



**TEXAS  
RANGE**



# Information Statement

May 18, 2022

## Texas Range Investment Program

180 State Street  
Suite 225  
Southlake, Texas 76092

**Phone** (866) 839-8376

**Fax** (800) 252-9551

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## Part 1

### Portfolio Summaries and Investment Program Offerings

#### Key Facts

Part 1 presents key facts about the Texas Range Investment Program, its Portfolios and CD Purchase Program, including information on costs, minimums, policies, and how to place transaction orders. Part 1 is descriptive, not definitive, and is qualified by the information contained in Part 2.

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## Part 2

### Information Statement Addendum

Part 2 contains supplemental information to Part 1. Some of this information further defines or qualifies information presented in Part 1. There is also information on additional topics, such as the history of the Texas Range Investment Program. Parts 1 and 2 together constitute the offering document for the Texas Range Portfolios and Supplemental Programs.

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## Part 1 – Key Facts

### Terms Used in This Document

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**Business Day** Any day on which both the bond market (as determined by the Securities Industry and Financial Markets Association “SIFMA”) and the Custodian are open for business. The Portfolios or CD Programs may close early on any days when the bond market closes early. In light of anticipated limited availability for money market securities and fixed income settlement capacity limitations, the Portfolios will not be open for business on Good Friday even if the primary trading markets are open.

**CD Program** The TexasTERM CD Purchase Program.

**Code** The Internal Revenue Code of 1986, as amended.

**Confirmation Letters** A letter(s) sent by the Investment Adviser to the issuer of a bond to confirm the information supplied by an Investor regarding its bonds, such as the bond yield, issuance date, bond year election and any applicable rebate exceptions, penalty elections and yield restrictions.

**Common Investment Contract** The contract establishing the TexasTERM Local Government Investment Pool under Chapter 791, Texas Government Code, and as a public funds investment pool under the Public Funds Investment Act, Chapter 2256..

**Custodian** U.S. Bank or the designated bank, agent, or trust company, responsible for safeguarding financial assets of the Texas Range Investment Program.

**Depository Bank** Wells Fargo Bank N.A.

**Connect** The Texas Range Administrator’s web-based information and transaction service.

**FDIC** Federal Deposit Insurance Corporation.

**Investment Adviser** PFM Asset Management LLC, the Investment Adviser, Administrator and Transfer Agent of Texas Range.

**Investor** A shareholder of one or more Portfolios.

**Liquid Portfolio** TexasDAILY and TexasDAILY Select.

**NAV** Net Asset Value.

**NRSRO** Nationally recognized statistical rating organization.

**Participant** An entity that uses the services of the TexasTERM CD Purchase Program.

**Participation Agreement** The written record of the action taken by a Local Government, through formal resolution or ordinance, to join Texas Range and execute the Common Investment Contract.

**PFIA** Texas Government Code Chapter 2256, the Public Funds Investment Act.

**Pool** Local Government Investment Pool, as defined by Chapter 2256.016 of Texas Government Code

**Portfolios** TexasDAILY, TexasDAILY Select and TexasTERM. "Portfolio" refers to each specific section in which it is used to describe the features of that particular Pool Portfolio.

**Portfolio Shares** Proportional ownership of a given Texas Range portfolio.

**Texas Range Investment Program (“Texas Range”)** The common name given the combination of three Local Government Investment Pool portfolios and Programs.

# Portfolio Summaries

## TexasDAILY Portfolio

### Investment Objective

To earn the highest income consistent with preserving principal and maintaining liquidity, and to maintain a stable \$1.00 net asset value (“NAV”).

### Principal Investment Strategies

The TexasDAILY Portfolio (the “Portfolio”) invests exclusively in high-quality money market instruments as permitted by the Public Funds Investment Act. These investments include

- Obligations, including letters of credit, of the United States or its agencies and instrumentalities with a 13-month maximum maturity
- FDIC insured certificates of deposit
- Money market mutual funds that observe certain investment restrictions
- Repurchase agreements involving obligations of the U.S. Government and its Agencies and Instrumentalities

*Additional Authorized Investment details may be found in Part 2.*

The Investment Adviser may adjust exposure to interest rate risk, typically seeking to protect against possible rises in interest rates and to preserve yield when interest rates appear likely to fall.

The Portfolio is designed to maintain a dollar-weighted average maturity of no more than 60 days and a dollar-weighted average life (final maturity, adjusted for demand features but not interest rate adjustments) of no more than 120 days. In addition, it only buys investments that have either a final or effective maturity (or, for repurchase agreements, a remaining term) of 397 days or less.

TexasDAILY has received a rating of AAmmf from Fitch.

### Main Risks

As with any similar pooled investment, there are several factors that could hurt the Portfolio’s performance, cause you to lose money, or cause the Portfolio’s performance to be less than that of other investments.

- **Interest rate risk** When short-term interest rates fall, the Portfolio’s yield is likely to fall. When interest rates rise, especially if the rise is sharp or unexpected, the Portfolio’s share price could fall.
- **Credit risk** The issuer of a security could fail to pay interest or principal in a timely manner. The credit quality of the Portfolio’s holdings could change rapidly in certain markets, and the default or decline in credit quality of even a single investment could cause the Portfolio’s share price to fall.
- **Liquidity risk** The Portfolio’s share price could fall during times when there are abnormal levels of redemption requests or markets are illiquid.
- **Management risk** Performance could be hurt by decisions made by the Investment Adviser, such as choice of investments or timing of buy/sell decisions

*An investment in the Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Portfolio seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Portfolio.*

## Management

**Investment Adviser** PFM Asset Management LLC.

## Fees and Expenses

These are the fees and expenses you will pay when you buy and hold shares in this Portfolio. The figures shown here do not reflect the effects of any voluntary expense reductions. Going forward, actual expenses may be higher or lower.

### Annual Portfolio Operating Expenses

**(Fees and expenses shown are gross numbers based on the prior year's audited financial statements and may be subject to certain fee waivers.)**

Management and administrative fees	0.11%
Other operating expenses	0.01%
<b>Total annual operating expenses</b>	<b>0.12%</b>

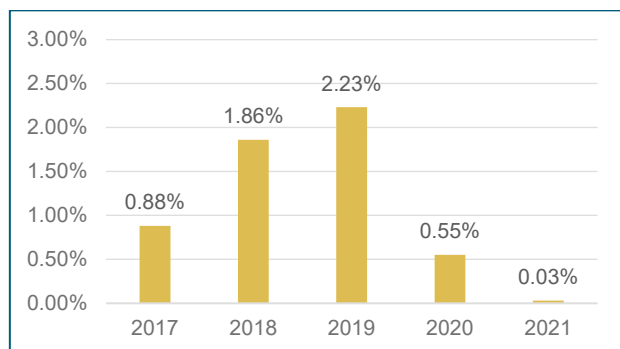
The figures shown above do not reflect the effects of any contractual or voluntary expense reductions. Going forward actual expenses may be higher or lower.

*For more complete information on expenses of the pool and fee waivers, see "Management and Administrative Costs."*

## Past Performance

All performance figures shown here assume that dividends were reinvested. Figures shown are for the five most recent audited calendar years. For current yield information, call 866-839-8376. Past performance may not indicate future results.

### Calendar Year Total Returns (%)



## Purchase and Sale of Portfolio Shares

**Minimum Initial Investment** No minimum.

**Minimum Account Balance** No minimum.

**Minimum Holding Period** One day.

You can place orders to buy or sell Portfolio shares by phone, wire, automated clearing house (ACH) transfer, direct deposit, transfer from another Texas Range account, or via the Internet using Connect, our web-based information and transaction service.

## Placing Orders

To place orders, contact us at:

**Online** [www.texas-range.com](http://www.texas-range.com)

**Phone** 866-839-8376

Orders can be processed the same Business Day if they are received and accepted by the Investment Adviser by 1:00 p.m. Central Time and (for purchases) if the Portfolio's Depository Bank receives federal funds by wire prior to the close of business. Otherwise, they are processed on the next Business Day. ACH transfer orders are processed on the next Business Day if requested by 3:00 p.m. Central Time. Otherwise, they are processed on the second Business Day after the Business Day on which they are received.

*For more complete information on buying and selling shares, see "Buying Shares" and "Redeeming Shares." For information on the potential tax consequences of investing in the Portfolio, see "Tax Information."*

# TexasDAILY Select Portfolio

## Investment Objective

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To earn the highest income consistent with preserving principal and maintaining liquidity, and to maintain a stable \$1.00 net asset value (“NAV”).

## Principal Investment Strategies

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The TexasDAILY Select Portfolio (“the Portfolio”) invests exclusively in high-quality money market instruments as permitted by the Public Funds Investment Act. These investments include

- Obligations, including letters of credit, of the United States or its agencies and instrumentalities with a 13-month maximum maturity
- Municipal Obligations
- FDIC certificates of deposit
- Money market mutual funds that observe certain investment restrictions
- Bankers’ Acceptance
- Repurchase agreements involving obligations of the U.S. Government and its Agencies and Instrumentalities
- Commercial Paper with a stated maturity of 365 days or fewer and rated not less than A-1, P-1, or the equivalent by at least two NRSROs

*Additional Authorized Investment details may be found in Part 2.*

The Investment Adviser may adjust exposure to interest rate risk, typically seeking to protect against possible rises in interest rates and to preserve yield when interest rates appear likely to fall.

The Portfolio is designed to maintain a dollar-weighted average maturity of no more than 60 days and a dollar-weighted average life (final maturity, adjusted for demand features but not interest rate adjustments) of no more than 120 days. In addition, it only buys investments that have either a final or effective maturity (or, for repurchase agreements, a remaining term) of 397 days or less.

TexasDAILY Select has received a rating of AAmmf from Fitch.

## Main Risks

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As with any similar pooled investment, there are several factors that could hurt the Portfolio’s performance, cause you to lose money, or cause the Portfolio’s performance to be less than that of other investments.

- **Interest rate risk** When short-term interest rates fall, the Portfolio’s yield is likely to fall. When interest rates rise, especially if the rise is sharp or unexpected, the Portfolio’s share price could fall.
- **Credit risk** The issuer of a security could fail to pay interest or principal in a timely manner. The credit quality of the Portfolio’s holdings could change rapidly in certain markets, and the default or decline in credit quality of even a single investment could cause the Portfolio’s share price to fall. For additional detail on Commercial Paper risks related to the Portfolio, please see page 27.
- **Liquidity risk** The Portfolio’s share price could fall during times when there are abnormal levels of redemption requests or markets are illiquid.
- **Management risk** Performance could be hurt by decisions made by the Investment Adviser, such as choice of investments or timing of buy/sell decisions.

*An investment in the Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Portfolio seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Portfolio.*

## Management

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**Investment Adviser** PFM Asset Management LLC.

## Fees and Expenses

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These are the fees and expenses you will pay when you buy and hold shares in this Portfolio. The figures shown here do not reflect the effects of any voluntary expense reductions. Going forward, actual expenses may be higher or lower.

### Annual Portfolio Operating Expenses

**(Fees and expenses shown are based on the Investment Advisory Agreement between the Advisory Board and the Investment Adviser which is currently in effect and may be subject to certain fee waivers, as described below.)**

Management and Administrative Fees	0.14%
<hr/>	
Other operating expenses	0.02%
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<b>Total annual operating expenses</b>	<b>0.16%</b>

The figures shown above are estimates and do not reflect the effects of any contractual or voluntary expense reductions. Going forward actual expenses may be higher or lower.

