.

### Qualified ABLE Program

The Plan is designed to be a qualified ABLE program under Section 529A.

### Eligible Individual

In order to open an ABLE Account and to receive the tax benefits afforded a Beneficiary of an ABLE Account, you must be an Eligible Individual.

*See “Eligibility to Open an ABLE Account” under “Getting Started” for more information.*

### One Account Rule

The Proposed Tax Regulations provide that, except for a limited period with respect to Rollovers and Program-to-Program Transfers, no Beneficiary may have more than one ABLE account in existence at the same time. If more than one ABLE account is opened by a Beneficiary, the

later-opened account(s) will not be treated as an ABLE account under Section 529A of the Code and will not be eligible for the benefits applicable to ABLE accounts.

For example, monies contributed to a second or subsequent ABLE account will not be disregarded in determining eligibility under federal means-tested programs, such as SSI, and could result in the imposition of federal taxes and penalties. The Proposed Tax Regulations also provide, however, that if the entire balance of a second or other subsequent ABLE account is returned, in accordance with the rules that apply to returns of Excess Contributions and Excess Aggregate Contributions, to the contributor(s) on or before the due date (including extensions) for filing the Beneficiary's income tax return for the year in which the account was opened and contributions to the second or subsequent account were made, such contributions will not be treated as a gift or distribution to the Beneficiary for purposes of Section 529A of the Code. If the Excess Contributions or Aggregate Excess Contributions are returned within the time periods specified above, any net income distributed is includable in the gross income of the contributor(s) in the taxable year in which the Excess Contribution or Excess Aggregate Contribution was made.

## Federal Tax Information

Contributions to the Plan are not deductible for federal income tax purposes. There are two primary federal income tax advantages to investing in the Plan:

1. Investment earnings on the money invested in an ABLE Account grow tax-deferred. This means that your earnings are not subject to federal income tax while they remain in your ABLE Account.
2. Any investment earnings distributed from an ABLE Account as part of a Qualified Withdrawal are free from federal income tax.

## Withdrawals

The tax treatment of a withdrawal from an ABLE Account will vary depending on whether the withdrawal is a Qualified Withdrawal, Non-Qualified Withdrawal, or a Rollover.

### Qualified Withdrawals

If a Qualified Withdrawal is made from an ABLE Account, no portion of the distribution is includable in the gross income of the Beneficiary for purposes of federal and Oregon state income taxes. A Qualified Withdrawal is a withdrawal that is solely used to pay the Qualified Disability Expenses of the Beneficiary. For such purpose, amounts distributed from an ABLE Account to pay any part of a

claim filed against the Beneficiary or the ABLE Account by a state under a state Medicaid plan are considered Qualified Disability Expenses.

### Non-Qualified Withdrawals

The portion of a Non-Qualified Withdrawal attributable to investment earnings on the ABLE Account will be ordinary income to the Beneficiary for purposes of federal and Oregon state income taxes for the year in which the withdrawal is made. No part of the earnings portion will be treated as capital gain.

Under current law, the federal tax rates on ordinary income are generally greater than the tax rates on capital gain. The contribution portion of a withdrawal is not includable in federal gross income.

Determinations as to the amount of Non-Qualified Withdrawals are made on a tax year basis, not on a withdrawal by withdrawal basis. If the total amount withdrawn from an ABLE Account during the Beneficiary's tax year does not exceed the Beneficiary's Qualified Disability Expenses for that year, no amount withdrawn from the ABLE Account is includable in the Beneficiary's federal taxable income for that year. If, on the other hand, the total amount withdrawn from an ABLE Account during the Beneficiary's tax year exceeds the Beneficiary's Qualified Disability Expenses for that year, the earnings portion of such withdrawals in excess of the Beneficiary's Qualified Disability Expenses for that year must be included in the Beneficiary's gross income for the applicable tax year federal income tax purposes.

