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Putnam 529 for AmericaSM

Financial statements

For the year ended

6 | 30 | 20

A 529 college savings plan

Sponsored by the State of Nevada, acting by the Board of Trustees of the College Savings Plans of Nevada and held in the Nevada College Savings Trust Fund

Managed by Putnam Investment Management, LLC

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Management’s Discussion and Analysis (unaudited)

As of June 30, 2020

The State of Nevada, acting through the Board of Trustees of the College Savings Plans of Nevada (the “Board”), acting by and through its Administrator, the State Treasurer, offers and administers Putnam 529 for AmericaSM (the “Plan”), the assets of which are held in the Nevada College Savings Trust Fund (the “Trust”). As the program manager of the Plan, Putnam, (as hereinafter defined) offers readers of the Financial Statements of the Plan this discussion and analysis of the Plan’s financial performance for the year ended June 30, 2020.

Overview of the Financial Statements

The Plan’s financial statements are prepared in accordance with Governmental Accounting Standards Board (“GASB”) Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*, as amended.

This report consists of three parts: Management’s Discussion and Analysis (this section), the basic Financial Statements and Supplemental Information. The basic Financial Statements consist of a Statement of Fiduciary Net Position, a Statement of Changes in Fiduciary Net Position, and Notes to Financial Statements that explain certain information in the Financial Statements and provide more detailed information.

The Statement of Fiduciary Net Position presents information on the Plan’s assets and liabilities, with the difference between the two reported as the net position. This statement, along with the Statement of Changes in Fiduciary Net Position discussed below, is prepared using the economic resources measurement focus and the accrual basis of accounting. Contributions and redemptions are recognized on trade date; expenses and liabilities are recognized when services are provided, regardless of when cash is disbursed. Gains or losses are determined on the identified cost basis and interest income is recorded on the accrual basis.

The Statement of Changes in Fiduciary Net Position presents information showing how the Plan assets changed during the most recent fiscal period. All changes in the net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows in future fiscal years.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

This report presents the operating results and financial status of the Plan, which the State of Nevada reports as a fiduciary fund (private purpose trust fund) and is included in the State’s Comprehensive Annual Financial Report (“CAFR”). Fiduciary fund reporting is used to account for resources held for the benefit of parties outside the governmental entity.

Financial Analysis

Net position: The following is a condensed Statement of Fiduciary Net Position for the Plan as of June 30, 2020 and June 30, 2019 (2019 Underlying investments, at fair value of \$446,649,155, includes Age-Based 1998 Option of \$4,055,399, which merged into Age-Based Graduate Option at December 31, 2019).

	2020	2019
Underlying investments, at fair value	\$435,122,334	\$446,649,155
Receivables	254,559	1,409,117
Total assets	435,376,893	448,058,272
Payables	237,277	1,374,545
Other liabilities	263,978	356,329
Total liabilities	501,255	1,730,874
Net position	\$434,875,638	\$446,327,398

The Plan’s investments are comprised of 16 Investment Options (“Investment Options”), which consist of an Age-Based Asset Allocation Investment Option, three Goal-Based Asset Allocation Investment Options, two Absolute Return Funds Investment Options and ten Individual Fund Investment Options. The Investment Options are managed either by Putnam or an affiliate of Putnam, or by entities other than Putnam, including Massachusetts Financial Services Company (“MFS”), Principal Management Company (“Principal”), State Street Bank and Trust Company (“State Street”) and Federated Investment Management Company (“Federated”). These Financial Statements report on these Investment Options, each of which invests in one or more of the following: Asset Allocation Portfolios sponsored by, or affiliated with Putnam entities that are affiliated with Putnam (“GAA Portfolios”), mutual funds sponsored by Putnam (“Putnam Mutual Funds”), managed by Putnam Management, and mutual funds sponsored or sub-advised by one of: Federated, MFS, State Street or Principal (“Other Mutual Funds”), collectively referred to as the “Underlying Investments”. The Putnam Mutual Funds and the Other Mutual Funds are collectively referred to as the “Mutual Funds”.

The Plan’s net position represents total contributions and reinvestments from participants since the Plan’s inception, plus net increases (decreases) from operations, less redemptions and expenses. Total assets represent Underlying Investments, which comprise net assets of the Underlying Investments, receivables from participant contributions, accrued income from investment operations, cash, securities sold and other assets. Total liabilities represent payables for participant redemptions, securities purchased and other liabilities consisting of accrued Plan expenses.

Changes in net position: The following is a comparative condensed Statement of Changes in Fiduciary Net Position for the Plan for the year ended June 30, 2020 and year ended June 30, 2019.