*For more complete information on expenses of the pool and fee waivers, see "Management and Administrative Costs."*

## Purchase and Sale of Portfolio Shares

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### TexasDAILY Select Portfolio

**Minimum Initial Investment** No minimum

**Minimum Subsequent Investment** No Minimum

**Minimum Account Balance** No minimum

**Minimum Holding Period** One day

You can place orders to buy or sell TexasDAILY Select shares by phone, wire, automated clearing house (ACH) transfer, direct deposit, transfer from another Texas Range account, or via the Internet using Connect, our web-based information and transaction service.

### Placing Orders

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To place orders, contact us at:

**Online** [www.texas-range.com](http://www.texas-range.com)

**Phone** 866-839-8376

Orders can be processed the same Business Day if they are received and accepted by the Investment Adviser by 1:00 p.m. Central Time and (for purchases) if the Portfolio's Custodian Bank receives federal funds by wire prior to the close of business. Otherwise, they are processed on the next Business Day. ACH transfer orders are processed on the next Business Day if requested by 3:00 p.m. Central Time. Otherwise, they are processed on the second Business Day after the Business Day on which they are received.

*For more complete information on buying and selling shares, see "Buying Shares" and "Redeeming Shares." For information on the potential tax consequences of investing in the Portfolio, see "Tax Information."*

## TexasTERM Portfolio

### Investment Objective

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To provide an investment subject to pre-set redemptions occurring from 60 days to one year from the time of investment, and that will produce the highest earnings consistent with maintaining principal at maturity and meeting the redemption schedule. The TexasTERM Portfolio (the "Portfolio") seeks to assure the return of principal on the planned maturity date, although principal value may fluctuate prior to that date, and therefore may be greater or less than \$1.00 a share. There is a penalty for early withdrawal, and NAV may be more or less than \$1.00 a share.

### Principal Investment Strategies

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The Portfolio invests exclusively in high-quality money market instruments as permitted by the Public Funds Investment Act. These investments include

- U.S. Government and Federal agency obligations with a 13-month maximum maturity
- Municipal Obligations
- Certificates of Deposit
- Money market mutual funds that observe certain investment restrictions
- Bankers' Acceptance
- Repurchase agreements involving obligations of the U.S. Government and its Agencies and Instrumentalities
- Commercial Paper with a stated maturity of 365 days or fewer and rated not less than A-1, P-1, or the equivalent by at least two NRSROs

TexasTERM has received a rating of AAAf from Fitch Ratings

### Main Risks

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As with any similar pooled investment, there are several factors that could hurt the Portfolio's performance, cause you to lose money, or cause the Portfolio's performance to trail that of other investments.

- **Credit risk** The issuer of a security could fail to pay interest or principal in a timely manner. The credit quality of the Portfolio's holdings could change rapidly in certain markets, and the default or decline in credit quality of even a single holding could cause the Portfolio's share price to fall.

- **Early redemption risk** Early redemption penalties charged to an Investor by the Portfolio could reduce or eliminate investment gains, and could mean that the amount that Investor receives back is less than the initial investment.
- **Management risk** Performance could be hurt by decisions made by the Investment Adviser, such as choice of investments or investment maturities or timing of buy/sell decisions.

*An investment in the Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Portfolio seeks to preserve the value of your investment on the planned redemption date at \$1.00 per share, it is possible to lose money by investing in the Portfolio.*



## Past Performance

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The performance of each individual series of the Portfolio and of each Investor's individual investment therein may vary. Past performance may not indicate future results.

For more information, please see the Texas Range Annual Report, available at [www.texas-range.com](http://www.texas-range.com).

## Management

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**Investment Adviser** PFM Asset Management LLC.

## Fees and Expenses

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These are the fees you may pay when you buy and hold shares in this Portfolio.

### Annual Portfolio Operating Expenses

**(Fees and expenses shown may be subject to certain fee waivers)**

Management and administrative fees	0.15%
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Other operating expenses	0.05%
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<b>Total annual Portfolio operating expenses</b>	<b>0.20%</b>

The figures shown above do not reflect the effects of any contractual or voluntary expense reductions. Going forward actual expenses may be higher or lower. The Portfolio may charge significant fees for any redemptions prior to the agreed-upon redemption date. As the fees charged is based on actual costs incurred in effecting the redemption and protecting the interests of other Portfolio Investors, the actual amount of the fees cannot be stated in advance.

## Purchase and Sale of Portfolio Shares

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### TexasDAILY Select Portfolio

**Minimum Initial Investment** \$100,000.

**Minimum Subsequent Investment** \$100,000.

**Minimum Account Balance** \$100,000.

**Minimum Term** 60 days. Premature withdrawal may result in a penalty.

**Maximum Term** 1 year

## Placing Orders

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Prior to placing any order, call the toll-free number listed below to discuss the amount and term of your investment and to get information on projected yield. Once your investment has been approved, you can place orders to buy Portfolio shares by redeeming available shares in TexasDAILY or TexasDAILY Select. Any additional funds needed to cover the purchase of shares may be sent to an Investor's TexasDAILY or TexasDAILY Select account via separate wire, or automated clearing house (ACH) transfer.

All transactions for purchases in a TexasTERM Series are dependent upon funds being available in the investor's TexasDAILY or TexasDAILY Select account from which the transaction originated.

To arrange or place orders, contact us at:

**Phone** 866-839-8376

Orders can be processed the same day if funds are available in either an Investor's TexasDAILY or TexasDAILY Select account by 1:00 pm Central Time. Otherwise, they are processed on the next business day so long as funds are made available in the Investor's TexasDAILY or TexasDAILY Select account.

*For more complete information on buying and selling shares, see "Buying Shares" and "Redeeming Shares." For information on the potential tax consequences of investing in the Portfolio, see "Tax Information."*

# Summary of Supplemental Programs

## TexasTERM CD Purchase Program

### Objective

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To help TexasTERM CD Purchase Program Participants purchase Certificates of Deposit (CDs) that meet applicable investment requirements (as determined by a limited credit review) and that are fully covered by FDIC insurance with respect to all assets invested through the CD Purchase Program by the Participant. The CD Purchase Program (“CD Program”) also provides a means by which the purchase and redemption transactions for these CDs are handled through the Participant’s TexasDAILY or TexasDAILY Select account. CD Program Participants may purchase each CD either directly from the institution issuing the CD or through a broker that has been approved by the Participant’s governing body and meets the requirements of the PFIA.

**Note that investments made through the CD Purchase Program are not assets of TexasDAILY, TexasDAILY Select, or TexasTERM, and the Texas Range Investment Program assumes no liability for them.**

### Fees and Expenses

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For any CD you purchase through the CD Program, you will be charged an annual fee of up to 0.25% of the CD yield. Fees will be deducted from your associated TexasDAILY or TexasDAILY Select account. The fee includes the typical banking, advisory services, deposit brokerage and wire costs associated with initiating your CD purchase and transferring proceeds to your designated TexasDAILY or TexasDAILY Select account upon maturity

### Eligible CDs

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To be available through the CD Program, a CD must be issued by a bank or thrift institution that meets all of the following guidelines at the time of evaluation:

- is a member of the FDIC
- has total assets of at least \$50 million
- has total Tier 1 Capital of at least 6%
- has not been the subject of any major capital-related enforcement actions in the past 12 months

The Investment Adviser reviews each financial institution’s financial condition every quarter.

### Main Risks

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There are several risk factors that you bear directly as a CD Program Participant.

- **Credit risk** The issuer of a CD could fail to pay interest or repay principal in a timely manner. In such a case, the amount and the timing of any repayment may depend on the FDIC.
- **FDIC risk** If the FDIC fails to honor its stated coverage of CDs purchased through the CD Program, you would be solely responsible for resolving the matter with the insuring party and would bear any losses.
- **Eligibility risk** The CD Program does not actively monitor any CD Program Participant’s eligibility for FDIC coverage nor the eligibility of any particular CD for any Participant. The CD Program Participant is solely responsible for notifying the Investment Adviser about outside investments that may have an adverse effect on assets invested through the CD Program.
- **Excess deposit risk** Because the CD Program can not actively monitor deposits of any type that are made outside the CD Program, your total deposits with a financial institution could exceed FDIC coverage limits, leaving you exposed to potential losses should the financial institution be unable to honor its commitments to depositors.
- **Early redemption risk** CDs are not liquid and may be subject to early redemption. Early redemption penalties charged by the CD issuer could reduce or eliminate any earnings and could mean that the amount you get back is less than your initial purchase amount.

## Management

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**Investment Adviser** PFM Asset Management LLC.

## Purchase and Redemption of Program CDs

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**Minimum Initial Investment** \$97,000, or less if anticipated interest is expected to increase the redemption value over the applicable FDIC.

**Minimum Term** 90 days

**Maximum Account Balance** Not Applicable

## Placing Orders

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To purchase CDs, you must have a TexasDAILY or TexasDAILY Select account. Prior to placing any order, call us to discuss the amount and term of your investment and to get information on projected yield. Once your investment has been approved, its purchase and redemption will occur on the agreed-upon schedule, with purchase money being removed from the Participant's designated TexasDAILY or TexasDAILY Select account. Upon maturity redemption proceeds will be returned to the corresponding TexasDAILY or TexasDAILY Select account.

To arrange or place a CD purchase, call 866-839-8376.

*For more complete information on buying and selling shares, see "Buying Shares" and "Redeeming Shares." For information on potential tax consequences, see "Tax Information."*

# Investing

## Opening an Account

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### Eligible Investors

The Portfolios and CD Program were established by the Advisory Board of the Texas Range Investment Program. All Investors must be Texas governmental entities or otherwise approved entities that have executed either a Participation Agreement (Resolution) or an Ordinance to join the Common Investment Contract. Additionally, Investors should review relevant investment policies, statutes and covenants for their entity to determine eligibility.

In order to open a TexasTERM account or to participate in the CD Program, Investors must have either a TexasDAILY or TexasDAILY Select account.

### Portfolio Account Opening Process

To open an account in any Portfolio:

- For an initial account complete and provide each of the following documents/forms:
  - Participation Agreement;
  - New Investor Application;
  - Account Application Form for each desired account;
  - Contact Record Form;
  - Permissions Form; and
  - IRS W-9 Form.
- For existing Investors that want to open an additional account:
  - Account Application Form for each desired account;
  - If necessary, updated Contact Record and Permissions forms.

- Complete the Contact Record Form.
- Complete the Contact and Permissions Form that includes each person from the participating entity who will interact with the account.
- Provide a copy of the adopted Resolution.
- Provide a completed IRS W-9 form.

To obtain account forms, call 866-839-8376 or visit [www.texas-range.com](http://www.texas-range.com) to download them.

### CD Program Registration Process

To Participate in the CD Program:

- Ensure that you have a TexasDAILY or TexasDAILY Select account in place and adequately funded. If you do not have an appropriate TexasDAILY or TexasDAILY Select account, please complete the steps under “Portfolio Account Opening Process”.
- Complete the CD Program application. To obtain additional forms, call 866-839-8376 or visit [www.texas-range.com](http://www.texas-range.com) to download them.

### Execute the Certificate of Deposit Placement Program Application and Investment Advisory Agreement.

*Mail or fax account documents to:*

Texas Range Client Service Group  
PO Box 11760  
Harrisburg, PA 17108-1760  
Fax 1-800-252-9551

Once your documents have been accepted by the Investment Adviser, we will open your account and send you notification

**Buying Shares – TexasDAILY/TexasDAILY Select**

Once your application has been accepted, you may invest in TexasDAILY and/or TexasDAILY Select shares using one of the methods in the table below. All investments must be in U.S. dollars and must be drawn on a U.S. bank or a U.S. branch of a foreign bank. Your investments must meet the investment minimums and other terms described in the applicable Portfolio Summary.

The Investment Adviser may refuse any investment or limit the size of an investment.