Additionally, to the extent that a distribution is a Non-Qualified Withdrawal, the federal income tax liability of the recipient will be subject to an Additional 10% Tax on the earnings portion of the withdrawal, subject to certain exceptions set forth below.

### Exceptions to Penalty Tax

The Additional 10% Tax does not apply to Non-Qualified Withdrawals that are:

- Paid to the estate of a Beneficiary on or after the Beneficiary's death;
- Paid to an heir or legatee of the Beneficiary;
- Paid on behalf of the Beneficiary on or after the Beneficiary's death;
- Paid as any part of a claim filed against the Beneficiary or the ABLE Account by a state under a state Medicaid Program;
- Returns of Excess Contributions;



- Returns of Excess Aggregate Contributions; or
- Returns of contributions to additional purported ABLE Accounts made by the due date (including extensions) of the Beneficiary's tax return for the year in which the relevant contributions were made.

*You should consult a tax adviser regarding the application of any of the above exceptions.*

## Rollovers and Program-to-Program Transfers

No portion of a Rollover or a Program-to-Program Transfer is includable in the gross income of the Beneficiary for purposes of federal and Oregon state income taxes, or is subject to the Additional 10% Tax.

## Change of Beneficiary

A change in the Beneficiary of an ABLE Account is not treated as a distribution and is not subject to federal gift or GST taxes if the new Beneficiary is an Eligible Individual and a Sibling of the current Beneficiary. However, if the new Beneficiary is not a Sibling of the current Beneficiary, the change is treated as a Non-Qualified Withdrawal by the current Beneficiary and may have federal gift tax or GST tax consequences.

## Successor Beneficiary

Based on the final IRS regulations, a successor designated beneficiary may be listed on the ABLE Account. This individual must be a sibling, stepsibling, or half-sibling of the current owner and must also qualify for an ABLE account. Adding a successor designated beneficiary can be done online under account management, or by submitting the Add/Edit/Remove Successor Owner Form. The designation must be made before the designated beneficiary's death. If no successor designated beneficiary is named, the assets in the ABLE account are payable to the estate of the deceased designated beneficiary.

## Earnings

If there are earnings in an ABLE Account, each distribution from the ABLE Account consists of two parts. One part is a return of the contributions to the ABLE Account. The other part is a distribution of earnings in the ABLE Account. For any year in which there is a withdrawal from an ABLE Account, the Plan Manager will provide an IRS Form 1099-QA. This form will set forth the total amount of the withdrawal and identify the earnings portion and the contribution portion of any withdrawal.

## Gift Tax and GST Tax

For federal gift tax and GST purposes, contributions to an ABLE Account by the Beneficiary are not considered to be completed gifts because an individual cannot make a transfer of property to himself or herself, and a transfer of property is a fundamental requirement for a completed gift. However, contributions to an ABLE Account by persons other than the Beneficiary are considered a completed gift from the contributor to the Beneficiary and are eligible for the annual gift tax exclusion. Contributions that qualify for the annual gift tax exclusion are generally also excludable for purposes of the federal GST tax. A donor's total contributions to a Beneficiary's ABLE Account in any given year (together with any other gifts made by the donor to the Beneficiary in the year) will not be considered taxable gifts and will generally be excludable for purposes of the GST tax if the gifts do not in total exceed the annual exclusion for the year. The annual exclusion is \$17,000 in 2023. This means that in each calendar year a donor may contribute up to \$17,000 to a Beneficiary's ABLE Account without the contribution being considered a taxable gift, if the donor makes no other gifts to the Beneficiary in the same year. The annual exclusion is indexed for inflation and therefore is expected to increase over time. For gifts of community property, or for married couples who elect to split gifts of separate property, the spouses' combined lifetime exemption for transfers made after December 31, 2017, and before January 1, 2026, is \$24,120,000 in 2022 and \$25,840,000 in 2023.