ADDITIONS	2020	2019
Results from Investment Operations:		
Income from underlying fund shares	\$5,425,308	\$8,888,429
Net appreciation (depreciation) in fair value of investments *	5,240,181	11,661,358
Total additions & net investment income	\$10,665,489	\$20,549,787
Deductions		
Distributions	(101,985)	(190,262)
Administration fees, net waivers	(1,521,957)	(1,583,621)
Board fees	(432,912)	(430,206)
Audit and other fees	(95,682)	(100,497)
Total deductions	(2,152,536)	(2,304,586)
Participant Transactions		
Contributions	28,391,958	28,971,798
Reinvestments	101,263	190,929
Exchanges in	46,617,974	30,677,895
Redemptions	(47,358,582)	(53,235,522)
Exchanges out	(47,717,326)	(30,839,173)
Net increase (decrease) from participant transactions	(19,964,713)	(24,234,073)
Total increase (decrease) in net position	(11,451,760)	(5,988,872)
Net position		
Beginning of year	446,327,398	452,316,270
End of year	\$434,875,638	\$446,327,398

* Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

Plan Performance

Global financial markets proved to be surprisingly resilient during the fiscal 12-month period. Investors had a favorable view of equities, fixed income, global growth, and trade relations for much of the period through mid-February 2020. By late February 2020, the coronavirus pandemic and the collapse in oil prices had sent markets into a tailspin. Still, markets have recovered from their lows.

Investors, however, remain concerned as the recent spike in coronavirus cases saps momentum from the nascent economic recovery. In addition, the global recession is weighing on businesses and labor markets. The Federal Reserve Board's (Fed) bond purchase programs and a flight-to-quality trade have pushed the yields on U.S. Treasuries lower. The market for high-yield and investment-grade corporate bonds recovered as spreads, or the risk premiums investors demand to hold these securities over U.S. Treasuries, narrowed during the period.

The Fed cut interest rates to near zero in mid-March and unleashed a torrent of bond-buying programs to help stabilize the markets. These actions have increased liquidity in the bond markets and, in turn, stabilized spreads. The U.S. Congress has also pumped trillions of stimulus dollars into the economy. Central banks across Europe, Asia, and other regions also rolled out COVID-19 stimulus measures.

For the 12-month period, the Putnam 529 Age-Based Options had positive returns, reflecting the positive returns across a variety of asset classes. The glide path of the Putnam 529 Age-Based Options is an important tool that distinguishes Putnam from its peers. Our glide path starts off more aggressive than the average for our peer group, with a higher equity weight in the early part of the glide path for funds serving people retiring in the 2050s or 2060s. Our glide path becomes more conservative relative to peers for the funds serving investors nearing retirement in the 2020s or 2030s. Given the volatility experienced during this period, it's not surprising that our asset allocations were shifted on several occasions. We began the period underweight rate-sensitive fixed income, which detracted as interest rates fell and bond prices rose, resulting in a slightly negative asset allocation contribution. This was more than offset early in 2020 when the funds were underweight equity risk, which benefited the portfolios as equity markets sold off. In fixed income, the funds started the year underweight credit risk and slightly overweight interest-rate risk, both of which added value as credit spreads widened significantly and interest rates fell. These allocation decisions were especially beneficial to the portfolios during the height of the market stress.

Against this backdrop, we continue to have conviction in our investment strategies based on their strong long-term results. As for asset allocation, we will continue to take a tactical approach, adjusting the fund's exposure across various markets as conditions warrant. We will continue to monitor equity and fixed income markets and add securities when we see more attractive valuation levels.

The chart below shows each Investment Option's Class A share total returns for the year ended June 30, 2020.

AGE-BASED ASSET ALLOCATION INVESTMENT OPTION:

Portfolio

Graduate	1.36%
1999	1.33
2000	1.54
2001	1.78
2002	2.00
2003	2.10
2004	2.24
2005	2.33
2006	2.41
2007	2.41
2008	2.27
2009	2.09
2010	1.97
2011	1.78
2012	1.65
2013	1.45
2014	1.25
2015	1.06
2016	1.06
2017	0.97
2018	0.97
2019	0.88
2020	(4.80)*

* As of January 2, 2020 (inception date); performance is not annualized.

GOAL BASED ASSET ALLOCATION/ABSOLUTE RETURN/INDIVIDUAL INVESTMENT OPTIONS:

Portfolio

Aggressive Growth	0.52%
Growth	0.88
Balanced	1.97
Putnam Fixed Income Absolute Return Fund	0.08
Putnam Multi-Asset Absolute Return Fund	(8.66)
Putnam Equity Income Fund	(2.02)
Putnam Growth Opportunities Fund	25.10
MFS Institutional International Equity Fund	(1.07)
Principal MidCap Fund	3.80
Putnam Small Cap Value Fund	(19.21)
Putnam High Yield	(0.91)
Putnam Income Fund	6.78
Federated U.S. Government Securities Fund 2-5 Years [§]	5.94
State Street S&P 500 Index Fund	7.26
Putnam Government Money Market Fund	0.84

[§] As of June 29, 2020, the Federated U.S. Government Securities Fund 2-5 Years was renamed Federated Hermes Short-Intermediate Government Fund.