Method	Instructions	Additional information
<b>Wire (same-day settlement)</b>	<ul style="list-style-type: none"> <li>● Initiate a transaction online or by calling 866-839-8376 before 1:00 p.m. Central Time. Provide the following information.                             <ul style="list-style-type: none"> <li>• Investor’s name and account number</li> <li>• Amount being wired</li> <li>• Name of bank sending wire</li> </ul> </li> <li>● Instruct your bank to send the money to the TexasDAILY or TexasDAILY Select wire instructions. Wire instructions can be obtained from the secure section of the Texas Range website at <a href="http://www.texas-range.com">www.texas-range.com</a> or by calling 866-839-8376..</li> </ul>	<ul style="list-style-type: none"> <li>● The Portfolios do not charge fees for receiving wires. However, the sending bank may charge for wiring funds. To avoid charges, use ACH transfer below. It is your responsibility as an Investor to ensure that immediately available funds are received by Texas Range on the settlement date.</li> <li>● Investors must notify Texas Range before 1:00 p.m. Central Time on a Business Day via Connect transaction, by telephone, or by fax, and a wire convertible to Federal Funds on a same-day basis and must be received by Texas Range that day if the investment is to begin earning income that day.</li> <li>● If a wire is not received on the date it was to be transmitted, Texas Range will pass any overdraft fee that is imposed by the Custodian onto the purchaser. Wires received are not available for immediate (or same day) wire withdrawal.</li> </ul>
<b>ACH transfer (settles next Business Day)</b>	<ul style="list-style-type: none"> <li>● Before making your first transfer, call 866-839-8376 and register for ACH transfers.</li> <li>● Investors can initiate an ACH Purchase for next day credit by contacting the Administrator at 866-839-8376, by entering the request on Connect, or via a faxed request signed by an authorized person received by 3:00 pm Central Time</li> <li>● All ACH Purchase requests must be reported to Texas Range by 3:00 p.m. Central Time in order to begin earning interest in an Investor’s account the next Business Day.</li> </ul>	<ul style="list-style-type: none"> <li>● Requests received after 3:00 p.m. Central Time will be initiated the next Business Day and an Investor’s account will begin to earn interest two Business Days after the Administrator’s receipt of the request.</li> <li>● The Portfolios do not charge fees for ACH transfers.</li> <li>● If the proceeds of the ACH Purchase are not received on their intended date, or if the Investor’s bank rejects the ACH Purchase, Texas Range will pass any overdraft fee that is imposed by the Custodian onto the purchaser.</li> </ul>

Method	Instructions	Additional information
<b>Direct Deposit Services</b>	<ul style="list-style-type: none"> <li>● Texas Range permits direct deposit via ACH of certain local, state, and federal payments. Funds deposited in a timely manner directly into TexasDAILY or TexasDAILY Select begin earning interest on the day of deposit.</li> </ul>	<p>Texas Range provides forms and procedures for establishing direct deposit into the TexasDAILY and TexasDAILY Select Portfolios.</p>

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**Internal Transfer  
of Funds**

- Investors may move funds from one account to another within the same Portfolio. Requests for a Transfer which are received via Connect, by telephone, or by fax prior to 4:00 p.m. Central Time will be effective on the same day.
- Transfers requested after 4:00 p.m. Central Time will be effective the next Business Day.

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**Exchange of  
Funds**

- Investors may move funds between the TexasDAILY Portfolio and TexasDAILY Select Portfolio. Requests for an Exchange Transfer which are received via Connect, by telephone, or by fax prior to 1:00 p.m. Central Time will be effective on the same day.
  - Exchanges requested after 1:00 p.m. Central Time will be effective the next Business Day.
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**Redeeming Shares – TexasDAILY/TexasDAILY Select**

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Investors may redeem all or a portion of the available fund balance in their TexasDAILY or TexasDAILY Select account on any Business Day without any charge by Texas Range. Shares will be redeemed at net asset value per share next determined after receipt of a redemption request in proper form. Shares may be redeemed by wire, or by ACH.

Requests for redemptions from TexasDAILY or TexasDAILY Select may be made via Connect, by telephone, by fax, or by mail, all as described herein.

Redemption requests received prior to 1:00 p.m., Central Time on a Business Day, will be affected at the net asset value computed on that day. Redemption requests received after 1:00 p.m. Central Time will be computed based on the net asset value on the next Business Day. See “Net Asset Value.” Shares will not earn dividends declared on the day of redemption. When a redemption is being requested to close an account, please contact the Administrator at 866-839-8376.

Method	Instructions	Additional information
<b>Wire (same-day settlement)</b>	<ul style="list-style-type: none"> <li>● Use Connect or call 866-839-8376 on any Business Day to request a withdrawal and the transfer of proceeds to the bank account specified on your Account Application.</li> <li>● If your request is received before 1:00 Central Time, funds will be wired on that same day.</li> <li>● Requests received after 1:00 Central Time will be processed on the following Business Day.</li> </ul>	<ul style="list-style-type: none"> <li>● Texas Range does not charge a fee for a same day wire, but your depository may.</li> <li>● You must notify us in writing of any changes to the specified banking instructions on file.</li> </ul>
<b>ACH transfer (settles next Business Day)</b>	<ul style="list-style-type: none"> <li>● Before making your first ACH transfer, call 866-839-8376 and register for ACH transfers.</li> <li>● Investors may initiate an ACH Redemption for the next Business Day online, via a faxed request signed by an authorized person, or by calling the Administrator before 3:00 PM Central Time and request the movement of funds to the specified bank account.</li> </ul>	<ul style="list-style-type: none"> <li>● Funds will transfer overnight and be available the next Business Day.</li> <li>● Funds remain invested until the day they are transferred.</li> <li>● The Portfolios do not charge fees for ACH transfers and transferring banks generally do not impose fees for ACH either.</li> </ul>
<b>Withdrawing All Funds</b>	<ul style="list-style-type: none"> <li>● Call 866-839-8376 to initiate the transaction</li> </ul>	<ul style="list-style-type: none"> <li>● All accrued dividends will be computed and included in the withdrawal.</li> <li>● Proceeds will be sent by same day wire or next day transfer, according to your instructions.</li> </ul>

**Buying Shares – TexasTERM**

Investors may redeem all or a portion of the available  
Once your application to open a TexasTERM Portfolio account has been accepted, you may invest by authorizing the Investment Adviser to transfer funds out of a TexasDAILY or TexasDAILY Select account, or by reinvesting a matured TexasTERM Portfolio investment.

information on the projected yield. Each investment will be given its own projected yield. Yields may vary according to the term of the investment and the rates available at the time of investment.

The Investment Adviser may refuse any investment or limit the size of an investment.

Prior to placing any order, call us to discuss the amount and term of your investment and to get

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Prior to placing any order, call us to discuss the

Type of Redemption	Instructions	Additional information
<b>Maturity</b>	<ul style="list-style-type: none"> <li>No action required. Proceeds will be automatically transferred to the TexasDAILY or TexasDAILY Select account from which funds for the original purchase were withdrawn.</li> </ul>	<ul style="list-style-type: none"> <li>Redemption value per share will equal the purchase price plus dividends (at the projected yield) minus any losses incurred by the series (not counting those resulting from premature redemptions).</li> </ul>
<b>Premature Redemption</b> <i>Redemption prior to maturity date</i>	<ul style="list-style-type: none"> <li>Send a letter to the Investment Adviser requesting redemption prior to maturity date. Alternatively, you can notify the Investment Adviser by calling 866-839-8376 and following up with written confirmation of your instructions.</li> <li>7 days after we receive your request, redemption proceeds will be transferred to the TexasDAILY or TexasDAILY Select account from which funds for the original purchase were withdrawn.</li> </ul>	<ul style="list-style-type: none"> <li>Premature redemption amounts must be for the entire investment, or for partial redemptions, must be in increments of \$100,000.</li> <li>Redemption value per share will equal the purchase price plus dividends earned to date minus any losses incurred by the series and any premature redemption penalty.</li> </ul>
<b>Planned Early Redemption</b> <i>Redemption prior to maturity date</i>	<ul style="list-style-type: none"> <li>At the time an order for shares is placed, Investors may submit a request for redemption on a Planned Early Redemption Date prior to the termination date for the series without the imposition of a penalty.</li> <li>No action necessarily required. Proceeds will be automatically transferred to the TexasDAILY or TexasDAILY Select account from which funds for the original purchase were withdrawn.</li> </ul>	<ul style="list-style-type: none"> <li>The redemption value per share for shares being redeemed on a Planned Early Redemption Date is equal to the original purchase price for such shares plus dividends thereon, less such shares' allocation of any losses incurred by the series (other than losses resulting from Premature Redemption of shares of the series).</li> </ul>



## Buying CDs

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All CDs purchased through the CD Program must be purchased with funds withdrawn by redeeming shares from a TexasDAILY or TexasDAILY Select account. Interest is declared and paid upon redemption.

### Instructions

- Call 866-839-8376 to discuss the amount and term of your intended CD investment.
- If the CD rate, the name(s) of the issuing banks, and term quoted are acceptable, indicate your acceptance to the representative and provide the Investor's name and TexasDAILY or TexasDAILY Select account number.
- Based on information from the CD issuer, the Investment Adviser will provide a notice to you detailing the name of the issuer, issuer's state, par amount, settlement date, maturity date, term, rate, and expected income, and institution base year.

### Additional information

- It is your responsibility as a CD Program Participant to ensure that sufficient available funds are in your TexasDAILY or TexasDAILY Select account on the settlement date.
- It is your responsibility to verify any additional holdings against FDIC insurance requirements.

## Liquidating CDs

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Funds may be withdrawn in any of the ways shown below.

### Instructions

- **Maturity** No further action required. Subject to timely receipt of proceeds on the maturity date, redemption proceeds will automatically be transferred to the same TexasDAILY or TexasDAILY Select account from which funds for the purchase were withdrawn.

### Additional information

- Funds from a maturing CD cannot be directly reinvested in a new CD. To effect reinvestment of proceeds, you are required to originate a new purchase as described above.
- Early withdrawals may involve substantial penalties from the issuing financial institution. If an early withdrawal is necessary, contact the Investment Adviser.

## **Policies Concerning Withdrawals**

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### **Suspending Withdrawals**

The Advisory Board can suspend the right of withdrawal or postpone the date of payment if the Federal Reserve Bank in Dallas is closed other than for customary weekend and holiday closings, or if the Advisory Board determines there is an emergency that makes the sale of a Portfolio's securities or determination of its net asset value not reasonably practical.

### **Insufficient Funds Policy**

Texas Range may redeem shares owned by an Investor to reimburse a Portfolio for any failure by that Investor to make full payment for shares purchased by the Investor.

## **Policies Specific to the TexasDAILY/Texas DAILY Select Portfolios**

### **Dividends and Distributions**

If shares are redeemed, they do not earn a dividend for the day they are redeemed.

Current yield information for the Portfolios may, from time to time, be quoted in reports, literature and advertisements published by Texas Range. Current yields which may be quoted include the current one-day allocation factor, the current one-day (or current dividend) yield, and the current seven-day (or current annualized) yield.

The current one-day allocation factor represents the daily net income dividend declared by the TexasDAILY or TexasDAILY Select Portfolio divided by the Portfolio's daily net assets, respectively. The current one-day yield (the "current dividend yield") is the current one-day allocation factor of the TexasDAILY or TexasDAILY Select Portfolio, respectively, divided by the daily net asset value per share (normally \$1.00) multiplied by 365. The current seven-day yield ("current annualized yield") is computed by summing the current one-day allocation factors of the TexasDAILY or TexasDAILY Select Portfolio, respectively, during the prior seven calendar days, dividing by the daily net asset value per share (normal \$1.00) at the beginning of the base period, and multiplying the result by (365/7).