## Estate Tax

The Proposed Tax Regulations provide that, upon the death of the Beneficiary, all amounts remaining in the ABLE Account are includible in the Beneficiary's gross estate for purposes of the federal Estate Tax.

## Medicaid Recapture

Under Section 529A of the Code, following the death of the Beneficiary, any state may file a claim against the ABLE Account for the amount of the total medical assistance paid for the Beneficiary under the state's Medicaid plan after the establishment of the ABLE Account (or any ABLE account from which amounts were rolled or transferred to the current ABLE Account). The amount paid in satisfaction of such a claim is not a taxable distribution from the ABLE Account.

## State Tax Treatment

State tax treatment of contributions to and investment earnings in an ABLE Account depends on state tax laws applicable to contributors and Beneficiaries, respectively. You should consult a qualified tax advisor about how the state tax laws of your state of residence or in which you otherwise pay taxes apply to your circumstances.

## Lack of Certainty

As of the date of this Plan Disclosure Booklet, Proposed Tax Regulations have been issued under Section 529A. Taxpayers may rely on these Proposed Tax Regulations at least until final regulations are issued. The Proposed Tax Regulations do not, however, provide guidance on various aspects of the Plan. It is uncertain when final regulations will be issued. Therefore, there can be no assurance that the federal tax consequences described herein for Beneficiaries are applicable. Section 529A of the Code or other federal law could be amended in a manner that would materially change or eliminate the federal tax treatment described above. However, the U.S. Treasury Department and the IRS have stated in guidance issued in connection with the Proposed Tax Regulations that states that enact legislation creating an ABLE program in accordance with Section 529A, and those individuals establishing ABLE accounts in accordance with such legislation, will not fail to receive the benefits of Section 529A merely because the legislation or the account documents do not fully comport with the final regulations when they are issued. In addition, the U.S. Treasury Department and the IRS have stated their intention to provide transition relief to enable those state programs and accounts to be brought into compliance with the requirements in the final regulations, including providing sufficient time after issuance of the final regulations in order for changes to be implemented. The Board intends to modify the Plan within the constraints of applicable law as necessary for the Plan to meet the requirements of Section 529A as the same may be revised.

## Oversight of the Plan

The Network was created by statute found at sections 178.300 to 178.380 of the Oregon Revised Statutes, as amended. The Network is designed to help people save for the costs of higher education and disability related expenses. The Plan is administered as part of the Network by the Board, as trustee of the Trust. The Network is intended to meet the requirements of a qualified ABLE savings program under Section 529A. This Disclosure Booklet is about the Oregon ABLE Savings Plan only.

Pursuant to the powers established by the Oregon Act, the Board has engaged Vestwell to serve as the Plan Manager under the Management Agreement.

*See “Service Providers to the Plan” below, for additional information about the Plan Manager and the Management Agreement.*

## Service Providers to the Plan

### Plan Manager

Vestwell’s current contract to serve as Plan Manager included an initial term through November 18, 2021, and allows for the continuation of the agreement with successive three years renewals, unless either party gives 180 day notice of a desire to terminate the agreement.

### Management Agreement

The Plan Manager has entered into a Management Agreement with the Treasurer as of November 17, 2016, under which Vestwell is responsible for providing, directly or through subcontractors, program management systems, recordkeeping, and administrative services for the Plan.

### Vestwell’s Term as Plan Manager

The agreement between the Board and Vestwell expires in 2023 but may be extended. The Management Agreement is subject to the possibility of earlier termination under specified circumstances, such as a material breach of the Management Agreement.

### Investment Advisor

The Plan’s Investment Advisor is Sellwood Consulting, LLC. Sellwood Consulting, LLC is a registered investment adviser under the Investment Advisers Act. The Investment Advisor will provide investment management advisory and related services to the Board for the Plan, which

shall include recommending the underlying investments for each of the Plan's Portfolio Options and monitoring of the Portfolio Options in accordance with an Investment Policy Statement approved by the Board.