Report of Independent Auditors

To the Office of the State Treasurer for the State of Nevada and Management of Putnam 529 for AmericaSM

Report on the Financial Statements

We have audited the accompanying financial statements of the Putnam 529 for AmericaSM (the “Plan”), which comprise the statement of fiduciary net position as of June 30, 2020, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Plan’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Putnam 529 for AmericaSM as of June 30, 2020, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Plan and do not purport to, and do not, present fairly the financial position of the entire Nevada College Savings Trust Fund or the State of Nevada as of June 30, 2020, the changes in their financial position, or, where applicable, their cash

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flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required supplementary information

The accompanying management’s discussion and analysis on pages 1 through 4 is required by accounting principles generally accepted in the United States of America to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

Our audit was conducted for the purpose of forming an opinion on the Plan’s financial statements. The supplemental information – investment options, appearing on pages 21 through 42, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020 on our consideration of the Plan’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan’s internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

Boston, Massachusetts
September 25, 2020

Putnam 529 for AmericaSM

Statement of Fiduciary Net Position

June 30, 2020

ASSETS	Putnam 529 for America
Underlying investments, at fair value	\$435,122,334
Cash	12,070
Receivable for Participant contributions	114,884
Receivable for securities sold	124,511
Dividends and interest receivable	3,094
Total assets	435,376,893
LIABILITIES	
Payable for Participant redemptions	118,426
Payable for securities purchased	118,851
Accrued administrative and board fees	156,185
Audit and other accrued fees	107,793
Total liabilities	501,255
Net position	\$434,875,638

The accompanying notes are an integral part of these financial statements.

Putnam 529 for AmericaSM

Statement of Changes in Fiduciary Net Position

Year ended June 30, 2020

ADDITIONS	Putnam 529 for America
Results from Investment Operations:	
Income from underlying fund shares	\$5,425,308
Net appreciation (depreciation) in fair value of investments*	5,240,181
Total additions & net investment income	10,665,489
DEDUCTIONS	
Distributions (Note 2)	
Class A	(98,321)
Class B	(1,602)
Class C	(2,062)
Expenses (Note 3)	
Administration fees	
Class A	(855,668)
Class B	(198,534)
Class C	(440,677)
Class D	(32,421)
Board fees	
Class A	(355,188)
Class B	(20,198)
Class C	(44,426)
Class D	(12,986)
Class Y	(114)
Audit and other fees	(95,682)
Expenses waived by Putnam (Note 3)	5,343
Total deductions	(2,152,536)
Participant Transactions	
Contributions	28,391,958
Reinvestments	101,263
Exchanges in	46,617,974
Redemptions	(47,358,582)
Exchanges out	(47,717,326)
Net increase (decrease) from participant transactions	(19,964,713)
Total increase (decrease) in net position	(11,451,760)
Net position	
Beginning of year	446,327,398
End of year	\$434,875,638

* Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements 6/30/20

Note 1 — Organization and Operations

The Nevada College Savings Trust Fund (the “Trust”) was created under Chapter 353B of the Nevada Revised Statutes, as amended (the “Act”). The State of Nevada, acting through the Board of Trustees of the College Savings Plans of Nevada (the “Board”), and acting by and through its Administrator, the State Treasurer, offers and administers Putnam 529 for AmericaSM (the “Plan”). The Plan is established as an investing vehicle for education expenses and is designed to comply with the requirements for treatment as a college savings plan under Section 529 (“Section 529”) of the Internal Revenue Code of 1986, as amended (the “Code”), and any regulations and other guidance issued thereunder. The Act authorized the creation of the Trust to hold all of the assets of the Plan. The program manager of the Plan, Putnam (as hereinafter defined), and its affiliates have been selected to develop the Plan’s investment options, market the Plan, assist in the distribution of the Plan and perform other management and administrative functions. The Board also administers qualified direct sold plans and a prepaid tuition plan, which are not part of the Plan and are not part of these financial statements. The financial statements present only the Plan and do not purport to, and do not, present fairly the financial position of the entire Nevada College Savings Trust Fund or the State of Nevada as of June 30, 2020, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Plan is a college savings plan that enables individuals to save and invest on a tax-favored basis in order to fund future education expenses of a child or other beneficiary. The Board has selected Putnam Management Limited Partnership, Putnam Investor Services, Putnam Investment Management, LLC, and Putnam Fiduciary Trust Company (together, “Putnam”) to provide marketing, investment management, and certain custodial, record keeping and administrative services under terms of an agreement dated as of October 1, 2010, as amended. Unless otherwise noted, the “reporting period” represents the period from July 1, 2019 through June 30, 2020.

As of June 30, 2020, the Plan has the following 16 Investment Options, each its own Plan Portfolio, as follows:

Age-Based Asset Allocation Investment Option

- Age-Based Option (23 separate portfolios based on beneficiary’s date of birth)

Goal-Based Asset Allocation Investment Options

- Aggressive Growth Investment Option
- Growth Investment Option
- Balanced Investment Option

Absolute Return Funds Investment Options

- Putnam Fixed Income Absolute Return Fund Investment Option
- Putnam Multi-Asset Absolute Return Fund Investment Option

Individual Fund Investment Options

Equity Options

- Putnam Equity Income Fund Investment Option
- Putnam Growth Opportunities Fund Investment Option
- MFS Institutional International Equity Fund Investment Option
- Principal MidCap Fund Investment Option
- Putnam Small Cap Value Fund Investment Option
- State Street S&P 500 Index Fund Investment Option

Fixed Income Options

- Putnam High Yield Investment Option
- Putnam Income Fund Investment Option
- Federated U.S. Government Securities Fund 2-5 Years Investment Option[§]

[§] As of June 29, 2020, the Federated U.S. Government Securities Fund 2-5 Years was renamed Federated Hermes Short-Intermediate Government Fund.