TexasDAILY and TexasDAILY Select also publishes a "monthly distribution yield" in each month-end TexasDAILY and TexasDAILY Select account statement. The monthly distribution yield represents the sum of a month's current allocation factors divided by the number of calendar days in that month and

multiplied by 365. The "effective annual yield" of TexasDAILY may also be quoted. The annual yield reflects the value of compounding and represents the annualization of the monthly distribution yield with all dividends reinvested. The effective annual yield is computed by dividing the monthly distribution yield for a monthly calendar period by 12, adding one and then raising the sum to the power of 12, and subtracting one from the result.

*For more detail about how dividends are calculated, see Part 2.*

### **Calculating Net Asset Value**

The Investment Adviser calculates NAV for the TexasDAILY and TexasDAILY Select Portfolios as of the conclusion of each Business Day. To calculate NAV, each Portfolio first subtracts its total liabilities from its total assets, then divides the result by the number of outstanding shares. Liabilities include all accrued expenses and fees, including fees of the Investment Adviser, Custodian and others providing services to the Portfolios, which are accrued daily.

For purposes of calculating NAV, securities are valued at cost, plus or minus any amortized discount or premium.

*For more detail about how the NAV is calculated, see Part 2.*

### **How Purchase Prices are Determined**

The exact price for your shares will be determined based on the NAV next calculated after the Investment Adviser accepts a properly executed order. However, if the Depository Bank does not receive federal funds on a timely basis, your price will instead be based on the next NAV calculated after receipt of funds. The number of shares you receive will be determined by the NAV.

## **Policies Specific to the TexasTERM Portfolio**

### **Dividends and Distributions**

A projected dividend rate is determined when shares are purchased and the dividend is declared and paid on maturity or on the planned redemption date.

Dividends on shares in the series constituting the TexasTERM Portfolio shall be paid on the termination date of the series, except for dividends on shares redeemed pursuant to a planned early redemption or a premature redemption before the termination date, which will be paid when such dividends on shares in the series are redeemed.

The yield for any Portfolio investment is determined by dividing the expected net income per share for the period from the settlement date to the termination date by the purchase price per share, dividing this result by the actual number of days between the settlement date and the termination date, and then multiplying the result by 365/366.

*For more detail about Dividends and Distributions, see Part 2.*

### **Premature Redemption Penalty**

Investors may be charged a premature redemption penalty equal to (i) all penalty charges, losses, banking fees and other costs (including, without limitation, interest paid on funds borrowed to pay the redemption) associated with amending, terminating, selling or otherwise affecting any of the investments in the series and (ii) an amount sufficient to maintain the projected yield on the remaining shares to the stated termination date for the series or to the planned early redemption dates, as the case may be, less any losses affecting projected yield attributable to such shares.

### **Allocation of Losses**

Any losses incurred by a Portfolio Series (other than losses resulting from Premature Redemptions of shares of the series) will be allocated among all shares of the series outstanding at the time such loss is incurred. Such a loss may result from a default on an investment or from a sale of an investment. If such a loss occurs, the redemption value per share could be lower than that on which the projected yield was quoted at the time of issuance of the share.

### **Calculating Share Price**

Any losses incurred by a Portfolio Series (other than The redemption value per share for any series of the Portfolio will be determined on any day when redemption is made and on termination of the series. It is the intent of Texas Range to manage each series in the Portfolio in a manner that produces a share price of at least \$1.00 on the termination date.

The Investment Adviser, on behalf of Texas Range, determines the net asset value of the shares of the Portfolio at the close of each Business Day for the purpose of computing expenses and fees. The net asset value per share for each series of the Portfolio is calculated by dividing the total value of investments and other assets less any liabilities by the total outstanding shares of the series as of the day the calculation is made.

## General Policies

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### How Sales Prices are Determined

Except in the case of ACH transactions, your shares will be sold at the first NAV that is calculated after we have received your request in proper form.

### Services to Investors

**Texas Range offers certain additional account features at no extra charge, including:**

**Statements** Daily transaction confirmations are available only on Connect. The Investment Adviser provides monthly statements showing the previous month's transactions, dividends paid and the account balance as of the statement date. The statements also indicate total year-to-date income earned. Monthly statements are also available through Connect within two business days after month-end. Investors may elect to stop receiving statements by mail.

Account information can be accessed online by visiting [www.texas-range.com](http://www.texas-range.com).

**Information Services** Toll-free telephone service, **866-839-8376**, is available to provide Investors with information including up-to-date account information and transaction history, and to receive instructions for the investment or withdrawal of funds.

**Website** Account information and information regarding the Texas Range Portfolios and the CD Program, along with current news about Texas Range can be found at [www.texas-range.com](http://www.texas-range.com). A password and user identification are required to initiate a transaction or access account information. The system can be accessed through the Texas Range website by selecting "Sign In." A password and user identification can be received by contacting the Customer Service Group at **866-839-8376**.

### Operating Policies

Texas Range has developed operating policies pertaining to deposits, withdrawals, wire and other electronic transactions. These operating policies are available to all Investors and may be amended from time to time. These policies have been developed for the protection of Texas Range and its Investors. The policies are integral to the operation of Texas Range and are binding on the Investors.

### Information on Portfolio Holdings

Each Portfolio discloses a summary of its holdings online monthly and a full description of each Portfolio's holdings in the annual audited financial reports. Each month, Texas Range displays a summary of the

holdings of the TexasDAILY, TexasDAILY Select and TexasTERM Portfolios (as of 60 days prior) online at [www.texas-range.com](http://www.texas-range.com).

### Rights we reserve

Texas Range reserves the right, acting through its appropriate entity, to do any of the following:

- Add, change, or drop account minimums at any time without advance notice.
- reject any investment or to limit the size of any Investor's account
- Limit the frequency of purchases for any reason.

### Tax Information

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We suggest that you check with your tax advisor before investing in a Portfolio of Texas Range or the CD Program. Relevant considerations include:

- Section 115(1) of the Internal Revenue Code of 1986, as amended ("Code"), which provides that the gross income of a state or political subdivision does not include income derived from the exercise of any essential government function.
- Section 148 of the Code (and related regulations) covering rebate requirements, which may apply to anyone investing tax-exempt or tax-credit bond proceeds.
- The arbitrage limitations or rebate requirements of section 148 of the Code (and related regulations), under which states and municipalities may be required to pay the U.S. Treasury a portion of earnings they derive from the investment of certain funds.

### Use of Amortized Cost

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The Advisory Board has determined, in consultation with the Investment Adviser, that it will manage the Texas Range Liquid Portfolio(s) in accordance with GASB 79 requirements, as applicable, for continued use of amortized cost.

### Financial Highlights

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The Portfolios' audited financial statements and financial highlights are included in the Texas Range Annual Report for the year-end. The Annual Report is available upon request.

## Part 2 – Information Statement Addendum

### General Information

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#### History and Description of the Texas Range Investment Program (“Texas Range”)

The “TexasTERM Local Government Investment Pool”, d/b/a the Texas Range Investment Program (Texas Range), was established by the Advisory Board as a governmental agency under Chapter 791, Texas Government Code, and as a public funds investment pool under the Public Funds Investment Act, Chapter 2256, Texas Government Code. It is governed by the terms of a Common Investment Contract among the City of Austin, the City of Gonzales, and Lake Dallas Independent School District.

Texas Range consists of various Portfolios and series approved by the Advisory Board. It offers a series of professionally managed Portfolios that are available to municipalities, counties, school districts, special districts and other governmental entities in the State of Texas. These currently include the TexasDAILY, TexasDAILY Select and TexasTERM Portfolios. Multiple series may exist within a Portfolio. Participation in the TexasTERM Portfolio requires an open TexasDAILY or TexasDAILY Select account. Texas Range also offers the CD Purchase Program, under which Investors, who have a TexasDAILY and/or a TexasDAILY Select account, can purchase appropriate CDs directly from their issuers or via certain brokers.

#### Common Investment Contract and Shares

Investors in the Texas Range Investment Program (referred to as “Unitholders” in the contract) establish their accounts with Texas Range by either enacting an ordinance or adopting a resolution.

Each Investor may receive a copy of the contract; all general descriptions of its terms contained in this Information Statement Addendum are subject to the specific language of the contract itself.

The contract permits the Advisory Board to issue an unlimited number of shares (referred to as units in the contract) of beneficial interest in a Portfolio, from a class or classes (Portfolios or series) as the Advisory Board may create from time to time. Shares are transferable on the records of the Portfolio only by the record holder or by an agent of the record holder who has been duly authorized in writing. Transfer is accomplished by delivering to the Advisory Board or the transfer agent a duly executed instrument of transfer that meets all reasonable requirements established for the authentication of signatures, authorization of individuals to sign, and other procedural matters. Upon such delivery, the transfer will be recorded on the register of the Portfolio. Until the transfer is recorded, the Investor will be considered the holder of such shares for all purposes under the contract, regardless of whether the Advisory Board, transfer agent, officer, employee, or agent of the Portfolio has received notice of the proposed transfer.

For all matters requiring a vote of Investors, an Investor is entitled to one vote for each full share (and a fractional vote for each fractional share) then outstanding in its name on the books of the Portfolio.

The Advisory Board may terminate a Portfolio or series. If this occurs, the Advisory Board will first pay (or adequately provide for the payment of) all liabilities, obtain all releases, indemnities, and refunding agreements that they deem necessary for their protection, and then distribute the remaining assets of the Portfolio in cash among the Investors according to their respective beneficial interests.

The contract may be amended by the vote of three-fifths of the Advisory Board without the vote or consent of Investors. No amendment will take effect until at least 90 days after Investors affected by the amendment have been notified. Investors who have not withdrawn from the contract by the date the amendment becomes effective will be deemed to have consented to it.

Investors are advised that if they withdraw their funds in response to an amendment to the contract, they may incur a loss resulting from such withdrawal.

#### Services

**Advisory Services.** The Advisory Board has entered into an Investment Advisory Agreement with the Investment Adviser, pursuant to which the Investment Adviser manages the investment of the TexasDAILY,

TexasDAILY Select and TexasTERM Portfolios, including the placement of orders for the purchase and sale of Portfolio securities. The Investment Adviser obtains and evaluates such information and advice relating to the economy and the securities market as it considers necessary or useful to manage continuously the assets of Texas Range in a manner consistent with the investment objectives and policies of each Portfolio.

**Portfolio Transactions.** The Investment Adviser is responsible for decisions to buy and sell Portfolio securities for Texas Range, and arranges for the execution of Portfolio securities transactions on behalf of Texas Range. Purchases of Portfolio securities are made from dealers, underwriters, and issuers; sales prior to maturity are made to dealers and other persons. Money market instruments bought from dealers are generally traded on a “net” basis with dealers acting as principal for their own accounts without a stated commission, although the price of the security usually includes a profit to the dealer. Thus, the Portfolios do not normally incur any brokerage commission expense on such transactions. Securities purchased in underwritten offerings include a fixed amount of compensation to the underwriter, generally referred to as the underwriter’s concession or discount. When securities are purchased or sold directly from or to an issuer, no commissions or discounts are paid. However, any fees, commissions or transaction costs incurred in the purchase or sale of Portfolio securities are borne by the respective Portfolio to which they related.

The Texas Range policy regarding purchases and sales of securities for its Portfolios is that primary consideration will be given to obtaining the most favorable price and efficient execution of transactions. In seeking to implement the Texas Range policy, the Investment Adviser will affect transactions with those dealers whom the Investment Adviser believes provide the most favorable price and efficient execution. If the Investment Adviser believes such price and execution can be obtained from more than one dealer, it may give consideration to placing Portfolio transactions with those dealers who also furnish research and other services to Texas Range or Investment Adviser. Such services may include, but are not limited to, any one or more of the following: information as to the availability of securities for purchase or sale; statistical or factual information or opinions pertaining to investments; wire services; and appraisals or evaluations of Portfolio securities. The services received by the Investment Adviser from dealers may be of benefit to it in the management of accounts of some or all of its other clients and may not in all cases benefit the Texas Range directly. While such services are useful and important in supplementing its own research and facilities, the Investment Adviser believes the value of such services is not determinable and does not significantly reduce its expenses. Texas Range does not reduce the management fee it pays to the Investment Adviser by any amount that may be attributable to the value of such services.