### Custodian

The Plan Manager has subcontracted with The Bank of New York Mellon to provide custodial services for the Plan. The Custodian is responsible for physical custody and safekeeping of investment assets.

Custodian responsibilities include, but are not limited to, physical custody and safekeeping of investment assets, securities settlement, income and principal collection and corporate action reporting and filing, and providing information related to these services. Additionally, the Custodian will calculate the net asset value for each Portfolio Option daily.

### The Bank

The Bank of New York Mellon holds the amounts contributed to the Cash Option in an omnibus cash account at the Bank.

## Reporting

### ABLE Account Statements

You will receive quarterly and annual statements indicating:

- Contributions to each Portfolio Option, if any, made to your ABLE Account during the period and aggregate contributions, if any, year-to-date.
- Withdrawals from each Portfolio Option in your ABLE Account made during the period.
- The total value of your ABLE Account at the end of the period.

### Tax Reports

The Plan will report contributions, withdrawals, the basis of the Beneficiary's eligibility, earnings in the ABLE Account, and other matters to the IRS, a state, and other persons, if any, to the extent required by federal or state law or regulation. By January 31 of the following year, the Beneficiary will be sent a copy of the report or a corresponding statement filed with the IRS with respect to the prior tax year.

### Reports to Social Security

Under Section 529A of the Code, the Plan is required to provide the SSA with reporting on ABLE Accounts. Based on guidance from SSA, it is anticipated that the Plan will be required to provide monthly electronic reports to SSA, including without limitation the following information for each ABLE Account: the name of the Beneficiary; Social Security number of the Beneficiary; date of birth of the Beneficiary; name of the person who has signature authority (if different from the Beneficiary); unique account number assigned to the ABLE Account; ABLE Account opening date; ABLE Account closing date; balance as of the first moment of the month (that is, the balance as of 12:00 a.m. local time on the first of the month); date of each distribution in the reporting period; and amount of each distribution in the reporting period.

### Financial Statements

An annual audit report for the Plan will be prepared by independent certified public accountants in accordance with generally accepted accounting principles. A copy of the audit report may be requested from the Plan.

## Other Important Legal Information

### No Pledging of Account Assets

The Beneficiary may not use any part of the ABLE Account or other interest in the Plan as security for a loan.

### Beneficiary as Account Owner

The Beneficiary is the owner of the ABLE Account. An Authorized Legal Representative may neither have nor acquire any beneficial interest in the Beneficiary's ABLE Account and must administer the ABLE Account for the benefit of the Beneficiary. Whenever an action is required to be taken by a Beneficiary in connection with an ABLE Account, it must be taken by the Beneficiary's Authorized Legal Representative acting in that capacity.

### No Sale or Exchange

No interest in an ABLE Account may be sold or exchanged.

### Bankruptcy and Related Matters

Federal law expressly excludes certain funds from an individual debtor's bankruptcy estate (which funds, therefore, will not be available for distribution to such individual's creditors), if the funds are contributed by such individual to an ABLE Account. The bankruptcy protection for ABLE Accounts is limited, however. The funds contributed will be protected if the Beneficiary is the individual debtor's child, stepchild, grandchild, or step grandchild for the taxable year in which the funds were placed in the ABLE Account, and only to the extent that such funds:

1. are not pledged or promised to any entity in connection with any extension of credit; and
2. are not Excess Contributions, subject to the following limits:
  - a) contributions made by the debtor to an ABLE Account more than 720 days before a federal bankruptcy filing are completely protected;
  - b) contributions made by the debtor to an ABLE Account during the period beginning 365 days through 720 days before a federal bankruptcy filing are protected up to \$6,225; and
  - c) contributions made by the debtor to an ABLE Account less than 365 days before a federal bankruptcy filing are not protected against creditor claims in federal bankruptcy proceedings.