Money Market Option

- Putnam Government Money Market Fund Investment Option

Hereafter, the four Asset Allocation Investment Options, the two Absolute Return Funds Investment Options and the ten Individual Fund Investment Options are collectively referred to as the “Investment Options”. The Asset Allocation Investment Options invest across four broad asset categories: short-term investments, fixed-income investments, U.S. equity investments and non-U.S. equity investments. The Underlying Investments for the Asset Allocation Investment Options consist of one or more GAA Portfolios that concentrate on different asset classes or reflect different investment styles.

The financial statements of the Mutual Funds contain additional information about the expenses and investments of the Mutual Funds. Financial statements of the GAA Portfolios are not available.

There are two main groups of costs associated with an investment in the Plan: sales charges and ongoing fees and expenses. These costs differ based on the Investment Option and Fee Structure selected. The Plan offers fee structures A, B, C, D and Y. Fee Structure A Investment Options are sold with a maximum initial sales charge of up to 5.75%, and are also subject to a contingent deferred sales charge of up to 1.00% on certain redemptions. Fee Structure B Investment Options do not pay an initial sales charge but are generally subject to a declining deferred sales charge up to 5.00% for assets withdrawn in the first six years on rollover distributions and distributions not used for qualified education expenses (other than Putnam Fixed Income Absolute Return Fund Investment Option for which there is a declining deferred sales charge of up to 1.00% for assets withdrawn in the first two years). Fee Structure C Investment Options are sold at net position value and do not pay an initial sales charge but are generally subject to a deferred sales charge of 1.00% in the first year on rollover distributions and distributions not used to pay for qualified education expenses. The Putnam Government Money Market Fund Investment Option has no initial sales charge or deferred sales charge.

Special provisions apply to Fee Structure D Investment Options, which are only available to certain account owners who previously owned a share class in another qualified tuition program administered by Putnam that had a maximum front-end sales charge of 3.50% and invested in certain Investment Options. Those accounts are generally subject to lower sales charges so long as the amounts remain in the Investment Option that succeeded the option in which they were invested prior to January 15, 2013.

Fee Structure B is only available for investments made under Fee Structure B prior to May 11, 2018. Exchanges of class B shares are only permitted from existing class B share accounts into class B shares of another investment option.

Effective March 31, 2020, the Plan began offering Fee Structure Y Investment Options. Fee Structure Y Investment Options are only available for investments made by Account Owners investing in the Plan through a commission-based platform of a registered broker-dealer or other financial institution that charges the Account Owner additional fees or commissions. Fee Structure Y Investment Options do not have an initial sales charge or deferred sales charge.

Note 2 — Significant Accounting Policies

Basis of Presentation The Plan is a private-purpose trust fund, which is a type of fiduciary fund. Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support a government's own programs. As a fiduciary fund, the Plan's financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under this method of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

Use of Estimates The following is a summary of significant accounting policies consistently followed by the Plan in the preparation of its financial statements. The preparation of financial statements is in conformity with accounting principles generally accepted in the United States of America and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of changes in fiduciary net position. Actual results could differ from those estimates. There were no subsequent events after the Statement of Fiduciary Net Position date (June 30, 2020), through the date that the financial statements were issued (September 25, 2020).

Security Valuation Investments in the underlying Mutual Funds are valued at the net asset value per share for each of the Mutual Funds as of the close of trading on each day the New York Stock Exchange is open for business. The net asset value of such mutual funds equals the total value of their assets less their liabilities and divided by the number of their outstanding shares.

Investments held in the GAA Portfolios for which market quotations are readily available are valued at the last reported sales price on their principal exchange, or official closing price for certain markets. If no sales are reported, as in the case of some securities traded over-the-counter (OTC), a security is valued at its last reported bid price. The valuation of the Putnam Government Money Market Fund and the Putnam 529 GAA Money Market Portfolio securities are determined by means of the amortized cost method (which approximates fair value). The amortized cost of an instrument is determined by valuing it at its original cost and thereafter amortizing any discount or premium from its face value at a constant rate until maturity.

Market quotations are not considered to be readily available for certain debt obligations (including short-term investments with remaining maturities of 60 days or less) and other investments; such investments are valued on the basis of valuations furnished by an independent pricing service approved by Putnam or dealers selected by Putnam. Such services or dealers determine valuations for normal institutional-size trading units of such securities using methods based on market transactions for comparable securities and various relationships, generally recognized by institutional traders, between securities (which consider such factors as security prices, yields, maturities and ratings). Securities quoted in foreign currencies, if any, are translated into U.S. dollars at the current exchange rate. To the extent a pricing service or dealer is unable to value a security or provides a valuation that Putnam does not believe accurately reflects the security's fair value, the security will be valued at fair value by Putnam in accordance with policies and procedures approved by Putnam. Certain investments, including certain restricted and illiquid securities and derivatives, are also valued at fair value following procedures approved by Putnam. These valuations consider such factors as significant market or specific security events such as interest rate or credit quality changes, various relationships with other securities, discount rates, U.S. Treasury, U.S. swap and credit yields, index levels, convexity exposures, recovery rates sales and other multiples and resale restrictions.

Such valuations and procedures are reviewed periodically by Putnam. Certain securities may be valued on the basis of a price provided by a single source. The fair value of securities is generally determined as the amount that a fund could reasonably expect to realize from an orderly disposition of such securities over a reasonable period of time. By its nature, a fair value price is a good faith estimate of the value of a security in a current sale and does not reflect an actual market price, which may be different by a material amount.