**Customer Service.** The Investment Adviser operates a toll-free telephone facility to be used by Investors or by local governments interested in becoming Investors or Participants of the CD Program. The Investment Adviser also develops and maintains the online access and transaction systems.

**Transfer Agent, Dividend Disbursing Agent.** The Investment Adviser maintains account records for each Investor, produces statements of account, calculates and distributes the net income, and processes all transactions.

**Administrator.** The Investment Adviser maintains the books of the Portfolios; supervises, under the direction of the Advisory Board, all aspects of each Portfolio’s operations; periodically updates and prepares the Texas Range Information Statement; prepares the tax returns, financial statements and reports for all Portfolios; supervises and coordinates the activities of the Depository and Custodian for the assets of the Portfolios; and provides office space, equipment, and personnel to administer the Texas Range Investment Program.

**Marketing & Distribution.** PFM Fund Distributors, Inc., an affiliate of the Investment Adviser, arranges and pays for costs of printing and distributing the Texas Range Information Statements to local governments, school districts, and municipal authorities. Additionally, PFM Fund Distributors, Inc. prepares and distributes other explanatory and promotional materials, provides technical assistance and guidance to local governments, school districts, and municipal authorities considering use of Texas Range as a cash management vehicle, and personnel make visits to local governments, school districts, municipal authorities and other governmental entities to present the facts about Texas Range and to explain their use, advantages, and benefits.

**Portfolio Accounting.** The Investment Adviser maintains records of all securities owned, performs the bookkeeping for all sales and purchases, determines the daily, monthly and quarterly income distribution amounts, and under the direction of the Advisory Board determines each Business Day the net asset value of shares of the TexasDAILY and TexasDAILY Select Portfolios, and determines the net asset value of shares of the TexasTERM Portfolio as necessary.

### Advisory Board

The Advisory Board is responsible for the overall management of the Texas Range Investment Program. The Advisory Board's responsibilities include formulating and implementing investment and operating policies for each Portfolio. In addition, the Advisory Board selects and oversees the activities of the Portfolios' Investment Adviser/Administrator, Depository and Custodian and monitors each Portfolio's investment performance and share valuation. Advisory Board members serve for a term of two years which are staggered. At each annual meeting, Advisory Board members whose terms are expiring then are elected by the Investors. Nominations are made by the full Advisory Board during a scheduled Advisory Board meeting.

The Advisory Board elects its own officers: President, Secretary, and Treasurer.

### Compensation

The Advisory Board members serve without compensation but are reimbursed by Texas Range for reasonable travel and other out-of-pocket expenses incurred in connection with their duties as Advisory Board members.

### Indemnification

Those Advisory Board members and officers of Texas Range, that are government officials or employees, enjoy the same immunities from liability and suit as are enjoyed by officers of the Investors. The contract provides that each Advisory Board member, officer, employee and agent of Texas Range will be indemnified to the fullest extent provided by Texas law, and as further described in the contract. So long as they have acted in good faith under the belief that their actions are in the best interest of Texas Range, Advisory Board members and officers of Texas Range will not be responsible for or liable for their neglect or wrongdoing, but nothing in the contract will protect any Advisory Board member against any liability they incur because of fraud, willful misfeasance or bad faith.

### Meetings

The Advisory Board meets quarterly (typically January, April, July and October). The Advisory Board receives reports from the Investment Adviser/Administrator and reviews the performance of the Portfolios in consultation with the Investment Adviser/Administrator.

### Advisory Board Members

The Advisory Board meets quarterly (typically January, April, July and October). The Advisory Board receives reports from the Investment Adviser/Administrator and reviews the performance of the Portfolios in consultation with the Investment Adviser/Administrator.

<b>Name, Title and Organization</b>	<b>Board Position</b>	<b>Term Expiration</b>
Wes Eversole, Deputy Superintendent/CFO, Lake Dallas ISD	President	October, 2022
Deborah Lauder milk, Chief Investment Officer, Travis County	Secretary	October, 2022
Susan Morgan, Chief Financial Officer, City of Round Rock	Treasurer	October, 2022
Elaine Cogburn, Chief Financial Officer, Leander ISD	Participant Board Member	October, 2022
Brigitte Clark, Chief Financial Officer, Goose Creek CISD	Participant Board Member	October, 2021
Edward B. Peacock, CPA	Non-Participant Board Member	October, 2021
Vacant		

For additional information, a current listing of the Advisory Board members may be found at [www.texas-range.com](http://www.texas-range.com).

## Service Providers

### Investment Adviser, Administrator, and Transfer Agent

PFM Asset Management LLC is the Texas Range Investment Adviser and Administrator, with an office at 180 State Street, Suite 225, Southlake, Texas 76092. The daily management of the investment affairs and research relating to the Texas Range Portfolios is conducted by or under the supervision of the adviser/administrator.

PFM Asset Management LLC is an investment adviser registered with the U.S. Securities and Exchange Commission, under the Investment Advisers Act of 1940, as amended, and a subsidiary of U.S. Bancorp Asset Management, Inc. (“USBAM”). USBAM is a subsidiary of U.S. Bank National Association (“U.S. Bank”). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. For additional information on the Investment Adviser, visit [www.pfmam.com](http://www.pfmam.com).

As Investment Adviser, PFM Asset Management LLC is responsible for supervising each Portfolio’s investment program, managing each Portfolio’s assets, implementing any training programs approved by the Advisory Board members, providing the Advisory Board members with quarterly performance evaluations, maintaining the books and records of the Portfolios, and for selecting the CDs that are offered through the CD Program.

PFM Asset Management LLC also provides certain administrative services to Texas Range, such as:

- Calculating the NAV of each Portfolio
- Arranging for quarterly Advisory Board meetings.
- Overseeing the preparation of tax returns, reports to the Advisory Board, shareholder reports, and regulatory filings.
- Coordinating the activities of other service providers.

In addition, PFM Asset Management LLC serves as transfer agent for the Portfolios. It receives, validates, and processes orders to buy and sell Portfolio shares.

In this document, the term “Investment Adviser” is used to indicate PFM Asset Management LLC, even when referring to them in their capacity as Administrator or Transfer Agent, if applicable.

### Distributor

PFM Fund Distributors, Inc.  
213 Market Street  
Harrisburg, PA 17101

PFM Fund Distributors, Inc., an affiliate of PFM Asset Management LLC offers shares of the Portfolios on a continuous basis. It is responsible for printing and distributing sales materials. PFM Fund Distributors, Inc., is a subsidiary of U.S. Bank. U.S. Bank is a separate entity and subsidiary of U.S. Bancorp.

### Custodian

U.S. Bank N.A.  
60 Livingston Avenue  
St. Paul, Minnesota 55107

U.S. Bank holds each Portfolio’s securities. In addition to internal governance, numerous federal agencies, including the Office of the Comptroller of the Currency (“OCC”), the Federal Reserve System and the Consumer Financial Protection Bureau (“CFPB”), supervise and inspect U.S. Bank and its parent company, U.S. Bancorp, to ensure sound banking practices and to protect clients. Appropriate information barriers relating to activities and data exist to facilitate fully independent and segregated oversight of client assets as custodian. The Investment Adviser, PFM Asset Management LLC, is a subsidiary of USBAM. USBAM is a subsidiary of U.S. Bank. U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. The Custodian is the recipient of deposits for purchases of shares of each Portfolio, holds all cash and securities of the Program, except as noted below with respect to certain repurchase agreements, and acts as disbursing agent for the Program. The Custodian does not participate in determining the investment policies of the Program or in investment decisions. The Program may not invest funds with, nor buy or sell any securities through, any affiliated service provider.

### Depository Bank



Wells Fargo Bank N.A.  
Government Banking  
Meetinghouse Business Center  
2240 Butler Pike  
Plymouth Meeting, PA 19462.

Texas Range's demand deposit accounts and similar concentration accounts are maintained with, and all banking transactions (including wires and ACH) for Investors are processed through, the Depository Bank. Cash received from Investors who are buying Portfolio shares or cash payable to Investors who have redeemed shares may be held by the Depository Bank on a same-day basis

### **Independent Auditor**

Ernst & Young, LLP  
One Commerce Square  
2005 Market Street, Suite 700  
Philadelphia, PA 19103

Ernst & Young audits the Texas Range Investment Program financial statements.

### **Legal Counsel**

McCall, Parkhurst & Horton, LLP  
717 North Harwood  
Suite 900  
Dallas, TX 75201

Jeff Leuschel serves as legal counsel to the Texas Range Investment Program.

## **Information Common to All Portfolios**

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### **Authorized Investments**

The Portfolios are specifically designed for investment by local governments whose investment policies are consistent with those of the Texas Range Investment Program. They are comprised exclusively of investments in the following money market instruments as permitted by the Public Funds Investment Act:

- Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks, with a maximum maturity of 13 months.
- Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;
- Fully collateralized direct repurchase agreements having a defined termination date and secured by obligations of the United States or its agencies and instrumentalities. Repurchase agreements are only to be placed through a primary government securities dealers or state or national banks doing business in the State of Texas.
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
- Bankers' Acceptance with a stated maturity of 270 days or fewer from the date of its issuance that will be, in accordance with its terms, liquidated in full at maturity; is eligible for collateral for borrowing from a Federal Reserve Bank; and is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1, P-1 or an equivalent rating by at least one nationally recognized credit rating agency. **This is an authorized investment for the TexasDAILY Select and TexasTERM Portfolios ONLY.**
- Certificates of Deposit issued by state and national banks doing business in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, secured by obligations of the U.S. Government or its agencies and instrumentalities.

- No-load money market mutual funds that are registered with and regulated by the Securities and Exchange Commission provides the investing entity with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); and complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.); Continuously rated AAA or equivalent as to investment quality by at least one nationally recognized rating service; The money market mutual fund must maintain a dollar-weighted average state maturity of 60 days or fewer and include in its investment objectives the maintenance of a stable net asset value of \$1.00.
- Commercial Paper with a stated maturity of 365 days or fewer from the date of its issuance that is rated not less than A-1, P-1 or the equivalent by at least two nationally recognized credit rating agencies. ***This is an authorized investment for the TexasDAILY Select and TexasTERM Portfolios ONLY.***

### Investment Restrictions

The Advisory Board has adopted the following investment restrictions and fundamental investment policies for the Portfolios. These cannot be changed without approval of the Investors holding a majority of the outstanding shares of each Portfolio or series within a Portfolio to be affected by the change.

No Portfolio will:

- Purchase any securities other than those listed under “Authorized Investments” section above, unless State of Texas legislation expands the list of securities that are legal investments for all classes of Investors. In that case, the Advisory Board may take action to change the Portfolios’ permitted investments to conform to such legislative changes, and the Advisory Board will give written notification to the Investors affected by any change to the Portfolios’ permitted investments.
- Invest in securities of any issuer in which an Advisory Board member or officer, or employee or agent of a Portfolio is an officer, director, or 5% shareholder, unless such investment is periodically authorized by resolutions adopted by the majority of the Advisory Board members who are not officers, directors, or 5% shareholders of such issuer.
- Make loans (although it may enter into repurchase agreements that are eligible investments for the Portfolio).
- Borrow money or pledge, hypothecate, or mortgage its assets to an extent greater than 25% of the total market value of its assets, and then only as a temporary measure for extraordinary or emergency purpose, to facilitate withdrawal requests that might otherwise require untimely dispositions of Portfolio securities. Any borrowing must be repaid before the Portfolio in question makes any additional investments. Interest paid on a borrowing will reduce net income.
- Invest in derivatives. The definition of derivatives includes instruments with embedded features that alter their character or income stream or allow holders to hedge or speculate on a market or spreads between markets that are external to the issuer or are not correlated on a one-to-one basis to the associated index or market’s such as collateralized mortgage obligations.