State laws may offer different creditor protections. You should consult your legal advisor regarding the effect of any bankruptcy filing on your ABLE Account. This information is not meant to be individual advice, and Beneficiaries should consult with their own advisors concerning their individual circumstances.

### Unclaimed Funds

Many states (including Oregon) have unclaimed property laws or similar laws under which if certain statutory requirements are met, funds in an account are considered abandoned or unclaimed. Your state may request that the Plan transfer the funds in your ABLE Account pursuant to such laws. The Plan will only transfer funds to your state as required by applicable law. To help ensure that your funds will not be considered abandoned, please always keep your current email address on file with the Plan and respond to inquiries received by the Plan Manager.

### Plan Privacy Policy

Please read this notice carefully. It gives you important information about how the Plan handles nonpublic personal information it may receive about you in connection with the Plan.

### Information the Plan Collects

Nonpublic personal information about you (which may include your Social Security Number or taxpayer identification number) may be obtained in any of the following ways:

- You provide it on the Plan application;
- You provide it on other Plan forms;
- You provide it on the secure portion of the Plan's website; or
- You provide it to complete your requested transactions.

### How Your Information is Used

The Plan does not disclose your personal information to anyone for marketing purposes. The Plan discloses your personal information only to those Service Providers who need the information to respond to your inquiries or to service and maintain your ABLE Account. In addition, the Plan or its Service Providers may be required to disclose your personal information to government agencies and other regulatory bodies (for example, for tax reporting purposes or to report suspicious transactions).



The Service Providers who receive your personal information may use it to:

- Process your Plan transactions;
- Provide you with Plan materials; and
- Mail your ABLE Account statements.

These Service Providers provide services at the Plan's direction and include fulfillment companies, printing, and mailing facilities. These Service Providers are required to keep your personal information confidential and to use it only for providing contractually required services to the Plan.

### Security of Your Information

The Plan protects the personal information you provide against unauthorized access, disclosure, alteration, destruction, loss or misuse. Your personal information is protected by physical, electronic and procedural safeguards in accordance with federal and state standards. These safeguards include appropriate procedures for access to and use of electronic data, provisions for the secure transmission of sensitive personal information on the Plan's website, and telephone system authentication procedures.

### Changes to this Privacy Policy

The Plan will periodically review this Privacy Policy and its related practices and procedures. You will be notified of any material amendments to this Privacy Policy.

### Notice about Online Privacy

The personal information that you provide through the Plan's website is handled in the same way as the personal information that you provide by any other means, as described under "Plan Privacy Policy." The sections below give you additional information about the way in which personal information that is obtained online is handled.

### Online Enrollment, Account Information Access and Online Transactions

When you visit the Plan's website, you can go to pages that are open to the general public or log on to protected pages to enroll in the Plan, access information about your ABLE Account, or conduct certain transactions related to your ABLE Account. Once you have opened an ABLE Account, access to the secure pages of the Plan's website is permitted only after you have created a user ID and password by supplying your Social Security Number or taxpayer identification number and ABLE Account number. The user ID and password must be supplied each time you want to access your ABLE Account information online. This information serves to verify your identity.

When you enter personal data into the Plan's website (including your Social Security Number or taxpayer identification number and your password) to enroll or access your ABLE Account information online, you will log into secure pages where Secure Sockets Layer (SSL) protocol is used to protect information. To use this section of the Plan's website, you need a browser that supports encryption and dynamic web page construction. If you provide personal information to effect transactions on the Plan's website, a record of the transactions that you have performed while on the site is retained by the Plan.

### Other Personal Information Provided by You on the Plan's Website

If you decide not to enroll online and you want to request that Plan materials be mailed to you, you can click on another section of the Plan's website to provide your name, mailing address and email address. The personal information that you provide on that page of the site will be stored and used to market the Plan more effectively. The information provided is protected by the SSL protocol.

## Appendix I

### Summaries of Underlying Mutual Funds

The table below reflects the target allocations under the Program's investment policy of underlying mutual funds for each of the Investment Options.