The Plan's investments in the GAA Portfolios are valued at their respective net asset value per unit on the valuation date which approximates fair value.

GASB Statement No.72 Fair Value Measurement and Application, which prescribes how state and local governments should define and measure fair value, establishes a three-level hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of the Investment Option's investments. The three levels are defined as follows:

Level 1: Valuations based on quoted prices for identical securities in active markets.

Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3: Valuations based on inputs that are unobservable and significant to the fair value measurement. The following is a summary of the inputs used to value the Plan's net position as of the close of the reporting period: Each Age-Based, Goal-Based, Absolute Return Fund and Individual Fund Investment Option invests directly into either Underlying GAA Portfolios or other Mutual Funds.

	Valuation inputs			Total
	Level 1	Level 2	Level 3	
Investments in Underlying GAA Portfolios:				
AGE-BASED/GOAL-BASED INVESTMENT OPTIONS:				
Age-Based 2020	\$—	\$80,274	\$—	\$80,274
Age-Based 2019	—	716,360	—	716,360
Age-Based 2018	—	1,039,175	—	1,039,175
Age-Based 2017	—	2,469,645	—	2,469,645
Age-Based 2016	—	2,675,920	—	2,675,920
Age-Based 2015	—	4,791,577	—	4,791,577
Age-Based 2014	—	5,536,598	—	5,536,598
Age-Based 2013	—	6,485,562	—	6,485,562
Age-Based 2012	—	8,079,133	—	8,079,133
Age-Based 2011	—	11,164,812	—	11,164,812
Age-Based 2010	—	8,900,708	—	8,900,708
Age-Based 2009	—	11,329,080	—	11,329,080
Age-Based 2008	—	11,084,362	—	11,084,362
Age-Based 2007	—	11,895,287	—	11,895,287
Age-Based 2006	—	11,521,410	—	11,521,410
Age-Based 2005	—	15,230,279	—	15,230,279
Age-Based 2004	—	16,947,075	—	16,947,075
Age-Based 2003	—	24,793,992	—	24,793,992
Age-Based 2002	—	20,120,221	—	20,120,221
Age-Based 2001	—	17,404,956	—	17,404,956
Age-Based 2000	—	10,833,095	—	10,833,095
Age-Based 1999	—	4,365,131	—	4,365,131
Age-Based Graduate	—	18,230,275	—	18,230,275
Aggressive Growth	—	25,817,138	—	25,817,138
Growth	—	29,268,242	—	29,268,242
Balanced	—	29,851,224	—	29,851,224

	Valuation inputs			Total
	Level 1	Level 2	Level 3	
Investments in Mutual Funds:				
ABSOLUTE RETURN/INDIVIDUAL INVESTMENT OPTIONS:				
Putnam Fixed Income Absolute Return Fund	\$7,011,653	\$—	\$—	\$7,011,653
Putnam Multi-Asset Absolute Return Fund	10,672,068	—	—	10,672,068
Putnam Equity Income Fund	17,299,272	—	—	17,299,272
Putnam Growth Opportunities Fund	20,058,161	—	—	20,058,161
MFS Institutional International Equity Fund	8,666,193	—	—	8,666,193
Principal MidCap Fund	17,009,525	—	—	17,009,525
Putnam Small Cap Value Fund	2,936,642	—	—	2,936,642
Putnam High Yield	2,917,649	—	—	2,917,649
Putnam Income Fund	7,083,290	—	—	7,083,290
Federated U.S. Government Securities Fund 2-5 Years [§]	1,444,588	—	—	1,444,588
State Street S&P 500 Index Fund	12,149,448	—	—	12,149,448
Putnam Government Money Market Fund	17,242,314	—	—	17,242,314

[§] As of June 29, 2020, the Federated U.S. Government Securities Fund 2-5 Years was renamed Federated Hermes Short-Intermediate Government Fund.

Security Transactions and Related Investment Income Security transactions, normally shares of the Mutual Funds and GAA Portfolios, are recorded on the trade date (the date the order to buy or sell is executed). Gains or losses on shares of the Mutual Funds and GAA Portfolios sold are determined on the identified cost basis.

All income earned by the Investment Options is retained by the Investment Options and included in the calculation of net position value.

Expenses of the Plan Putnam has entered into an Investment Management, Marketing and Administrative Services Agreement with the Board to provide certain investment management, marketing and administrative services to the Plan. Putnam has entered into an arrangement with State Street Bank and Trust Company to provide administrative functions for the Investment Options' assets. Refer to Note 3 for additional information.

Distributions Income dividends for the Putnam Government Money Market Fund Investment Option are recorded daily and paid monthly. The remaining Investment Options do not intend to pay dividends.

Federal Income Taxes The Trust intends to qualify each year as a qualified tuition program under the Code, which provides exemption from federal income tax. Amounts withdrawn for reasons other than payment of qualified education expenses generally will be subject to a 10% federal tax penalty on earnings in addition to the income tax that is due. These taxes are payable directly by account owners and therefore are not deducted from the assets of the Investment Options.