### Main Risks

There are several risk factors that could hurt a Portfolio’s performance, cause you to lose money, or cause a Portfolio’s performance to trail that of other investments:

**Interest rate risk (Not applicable to TexasTERM)** When short-term interest rates fall, the Portfolio’s yield is likely to fall. When interest rates rise, especially if the rise is sharp or unexpected, the Portfolio’s share price could fall.

During periods of unusually low interest rates, the Portfolio’s yield may approach zero. Over time, the total return of the Portfolio may not keep pace with inflation.

**Credit risk** The issuer of a security owned by a Portfolio could fail to pay interest or principal in a timely manner. The credit quality of a Portfolio’s holdings could change rapidly in certain markets, and the default or decline in credit quality of even a single holding could cause a Portfolio’s share price to fall.

For money market instruments that rely on third-party credit guarantors, the same risks may apply if the financial condition of the guarantor deteriorates or the guarantor ceases to insure money market instruments. The value of an obligation may decline and it is possible that the guarantor may not honor the guarantee.

For U.S. government or agency securities not backed by the full faith and credit of the U.S. government, there is no guarantee that the government will intervene in the event of any loss or default.

Any type of credit backing or guarantee applies only to the securities held by a Portfolio, not to shares of the Portfolio itself, and does not protect against any risk other than credit risk.

**Management risk** Portfolio performance could be hurt by investment decisions made by the Investment Adviser, such as choice of investments or timing of buy/sell decisions.

**Counterparty risk** A financial institution or other counterparty with whom a Portfolio does business (such as trading or entering into repurchase agreements), or that underwrites, distributes, or guarantees any investments or contracts that a Portfolio owns or is otherwise exposed to, may decline in financial condition and become unable to honor its commitments. This could cause losses for a Portfolio or delay the return or delivery of collateral or other assets.

**Financial industry risk** Any market price movements, regulatory or technological changes, or economic conditions affecting banks or other financial institutions will have a significant impact on a Portfolio's performance.

**Additional cost level risk** To the extent that a Portfolio invests in mutual funds rather than directly in money market instruments, the Portfolio's shareholders will effectively be paying two or more levels of costs, which could reduce yields.

**Liquidity risk (Not applicable to TexasTERM)** If a Portfolio faces an unusual volume of redemption orders, or if it is unable to sell Portfolio securities at the desired time or price, the Portfolio's share price could fall.

### **Management and Administrative Costs**

**Investment Adviser** The annual fee for PFM Asset Management LLC's services is calculated as a percentage of average daily net assets:

#### **TexasDAILY**

<b>Portfolio average daily net assets</b>	<b>Fee</b>
First \$250 million	0.17%
Second \$250 million	0.13%
Next \$500 million	0.12%
Over \$1 billion	0.10%

#### **TexasDAILY Select**

<b>Portfolio average daily net assets</b>	<b>Fee</b>
First \$250 million	0.17%
Second \$250 million	0.13%
Next \$500 million	0.12%
Over \$1 billion	0.10%

#### **TexasTERM Portfolio**

<b>Average daily net assets of each series</b>	<b>Fee</b>
All assets	0.15%

**Transfer agent** Costs of transfer agent services are included in the management and administrative costs shown above.

**Other expenses** Each Portfolio is responsible for paying directly all costs that are not the responsibility of the service providers. Examples of direct Portfolio costs are those associated with:

- Legal and audit services.
- Brokerage commissions.
- The depository and custodian banks.
- Interest, taxes, and other non-recurring or extraordinary expenses, including litigation.

The Portfolios pay out-of-pocket expenses incurred by the Advisory Board members in connection with their duties.

**Expense Reductions** PFM Asset Management may voluntarily reduce or limit the expenses it charges to any Portfolio or share class.

**The Investment Adviser has agreed to reimburse the TexasDAILY, TexasDAILY Select, and TexasTERM Portfolios for the amount by which their total expenses (excluding any legal and litigation-related fees) exceed 0.20% of its annualized average daily net assets**

**Other than the above agreements concerning Texas Range and/or the Portfolios, PFM Asset Management has the contractual right, subject to certain notification requirements, to discontinue any fee waivers.**

### **Information Specific to the TexasDAILY and TexasDAILY Select Portfolios**

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#### **Maturity**

Each Portfolio maintains a dollar-weighted average maturity of no more than 60 days and a dollar-weighted life (final maturity, adjusted for demand features but not interest rate adjustments) of no more than 120 days. Certain obligations of the United States Government or any of its agencies or instrumentalities owned by a Portfolio may have remaining maturities exceeding one year if such securities provide for adjustments in their interest rates at least annually, and the adjustments are sufficient to cause the securities to have market values, after adjustments, which approximate amortized cost values. Investments in the Portfolios are denominated in U.S. dollars and have remaining maturities (or, in the case of repurchase agreements, remaining terms) of 397 days or less at the time of purchase. However, the Portfolios may invest in securities with maturities greater than 397 days if certain maturity shortening features (such as interest rate resets or demand features) apply.

**Variable Rate Securities** Each Portfolio may invest in variable rate obligations and other securities with maturity shortening features (such as interest rate resets and demand features) that have the effect of reducing their maturities to 397 days or less at the time of purchase. In all cases final stated maturities would be less than 762 days.

#### **Investment Restrictions**

Neither the TexasDAILY, nor TexasDAILY Select Portfolios shall purchase the securities of any issuer (other than obligations issued and guaranteed as to principal and interest by the Government of the United States, its agencies or instrumentalities, and any securities that are subject to repurchase agreements) if, as a result at the time of purchase, any of the following would be true:

- More than 5% of each Portfolio's total assets would be invested in the securities of any one issuer.
- More than 5% of each Portfolio's total assets would be invested in any class of securities of a single issuer (for this purpose, all debt obligations of an issuer maturing in less than one year are treated as a single class of securities).
- Investment in Illiquid Securities. Illiquid investments are securities that cannot be sold or disposed of in the ordinary course of business at approximately the value ascribed to it by each Portfolio. The Texas Daily and TexasDAILY Select Portfolios may not invest more than 5% of net assets in the following illiquid investments, measured in aggregate. Illiquid investments include:
  - Restricted investments (those that, for legal reasons, cannot be freely sold).

- Fixed time deposits with a maturity of more than seven days that are subject to early withdrawal penalties.
- Any repurchase agreement maturing in more than seven days and not terminable at approximately the carrying value in the Portfolios before that time.
- Other investments that are not readily marketable at approximately the carrying value in each Portfolio.

If the 5% limitation on investing in illiquid securities is adhered to at the time of investment, but later increases beyond 5% resulting from a change in the values of each Portfolio's securities or total assets, Texas Range shall then bring the percentage of illiquid investments back into conformity as soon as practicably possible. Texas Range believes that these liquidity requirements are reasonable and appropriate to assure that the securities in which each Portfolio invests are sufficiently liquid to meet reasonably foreseeable redemptions of shares.

## **Dividends**

### **TexasDAILY Portfolio**

The provisions relating to planned early redemptions and premature redemptions for the separate TexasTERM Portfolio found in the section below labeled "Dividends" do not apply to the Pool's TexasDAILY Portfolio. Net income of the TexasDAILY Portfolio shall be determined on the accrual basis as of the conclusion of each Business Day and declared as dividends to each Investor at the time of such determination in proportion to the number of shares in the TexasDAILY Portfolio then held by each Investor.

Net income of the TexasDAILY Portfolio shall consist of interest earned, plus any discount ratably amortized to the date of maturity plus or minus all realized gains and losses on the sale of securities prior to maturity, less ratable amortization of any premium and all accrued expenses of the TexasDAILY Portfolio including the fees payable to the Investment Advisor/ Administrator, and others who provide services to the TexasDAILY Portfolio. Dividends declared by the TexasDAILY Portfolio are paid to shareholders as of the last Business Day of each calendar month in the form of additional shares which are credited to each Investor's account. If the net income of the TexasDAILY Portfolio at the time of such determination is a negative amount, the Advisory Board shall have the power and authority (i) to allocate such negative amount among such Investors in proportion to the number of shares held at the time of such determination and to offset the allocable share of each Investor of such negative amount against any income accrued to such Investor, and/or (ii) reduce the number of outstanding shares of the TexasDAILY Portfolio by reducing the number of shares of each Investor by that number of shares which represents the amount of its allocable share of such negative amount which is not offset against income accrued to such Investor.

### **TexasDAILY Select Portfolio**

The provisions relating to planned early redemptions and premature redemptions for the separate TexasTERM Portfolio found in the section below labeled "Dividends" do not apply to the Pool's TexasDAILY Select Portfolio. Net income of TexasDAILY Select Portfolio shall be determined on the accrual basis as of the conclusion of each Business Day and declared as dividends to each Investor at the time of such determination in proportion to the number of shares in TexasDAILY Select Portfolio then held by each Investor.

Net income of the portfolio shall consist of interest earned, plus any discount ratably amortized to the date of maturity plus or minus all realized gains and losses on the sale of securities prior to maturity, less ratable amortization of any premium and all accrued expenses of the TexasDAILY Select Portfolio including the fees payable to the Investment Adviser/ Administrator, and others who provide services to the TexasDAILY Select Portfolio. Dividends declared by the TexasDAILY Select Portfolio are paid to Investor as of the last Business Day of each calendar month in the form of additional shares which are credited to each Investor's account. If the net income of TexasDAILY Select Portfolio at the time of such determination is a negative amount, the Advisory Board shall have the power and authority (i) to allocate such negative amount among such Investors in proportion to the number of shares held at the time of such determination and to offset the allocable share of each Investor of such negative amount against any income accrued to such Investor, and/or (ii) reduce the number of outstanding shares of TexasDAILY Select Portfolio by reducing the number of shares of each Investor by that number of shares which represents the amount of its allocable share of such negative amount which is not offset against income accrued to such Investor.

## **Valuation of Shares**

### **TexasDAILY Portfolio**

The net asset value per share of the series constituting the Pool's portfolio designated "TexasDAILY" shall be determined as of the close of each Business Day (and at such other times as the Advisory Board may determine). For the purpose of calculating the net asset value per share of the TexasDAILY Portfolio, the securities held shall be valued pursuant to the amortized cost method. The amortized cost method of valuation shall mean the acquisition cost of the investment as adjusted for the amortization of premiums or accumulation of discounts, regardless of the impact of fluctuating interest rates on the market value of the investment. The net asset value shall include (i) all interest income accrued on the portfolio assets of TexasDAILY Portfolio less (ii) all accrued expenses of the TexasDAILY Portfolio, including the fees payable to the Pool's service providers.

#### **TexasDAILY Select Portfolio**

The net asset value per share of the series constituting the Pool's portfolio designated "TexasDAILY Select Portfolio" shall be determined as of the close of each Business Day (and at such other times as the Advisory Board may determine). For the purpose of calculating the net asset value per share of the TexasDAILY Select Portfolio, the securities held shall be valued pursuant to the amortized cost method. The amortized cost method of valuation shall mean the acquisition cost of the investment as adjusted for the amortization of premiums or accumulation of discounts, regardless of the impact of fluctuating interest rates on the market value of the investment. The net asset value shall include (i) all interest income accrued on the portfolio assets of TexasDAILY Select Portfolio less (ii) all accrued expenses of TexasDAILY Select Portfolio, including the fees payable to Texas Range's service providers.