Underlying Investment Holdings	% Allocation of Investment Option		
	ABLE Conservative	ABLE Moderate	ABLE Aggressive
Vanguard Total Stock Market Index Fund (VSMPX)	12%	30%	48%
Vanguard Total International Stock Index Fund (VTPSX)	8%	20%	32%
Vanguard Short-Term Bond Index Fund (VBIPX)	25%	0%	0%
Vanguard Total Bond Market Index Fund (VBMPX)	31%	34%	14%
Vanguard Total International Bond Index Fund (VTIFX)	7%	8%	3%
Vanguard Short-Term Inflation-Protected Index Fund (VTSPX)	10%	0%	0%
Vanguard Inflation-Protected Securities Institutional Shares Fund (VIPIX)	7%	8%	3%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

The following provides a summary of the underlying Mutual Funds (each, a “Fund”) in which the Investment Options invest. The full prospectus for each of the Mutual Funds can be found by visiting the applicable Fund’s website.

The **Vanguard Total Stock Market Index Fund** employs an indexing investment approach designed to track the performance of the CRSP US Total Market Index, which represents 100% of the U.S. stock market and includes large-, mid-, small-, and micro-cap stocks regularly traded on the New York Stock Exchange and NASDAQ. The Fund invests by sampling the Index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full Index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

The **Vanguard Total International Stock Market Index Fund** employs an indexing investment approach designed to track the performance of the FTSE Global All Cap ex US Index, a float-adjusted market-capitalization-weighted index designed to measure equity market performance of companies located in developed and emerging markets, excluding the United States. The Index includes approximately 5,550 stocks of companies located in 46 countries. The Fund invests all, or substantially all, of its assets in the common stocks included in the Index.

The **Vanguard Short-Term Bond Index Fund** employs an indexing investment approach designed to track the performance of the Bloomberg Barclays U.S. 1-5 Year Government/Credit Float Adjusted Index. The Index includes all medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities between 1 and 5 years and are publicly issued.

The **Vanguard Total Bond Market Index Fund** employs an indexing investment approach designed to track the performance of the Bloomberg Barclays U.S. Aggregate Float Adjusted Index. The Index represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States—including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities—all with maturities of more than 1 year.

The **Vanguard Total International Bond Index Fund** employs an indexing investment approach designed to track the performance of the Bloomberg Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged). This Index provides a broad-based measure of the global investment-grade, fixed rate debt markets. The Index includes government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than one year. The Fund

attempts to hedge its foreign currency exposure in order to correlate to the returns of the Index, which is U.S. dollar hedged. Such hedging is intended to minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar.

The **Vanguard Short-Term Inflation-Protected Securities Index Fund** employs an indexing investment approach designed to track the performance of the Bloomberg Barclays U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index. The Index is a market-capitalization-weighted index that includes all inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than five years. The Fund maintains a dollar-weighted average maturity consistent with that of the target index, which generally does not exceed 3 years.

The **Vanguard Inflation-Protected Securities Institutional Shares Fund** seeks to provide inflation protection and income consistent with investments in inflation-indexed securities. The fund is actively managed using a style-pure, risk-controlled approach that seeks high predictability of returns relative to the benchmark. At least 80% of assets must be invested in inflation-indexed bonds. The portfolio is primarily invested in U.S. Treasury inflation-protected securities and, to a limited extent, nominal Treasury bonds for liquidity management. The managers seek to position portfolio holdings along the Treasury inflation-protected securities yield curve, exploiting bond pricing inefficiencies and changes in inflation. The fund provides unique portfolio diversification benefits because of its low correlations with nominal Treasury bonds and stocks.

## Appendix II

### List of Partner States:



State of Hawai'i (Hawai'i ABLE Savings Program).

The State of Hawai'i ABLE Savings Program joined ALE for ALL Effective October 2021.