Note 3 — Plan Fees

Administration Fees Putnam receives an administration fee from certain fee structures of the Plan in connection with the administrative services that it provides to the Plan. The administration fee for each fee structure is accrued daily, based on net position and paid monthly. This fee is based on the following annual rates:

	Investment Options [†]	Fixed Income Absolute Return Fund Investment Option	Multi-Asset Absolute Return Fund Investment Option
Fee Structure A	0.25%	0.25%	0.25%
Fee Structure B	1.00%*	0.45%*	1.00%*
Fee Structure C	1.00%**	1.00%**	1.00%**
Fee Structure D	0.25%	N/A	N/A

* Fee Structure B generally will convert to Fee Structure A and the fee rate will decrease to 0.25% after eight years. Please refer to Note 1 regarding Fee Structures.

** Fee Structure C generally will convert to Fee Structure A and the fee rate will decrease to 0.25% after seven years.

† Includes all options unless otherwise disclosed above.

Fee Structure Y does not have an administration fee.

Putnam may voluntarily waive certain expenses in order to enhance the yield of the Putnam Government Money Market Fund Investment Option. Discretionary waivers of any portion of fees incurred may be terminated by Putnam at any time.

For the reporting period the following amounts were waived by Putnam:

Putnam Government Money Market Fund Investment Option	
Fee Structure A	\$5,100
Fee Structure B	\$76
Fee Structure C	\$164
Fee Structure Y	\$3

Board Fees The Board may impose an additional fee at an annualized rate up to 0.10% of the net assets in an investor’s account subject to certain minimum amounts per annum. Putnam is responsible for the payment of any Board fee with respect to each account whose account owner(s) or beneficiary is a resident of the State of Nevada. Putnam will reimburse Board fees assessed against such accounts. For the year ended June 30, 2020, \$11,351 was reimbursed by Putnam.

Miscellaneous Fees Expenses of up to 0.04% per year of the Investment Option’s net assets may also be charged to the Plan for producing and distributing performance reports, the preparation of audited financial statements and funding of the Nevada Putnam Scholarship Program. To the extent the aggregate cost of the items covered by the Miscellaneous fee exceeds 0.04% per year, Putnam pays the excess cost without reimbursement from the Plan.

Annual Maintenance Fees In connection with the annual maintenance services that Putnam provides to the Plan, there is currently an annual account fee of \$15 for some accounts. For the reporting period, Putnam collected \$79,400 in fees. This fee may be waived under certain circumstances. These annual fees are paid through redemptions of Investment Option units.

Underlying Investment Expenses In addition to the Plan expenses described above, each of the GAA Portfolios and Mutual Funds in which assets are invested under each Investment Option has annual operating expenses, including investment management fees and other expenses, which will be deducted by the GAA Portfolios and Mutual Funds. For the reporting period, the expense ratios of the Underlying Investments were between 0.16% and 0.99%. Money invested by the Investment Options in shares of Mutual Funds will be invested in shares that are not subject to any sales load or distribution fees.

Sales Charges For the reporting period, Putnam Retail Management, acting as underwriter, received net commissions of \$123,859 and \$593 from the sale of Fee Structure A and D, respectively, and received \$6,490 and \$1,401 in contingent deferred sales charges from redemptions from Fee Structure B and C, respectively.

Note 4 — Plan Units

All beneficial interests in the Investment Options are expressed as a number of Plan units. Plan unit values under each Investment Option are based on the net asset value per share of each of the Mutual Funds or GAA Portfolios, in which the assets are invested. Unit values are determined daily. Participants’ contributions may be made by selecting one of the Investment Options. Contributions are evidenced through the issuance of units in the particular Investment Option. Contributions, withdrawals, and exchanges are subject to terms and limitations defined in the participation agreement between the participant and the Plan. Contributions and exchanges into the Investment Options are invested in units of the assigned Investment Option on the same day as the credit of the contribution to the participant’s account.

The Putnam Government Money Market Fund Investment Option declares a distribution daily and normally distributes any net investment income monthly. Such dividends are generally reinvested and are not considered to have been distributed for federal tax purposes.

Note 5 — Investments

Deposit and Investment Policies The Board has adopted an investment policy statement that sets forth investment objectives, permitted investments, asset allocation strategies and performance monitoring applicable to all investment options offered under the Plan. The overarching objective is to provide account owners with a range of investment options, allowing for diverse levels of risk tolerance, return expectations and time horizons. Permissible broad asset classes include short-term marketable debt securities, fixed income securities, U.S. equity securities, international equity securities, bank certificates of deposit and stable value investments. The policy limits the underlying investment vehicles to mutual funds, exchange-traded funds, stable value investments, direct holdings of bank certificates of deposit, FDIC-insured savings accounts or separately managed accounts with investment holdings similar to those permitted under the policy. The Board has retained the services of an investment consultant to monitor the performance of investments against standard benchmarks. The combined underlying GAA Portfolios may invest in derivative instruments on currency, stocks and bonds and indices of stocks and bonds as well as derivative instruments with terms determined by reference to a particular commodity or to all or portions of a commodities index. There are no provisions of the policy that specifically address credit risk, interest rate risk, concentrations of credit risk or foreign currency risk; however, the Board believes that investment options available to account owners are appropriately structured to minimize these specific risk types to the greatest extent possible given the nature of the underlying investments and the investment objectives of the respective Investment Options.