The result of this calculation will be a per share value which is rounded to the nearest penny. Accordingly, the price at which each Portfolio's shares are sold or redeemed will not reflect unrealized gains or losses on each Portfolio's securities which amount to less than \$.005 per share. Each Portfolio will endeavor to minimize the amount of such gains or losses. However, if unrealized gains or losses were to exceed \$.005 per share, the amortized cost method of verification would not be used and the net asset value per share of each Portfolio in question would change from \$1.00.

**It is a fundamental policy of the TexasDAILY and TexasDAILY Select Portfolios to maintain a net asset value of \$1.00 per share, but for the reasons here discussed there can be no assurance that the net asset value of either Portfolio's shares will not vary from \$1.00 per share.** The market value basis net asset value per share for each Portfolio may be affected by general changes in interest rates resulting in increases or decreases in the value of securities held by each Portfolio. The market value of such securities will tend to vary inversely to changes in prevailing interest rates. Thus, if interest rates rise after a security is purchased, such a security, if sold, might be sold at a price less than its amortized cost. Similarly, if interest rates decline, such a security, if sold, might be sold at a price greater than its amortized cost. If a security is held to maturity, no loss or gain is normally realized as a result of these price fluctuations; however, withdrawals by Investors could require the sale of securities in each Portfolio prior to maturity.

The Investment Adviser and the Advisory Board will periodically monitor, as they deem appropriate and at such intervals as are reasonable in light of current market conditions, the relationship between the amortized cost value per share and a net asset value per share based upon available indications of market value. In the event that the difference between the amortized cost basis net asset value per share and market value basis net asset value per share exceeds 1/2 of 1 percent, the Investment Adviser and the Advisory Board will consider what, if any, corrective action should be taken to minimize any material dilution or other unfair results which might arise from differences between the two. This action may include the reduction of the number of outstanding shares by having each Investor proportionately contribute shares to each Portfolio's capital, suspension or rescission of dividends, declaration of a special capital distribution, sales of securities in each Portfolio prior to maturity to reduce the average maturity or to realize capital gains or losses, transfers of securities in each Portfolio to a separate account, or redemptions of shares in kind in an effort to maintain the net asset value at \$1.00 per share. If the number of outstanding shares is reduced in order to maintain a constant net asset value of \$1.00 per share, Investors will contribute proportionately to each Portfolio's capital the number of shares that represents the difference between the amortized cost valuation and market valuation of each Portfolio. Each Investor will be deemed to have agreed to such contribution by its investment in each Portfolio.

To minimize the possible adverse effects of changes in interest rates and to help maintain a stable net asset value of \$1.00 per share, the TexasDAILY and TexasDAILY Select Portfolios will each maintain a dollar-weighted average Portfolio maturity of not more than 60 days, a dollar-weighted life (final maturity, adjusted for demand features but not interest rate adjustments) of no more than 120 days, will not purchase any security with a remaining maturity of more than 397 days, except for certain adjustable rate government securities as described under "Additional Information on Authorized Investments" section above, and will only invest in

securities determined by the Investment Adviser and the Advisory Board to be of high quality with minimal credit risk.

### Yield

Current yield information for each Portfolio may, from time to time, be quoted in reports, literature and advertisements published by Texas Range. The yields quoted by Texas Range or any of its representatives should not be considered a representation of the yield of each Portfolios or any series thereof in the future, since the yield is not fixed. Actual yields will depend on the type, quality, yield and maturities of securities held by each Portfolio or class thereof, as well as changes in interest rates, market conditions and other factors.

**One-day allocation factor** The daily net income dividend declared by a Portfolio divided by its daily net assets.

**Current one-day yield, or current dividend yield** The current one-day allocation factor of a Portfolio divided by the daily net asset value per share (normally \$1.00) multiplied by 365.

The current yield of each Portfolio, which is also known as the current annualized yield or the current seven-day yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7.

Texas Range may also quote a current effective yield for each Portfolio or series from time to time. The current effective yield represents the current yield compounded to assume reinvestment of dividends. The current effective yield is computed by determining the net change (exclusive of capital changes and income other than investment income), over a seven day period in the value of a hypothetical account with a balance of one share at the beginning of the period, dividing the difference by the value of the account at the beginning of the period to obtain the base period return, then compounding the base period return by adding 1, raising the sum to a power equal to 365 divided by 7, and subtracting 1 from the result. The current effective yield will normally be slightly higher than the current yield because of the compounding effect of the assumed reinvestment.

Texas Range also may publish a “monthly distribution yield” on each Investor’s month-end account statement. The monthly distribution yield represents the net change in the value of one share (normally \$1.00 per share) resulting from all dividends declared during a month by each Portfolio (or a series thereof) expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

At the request of the Advisory Board or Investors, each Portfolio may also quote the current yield from time to time on bases other than seven days for the information of Investors.

## Information Specific to the TexasTERM Portfolio

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### Maturity

The TexasTERM Portfolio is a fixed-term investment portfolio of the Texas Range Investment Program with a maturity of up to one year, depending on the termination date of any particular series within the Portfolio.

### Dividends

Dividends on shares in the series constituting the TexasTERM Portfolio shall be paid on the termination date of the series, except for dividends on shares redeemed pursuant to a planned early redemption or a premature redemption before the termination date, which will be paid when such dividends on shares in the series are redeemed. For the purpose of calculating dividends for any series, net income shall consist of interest earned, plus any discount ratably amortized to the date of maturity, plus or minus all realized gains and losses on the sale of securities prior to maturity, less ratable amortization of any premium and all accrued expenses of that series.

Dividends on shares of the series of TexasTERM Portfolio which are declared and paid are equal to the projected yield for such shares to the redemption date, less any losses affecting projected yield attributable to such shares (other than losses resulting from premature redemptions of shares of the series). Dividends on shares of the series of TexasTERM Portfolio declared and paid on a premature redemption date are equal to the projected yield for such shares to the premature redemption date, less any losses affecting projected yield attributable to such shares and less a premature redemption penalty, if any. Investors may be charged a premature redemption penalty equal to (i) all penalty charges, losses, banking fees and other costs (including,

without limitation, interest paid on funds borrowed to pay the redemption) associated with amending, terminating, selling or otherwise affecting any of the investments in the series and (ii) an amount sufficient to maintain the projected yield on the remaining shares to the stated termination date for the series or to the planned early redemption dates, as the case may be, less any losses affecting projected yield attributable to such shares.

Any excess net income of a series of a TexasTERM Portfolio on the termination date will be distributed as an additional dividend to the shares of the series that were issued over the life of the series and the excess net income will be allocated on a pro rata basis based on the average shares outstanding during that time period. Investments may be distributed to Investors in any series in lieu of cash whenever the Advisory Board determines that such distribution would be in the best interest of Investors of the Pool.

### **Valuation of Shares**

For the purpose of calculating the net asset value per share of the series constituting the TexasTERM Portfolio each Business Day, investments held therein shall be valued using the amortized cost method. The amortized cost method of valuation shall mean the acquisition cost of the investment as adjusted for the amortization of premiums or accretion of discounts, regardless of the impact of fluctuating interest rates on the market value of the investment. Amortized cost valuation provides certainty in valuation but may result in periods during which the value of an investment, as determined by amortized cost, is higher or lower than the price that would be received if the investment were sold. For external period-end reporting, all assets will be valued at fair value determined in good faith by the Advisory Board or adviser acting under contract with the Pool as required under statutory and applicable accounting standards. Such fair value based determinations will only be used to satisfy applicable external reporting standards unless the Advisory Board or adviser has determined that use of the fair value method instead of the amortized cost method would be in the best interest of the holders of outstanding shares of a series of the TexasTERM Portfolio.

The redemption value per share will be determined on any day when redemption is made and on the termination date of a series of the TexasTERM Portfolio. Except as otherwise provided below, the redemption value per share is equal to the original purchase price for such share, plus dividends thereon, less such share's allocation of any losses incurred by the series (other than losses resulting from premature redemptions of shares of the series). The redemption value per share for shares redeemed on a premature redemption date is equal to the original purchase price for such share, plus dividends thereon, less such share's allocation of any losses incurred by the series, less a premature redemption penalty, if any, determined as described in the "Dividends" section above.

Each TexasTERM Series provides for a fixed-rate, fixed-term investment by Investors, but the market value of the underlying assets will, prior to their maturity, tend to fluctuate inversely with the direction of interest rates. It is the intent of the TexasTERM Portfolio to manage each of its series in a manner that produces a share price of at least \$1.00 on the termination date for the Investor that redeems on said date.

### **Yield**

The projected yield quoted for any investment in the TexasTERM Portfolio is determined by dividing the expected net income per share for the period from the settlement date to the termination date by the purchase price per share, dividing this result by the actual number of days between the settlement date and the termination date, and multiplying the result by 365.



## The TexasTERM CD Purchase Program (CD Program)

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### CD Program Investments are not Assets of Texas Range or its Portfolios

Any CDs purchased through the CD Program are direct investments of the Investor, are not assets of Texas Range, and are not held in any Portfolio of Texas Range. Texas Range does not issue, or in any way guarantee, the CDs or securities purchased under these Programs. Texas Range does not have any involvement with, or interest, financial or otherwise, in any Program CD, except that a Portfolio may receive funds from the payment of principal or interest on the CDs. There can be no assurance that the investment objectives of the CD Program will be achieved. Investments made by a Participant in the CD Program are governed solely by the terms of any agreement between the Participant and the Investment Adviser, and Texas Range plays no role with respect to such investments.

### Limitations on Voting Rights

Because the CDs purchased through the CD Program are not assets of Texas Range, participation in the CD Program does not entitle you to vote at any meeting of shareholders or otherwise exercise rights of a shareholder in a Portfolio of Texas Range.

### FDIC Insurance

The availability of FDIC insurance is a critical factor in considering whether a bank or thrift institution (referred to herein as a "financial institution") is eligible to participate in the CD Program, in that the number, size and location of many of the smaller community financial institutions which could participate in the CD Program make extensive credit review unfeasible. In light of this, and in order to assist the financial institutions in raising funds, the Federal government administers the FDIC insurance program with its provisions for investment, within prescribed limits, by institution. As a result, it is the Investment Adviser's view that FDIC insurance, in conjunction with a limited credit review as described below, is appropriate to identify financial institutions that will provide attractive investment returns without undue credit risk.

The CD Program is designed to provide Participants with the ability to purchase CDs from financial institutions throughout the United States that are intended to be insured by the FDIC. Deposits in savings accounts or time deposits or share accounts of financial institutions insured by the FDIC are legal investments under Chapter 2256 (Public Funds Investment Act) of Texas Government Code. Nevertheless, the investment policies of individual Participants may contain limitations that do not permit investment in the above-described investments. **Each Participant represents that FDIC-insured CDs are permitted investments of the Participant under applicable laws and under the Participant's investment policies.**

Although the Investment Adviser will recommend only those financial institutions that meet the criteria described below under "Criteria for Financial Institutions to Participate in the CD Program", the financial institutions that participate in the CD Program are generally small in size and are not rated by national credit rating organizations. **The CDs will not be collateralized;** hence there will be reliance only on federal deposit insurance and it is crucial that a Participant's CDs be fully covered by FDIC insurance.

The FDIC insurance limits are set forth in the Federal Deposit Insurance Act, 12 U.S.C. §1811, et seq., and in the related regulations found in Part 330 of Title 12 of the Code of Federal Regulations (12 C.F.R. Part 330). By participating in the CD Program, **each Participant should obtain its own legal advice regarding these regulations and is responsible for its own compliance with them.**

CDs in amounts above applicable FDIC insurance limits are not insured. In determining FDIC insurance limits, Federal regulations provide that all amounts deposited by a depositor, including amounts deposited directly, through brokers or through other means in a financial institution regardless of the source, will be combined in determining the insurance limit.