As of June 30, 2020, the investment types and related amounts held by the Plan which reconcile to the Statement of Fiduciary Net Position, Underlying investments at fair value, found on page 6 are as follows:

GAA Underlying Fixed Income Investments	\$185,793,145
GAA Fair value of Derivatives	235,170
GAA Underlying Equity Investments	137,235,440
Mutual Fund Investments	124,490,803
Other Receivables and Payables from GAA Portfolios	(12,632,224)
Total Underlying Investments, at Fair Value	\$435,122,334

Plan Underlying Investment Allocations As mentioned in Note 1, the four Asset Allocation Investment Options invest across four broad asset categories: short-term investments, fixed income investments, U.S. equity investments and non-U.S. equity investments. The Underlying Investments for the Asset Allocation Investment Options consist of the five GAA Portfolios that concentrate on different asset classes or reflect different investment styles. Each of the GAA Portfolios may, from time to time, to maintain its liquidity, invest a greater percentage in money market investments, including the GAA Money Market Portfolio, or other money market funds or other short-term instruments, including without limitation, commercial paper, certificates of deposit, discount notes and repurchase agreements (each, a “Liquidity Maintenance Investment”).

The Asset Allocation Investment Options include both the Age-Based Investment Options and the Goal-Based Investment Options. Below are the target allocations for the Asset Allocation Investment Options.

Age-Based Option: The Plan allocates contributions under this option among the five GAA Portfolios with a greater emphasis on equity securities at the younger ages. As the age of a beneficiary increases, a greater proportion of the Investment Option will be allocated to GAA Portfolios that invest in fixed income or money market securities. The allocation varies from 85% equity and 15% fixed income to 5% equity and 95% fixed income as the age of a beneficiary increases, in each case subject to Liquidity Maintenance Investments.

Aggressive Growth Option: The Plan allocates 100% of contributions under this option to the Putnam 529 GAA All Equity Portfolio.

Growth Option: The Plan allocates contributions under this option as follows: 75% to the Putnam 529 GAA Growth Portfolio and 25% to Putnam 529 GAA All Equity Portfolio.

Balanced Option: The Plan allocates contributions under this option as follows: 20% to Putnam 529 GAA Growth Portfolio, 74% to Putnam 529 GAA Balanced Portfolio, and 6% to Putnam 529 GAA Money Market Portfolio.

Net Appreciation (Depreciation) in Value of Investment Options

The following table represents a calculation of the net increase (decrease) in the value of investments for the reporting period.

Value at 6/30/2020	Cost of Purchases During the Period	Proceeds Sold During the Period	Less Value at 6/30/2019	Change in Realized and Unrealized During the Period
\$435,122,334	\$(279,946,334)	\$296,713,336	\$446,649,155	\$5,240,181

Investment Derivative Instruments The underlying GAA Portfolios had the following investments in derivative instruments at year end. The fair value amounts in the below table represent the unrealized appreciation (depreciation) and changes in unrealized gain (loss) from derivatives held by the GAA Portfolios at year end and are included in the Underlying Investments on the Statement of Fiduciary Net Position for each respective Investment Option.

	Contracts/(\$) Notional Amounts	Fair value as of June 30, 2020	Change in Fair value
Purchased currency option contracts, gross	\$14,001,405	\$88,467	\$76,184
Forward currency contracts, gross	\$34,431,004	(1,390)	137,767
Centrally Cleared (CC) interest rate swap contracts, gross	\$10,820,000	(25,884)	(35,505)
OTC total return swap contracts, gross	\$33,206,702	110,089	162,487
OTC credit default contracts, gross	\$7,605,000	(492,075)	(624,689)
CC credit default contracts, gross	\$10,769,200	240,133	96,162
Futures contracts, gross	268	346,641	460,784
Written currency option contracts, gross	\$12,743,344	(30,811)	(26,552)
Totals		\$235,170	\$246,638

Options contracts The GAA Portfolios may use options contracts to manage duration and convexity, to isolate prepayment risk, to gain exposure to interest rates, to manage against changes in values of securities it owns, owned or expects to own, to manage prepayment risk, to generate additional income for the portfolio, to enhance returns on securities owned, to gain exposure to securities and to manage downside risks. The potential risk to the GAA Portfolios is that the change in value of options contracts may not correspond to the change in value of the managed instruments. In addition, losses may arise from changes in the value of the underlying instruments if there is an illiquid secondary market for the

contracts, if interest or exchange rates move unexpectedly or if the counterparty to the contract is unable to perform. Realized gains and losses on purchased options are included in realized gains and losses on investment securities. If a written call option is exercised, the premium originally received is recorded as an addition to sales proceeds. If a written put option is exercised, the premium originally received is recorded as a reduction to the cost of investments. Exchange-traded options are valued at the last sale price or, if no sales are reported, the last bid price for purchased options and the last ask price for written options. OTC traded options are valued using prices supplied by dealers. Options on swaps are similar to options on securities except that the premium paid or received is to buy or grant the right to enter into a previously agreed upon interest rate or credit default contract. Forward premium swap option contracts include premiums that have extended settlement dates. The delayed settlement of the premiums is factored into the daily valuation of the option contracts. In the case of interest rate cap and floor contracts, in return for a premium, ongoing payments between two parties are based on interest rates exceeding a specified rate, in the case of a cap contract, or falling below a specified rate in the case of a floor contract.