Individual CDs will normally be limited by the Investment Adviser to amounts such that the principal and accrued interest will be within FDIC insurance limits for the term of the CD. The CD Program may facilitate the simultaneous purchase of multiple CDs with the same maturity at multiple banks. The minimum CD purchase will be approximately \$97,000. The minimum maturity is 90 days. Some financial institutions may impose further limits on the size of deposits.

**By participating in the CD Program, each Participant authorizes the Investment Adviser to assume, unless the Participant informs the Investment Adviser to the contrary, that the Participant is entitled to**

**the respective applicable limits of FDIC insurance on the aggregate of CDs purchased through the CD Program with any FDIC-insured financial institution.**

The Investment Adviser will maintain records of all deposits made by a Participant through the CD Program to assist the Participant in maintaining CDs within applicable insurance limits, but the Investment Adviser is not responsible for the effects on FDIC insurance limits of deposits made directly by the Participant outside of the CD Program. The Investment Adviser will not monitor deposits made directly by the Participant outside of the CD Program or through other arrangements outside of the CD Program, **It is the Participant's sole responsibility to determine that deposits made directly by the Participant outside of the CD Program do not result in the CDs purchased by the Participant under the CD Program exceeding the insurance limits, and neither the Investment Adviser nor Texas Range has any responsibility in that regard.**

The Investment Adviser advises each Participant against purchasing CDs issued by a financial institution with which the Participant has a depository relationship outside of the CD Program.

At the time of purchase, the Investment Adviser will require that an authorized representative of the Participant affirm that the purchase of a CD through the CD Program will not put the Participant in a position of exceeding the applicable FDIC insurance limits with respect to the issuing financial institution

### **Criteria for Financial Institutions to Participate in The CD Program**

The CD Program guidelines are as follows. First, the Investment Adviser limits the eligibility of financial institutions that participate in the CD Program to those that are members of the FDIC. Second, on a quarterly basis the Investment Adviser will review each financial institution's financial condition as reported to the FDIC to determine that the financial institution meets all of the following criteria:

- Has total assets of at least \$50 million.
- Has total Tier 1 Capital of at least 6%.
- Has not had any major capital-related enforcement actions brought against it within the last 12 months

### **Available Investments and Rates**

The Investment Adviser will maintain a computer system with a database on each financial institution that offers CDs through the CD Program. Current rates will be entered into the data tables for each financial institution. This database will enable the Investment Adviser to access and quote rates on individual CDs and blended rates on groups of CDs issued by multiple financial institutions to facilitate the simultaneous investment by a Participant in multiple CDs based on a single blended rate.

At the request of a Participant, the Investment Adviser will timely advise the Participant of CDs available to satisfy the Participant's investment requirements. Upon authorization by the Participant, the Investment Adviser will use its best efforts to obtain the most favorable execution and interest rate in connection with the purchase and sale of CDs selected by the Participant. The Participant has no obligation to purchase any CD recommended by the Investment Adviser.

As an additional limitation, the Investment Adviser will monitor on a continuous basis the total amount of CDs issued and outstanding by a financial institution through the CD Program and similar programs administered or advised by the Investment Adviser in other states, and will not recommend a financial institution where the aggregate of such outstanding CDs exceeds 10% of the financial institution's assets:

### **Program Termination**

The Certificate of Deposit Purchase Program Application and Investment Advisory Agreement between each Participant and the Investment Adviser for placing CDs through the CD Program may be terminated by the Participant or Investment Adviser at any time, without cause, by notice in writing transmitted by first class mail or recognized courier service. Each Participant's Agreement will terminate automatically and without notice in the event that the Investment Adviser shall cease to be the Administrator of the CD Program for the Texas Range Investment Program or in the event that such Participant shall withdraw as a shareholder of the TexasDAILY or TexasDAILY Select Portfolios. Notwithstanding the foregoing, termination shall not relieve the Participant of its obligation to pay any fee which has become payable to the Investment Adviser up to and including the date notification of termination has been received in writing by the counterparty.

## Tax Matters

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Pursuant to Section 115(1) of the Internal Revenue Code, federal gross income does not include income derived from the exercise of any essential governmental function that accrues to a state or any political subdivision of a state.

**Arbitrage Rebate** The Internal Revenue Code generally requires issuers of tax-exempt obligations to rebate to the federal government their arbitrage profits derived from investment of gross proceeds in non-purpose obligations. Various exceptions from the rebate requirements are available, and each Investor should consult with its bond counsel to determine whether and to what extent appropriate exceptions might be available. The investment by Investors of gross proceeds of debt issues in the Pool will be an investment in a non-purpose obligation and will be taken into account in determining any rebate liability.

**Treatment of Administrative Costs of the Pool** U.S. Treasury Regulations Title 26 Section 1.148-5 limits the ability for the expenses of an external commingled fund, like the Pool, to be treated as qualified administrative costs within the arbitrage rebate and yield restriction liability calculations. The limitations apply to an external commingled fund in which an individual Investor owns more than 10% of the beneficial interest of the fund. From time to time, the Pool may contain one or more Investors that individually own more than 10% of the beneficial interest of the fund. Therefore, Investors should consider the use of the gross yields of the Pool in all arbitrage rebate and yield restriction liability calculations.

**The foregoing summary of federal income tax matters affecting Investors in the Pool does not purport to be complete. Investors should consult their bond counsel for advice as to the application of federal income tax law to their particular investment in the Pool.**

## Arbitrage Rebate Compliance

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To further the objective of providing Investors with simplified arbitrage rebate compliance for proceeds of tax-exempt borrowings, the Pool has adopted the following recommended set of practices. The Administrator strongly recommends that they be followed to minimize the Investor's rebate compliance costs.

1. An Investor should deposit all the proceeds of a debt issue subject to arbitrage rebate in the Pool on the same day as they are received by the Investor. This will enable the Investor to track the investment and expenditure of these funds.
2. An Investor should identify all the proceeds of a debt issue subject to the same restricted yield (i.e. "arbitrage yield") at the time of initial investment. A separate account should be established for each fund or group of funds having a different restricted yield by completing an Account Application. The Administrator will provide advice on the number and type of accounts that will be needed to provide a clear audit trail.
3. Federal tax law requires issuers of tax-exempt obligations either to make certain rebate payments to the Federal government or to meet certain expenditure spending guidelines. If the Investor expects to meet one of the spending exceptions, it should notify the Administrator when making its initial investment so the Administrator can provide information regarding the expenditure of the proceeds of an issue. The Administrator can provide assistance with the preparation of spending exception calculations ("Spending Exception Report"), if requested. Spending Exception Reports are generally provided to Investors at six-month intervals after the issuance date of a debt issue.
4. If the Investor expects to make rebate payments, it should note that Federal tax law requires issuers of tax-exempt obligations to meet certain rebate payment requirements at least every five years. However, an Investor may need to account for its rebate liability on an annual basis. The Administrator can provide assistance with the preparation of rebate liability calculations ("Rebate Liability Report"), if requested. Rebate Liability Reports are generally provided to Investors annually.
5. If the Investor is eligible and has elected to pay a penalty in lieu of making rebate payments, it is the Investor's responsibility to notify the Administrator of this fact and provide the requested bond documents. The Administrator can provide assistance with the preparation of penalty in lieu of rebate calculations ("Penalty Calculation Report"), if requested. Penalty Calculation Reports are generally provided to Investors at six-month intervals after the issuance date of a debt issue.
6. It is recommended that Investors not draw down the entire proceeds of a debt issue account before providing for any rebate requirement or penalty payment

**If any Investor and any parties related to the Investor own more than ten percent (10%) of the Shares of the Pool, such ownership may adversely affect the rebate liability of all Investors (see “Tax Matters”).**

**Documentation of Market Price** The Administrator will follow certain procedures to document that investments are purchased at a “market price” in accordance with requirements of the Internal Revenue Code and related rulings and regulations. These procedures include obtaining three bids or offers for all securities transactions on the secondary market, documenting transaction prices using independent pricing services, and following practices to avoid making “prohibited payments” or receiving “imputed receipts” (as these terms are used in the applicable U.S. Treasury regulations) that improperly reduce the yield on investments.

### **Rebate Calculation Services for Proceeds of Debt Issuance**

With respect to proceeds of tax-exempt borrowings invested in the Pool, including funds whose cash flows are tracked through Investor accounts in the Pool, the Administrator will, upon request, provide estimates of Spending Exception Reports, Rebate Liability Reports, or Penalty Calculation Reports (as applicable, and collectively referred to as a “Rebate Report”) to enable Investors to estimate rebate liabilities for financial reporting purposes. For Rebate Liability Reports, the Administrator will provide each Investor who so requests with a report for any given report period that summarizes calculations of:

- The allowable investment yield;
- Investment activities for the report period; and
- A calculation of the rebate liability at the end of the report period using the methodology prescribed by the applicable U.S. Treasury regulations.

When an account for the proceeds of a debt issue is opened, the Administrator will request certain information from an Investor, including information necessary to permit scheduling of the Rebate Report. The Administrator will require additional information from an Investor, including copies of the official statement, non-arbitrage or tax certificate, debt issue resolution and similar documents, before the first Rebate Report can be prepared.

Normally, the Rebate Report will be completed and furnished to the Investor for each debt issue no later than thirty (30) days after the end of the relevant report period, provided that the Investor has authorized its preparation and provided the necessary information to the Administrator, but an Investor may request that a Rebate Report be completed at different intervals. Every effort will be made to honor such requests although no assurance can be given that reports can be completed in a shorter time period.

If an account is opened for the proceeds of a debt issue that have been invested outside of the Pool, the Administrator will require a Rebate Report from the date of debt issuance to the date of investment in the Pool.

There is no additional charge for Rebate Reports for debt issues, the proceeds of which are invested exclusively through the Pool from their date of issuance until the date of calculation. For debt issues, the proceeds of which are not invested exclusively through the Pool from their date of issuance until the date of calculation of the Rebate Report, the fee for a Rebate Report prepared by the Administrator will be billed separately to the Investor at the following rates:

Years of Investment Activity	Fee
1	\$1,250
2	\$1,600
3	\$1,950
4	\$2,300
5	\$2,650

There will be additional charges for refundings requiring allocations of transferred proceeds and for other calculations involving more extensive services. For proceeds of tax-exempt debt issues invested outside of a Portfolio, due to differences of elapsed time since the issuance of the debt, types of investments, volume and type of transactions, number of funds, and condition and availability of records, the Administrator cannot charge

a standard fee. However, at the request of the Investor, the Administrator will provide an estimated cost based on the Investor's specific circumstances.

In addition to the rebate calculation services offered by the Administrator, Investors also have the option of contracting directly with another service provider for rebate calculation services. If another service provider is used, the scope of the services provided, and the fees charged are entirely the responsibility of the Investor and its service provider.

**For More Information**

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We send each Investor annual reports containing independently audited financial statements for the Portfolios. We also provide monthly account summaries, which describe dividends declared and shares purchased through dividend reinvestment. Other individual account information is available upon request.

To buy or sell shares of a Portfolio, make additional deposits, receive free copies of this document or the Portfolio's reports, or for general inquiries, please contact us:

**By telephone:** 866-839-8376

**On our website:** [www.texas-range.com](http://www.texas-range.com)

*This information statement provides detailed information about the Texas Range Investment Program and its policies. Please read it carefully and retain it for future reference. For further information or assistance in investing, please call the toll-free number above or visit the Texas Range website.*