Futures Contracts The GAA Portfolios may use futures contracts to manage exposure to market risk, to manage prepayment risk, to manage interest rate risk, to gain exposure to interest rates and to equitize cash. The potential risk to the GAA Portfolios is that the change in value of futures contracts may not correspond to the change in value of the managed instruments. In addition, losses may arise from changes in the value of the underlying instruments, if there is an illiquid secondary market for the contracts, if interest or exchange rates move unexpectedly or if the counterparty to the contract is unable to perform. With futures, there is minimal counterparty credit risk to the GAA Portfolios since futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default. Risks may exceed amounts recognized on the Statement of Fiduciary Net Position. When the contract is closed, the GAA Portfolios record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Futures contracts are valued at the quoted daily settlement prices established by the exchange on which they trade. The GAA Portfolios and the broker agree to exchange an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are known as "variation margin."

Forward Currency Contracts The GAA Portfolios may buy and sell forward currency contracts, which are agreements between two parties to buy and sell currencies at a set price on a future date. These contracts are used to manage foreign exposure risk and to gain exposure to currencies. The U.S. dollar value of forward currency contracts is determined using current forward currency exchange rates supplied by a quotation service. The fair value of the contract will fluctuate with changes in currency exchange rates. The contract is marked to market daily and the change in fair value is recorded as an unrealized gain or loss. The GAA Portfolios record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed when the contract matures or by delivery of the currency. The GAA Portfolios could be exposed to risk if the value of the currency changes unfavorably, if the counterparties to the contracts are unable to meet the terms of their contracts or if the GAA Portfolios are unable to enter into a closing position. Risk of loss may exceed amounts recognized on the Statement of Fiduciary Net Position.

Interest Rate Swap Contracts The GAA Portfolios may enter into OTC and/or centrally cleared interest rate swap contracts, which are arrangements between two parties to exchange cash flows based on a notional principal amount, to manage interest rate risk, to gain exposure on interest rates and to manage prepayment risk. An OTC and centrally cleared interest rate swap can be purchased or sold with an upfront premium. For OTC interest rate swap contracts, an upfront payment received by the GAA Portfolios is recorded as a liability on the GAA Portfolios' books. An upfront payment made by the GAA Portfolios is recorded as an asset on the GAA Portfolios' books. OTC and centrally cleared interest rate swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers. Any change is recorded as an unrealized gain or loss on OTC interest rate swaps. Daily fluctuations in the value of centrally cleared interest rate swaps are settled through a central clearing agent and are recorded in variation margin on the GAA Portfolios' books and recorded as unrealized gain or loss. Payments, including upfront premiums, received or made are recorded as realized gains or losses at the reset date or the closing of the contract. Certain OTC and centrally cleared interest rate swap contracts may include extended effective dates. Payments related to these swap contracts are accrued based on the terms of the contract. The GAA Portfolios could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or if the counterparty defaults, in the case of OTC interest rate contracts, or the central clearing agency or a clearing member defaults, in the case of centrally cleared interest rate swap contracts, on its respective obligation to perform under the contract. The GAA Portfolios maximum risk of loss from counterparty risk or central clearing risk is the fair value of the contract. This risk may be mitigated for OTC interest rate swap contracts by having a master netting arrangement between the GAA Portfolios and the counterparty and for centrally cleared interest rate swap contracts through the daily exchange of variation margin. There is minimal counterparty risk with respect to centrally cleared interest rate swap contracts due to the clearinghouse guarantee fund and other resources that are available in the event of a clearing member default. Risk of loss may exceed amounts recognized on the Statement of Fiduciary Net Position.

Total Return Swap Contracts The GAA Portfolios may enter into OTC and/or centrally cleared total return swap contracts, which are arrangements to exchange a market linked return for a periodic payment, both based on a notional principal amount, to manage sector exposure, to manage exposure to specific sectors or industries, to manage exposure to specific securities, to gain exposure to a basket of securities, to gain exposure to specific markets or countries and to gain exposure to specific sectors or industries. To the extent that the total return of the security, index or other financial measure underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the GAA Portfolios will receive a payment from or make a payment to the counterparty. OTC and/or centrally cleared total return swap contracts are marked to market daily based upon quotations from an independent pricing service or market makers. Any change is recorded as an unrealized gain or loss on OTC total return swaps. Daily fluctuations in the value of centrally cleared total return swaps are settled through a central clearing agent and are recorded in variation margin on the Statement of Fiduciary Net Position and recorded as unrealized gain or loss. Payments received or made are recorded as realized gains or losses. Certain OTC and/or centrally cleared total return swap contracts may include extended effective dates. Payments related to these swap contracts are accrued based on the terms of the contract.

The GAA Portfolios could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or in the price of the underlying security or index, the possibility that there is no liquid market for these agreements or that the counterparty may default on its obligation to perform. The GAA Portfolios' maximum risk of loss from counterparty risk or central clearing risk is the fair value of the contract. This

risk may be mitigated for OTC total return swap contracts by having a master netting arrangement between the GAA Portfolios and the counterparty and for centrally cleared total return swap contracts through the daily exchange of variation margin. There is minimal counterparty risk with respect to centrally cleared total return swap contracts due to the clearinghouse guarantee fund and other resources that are available in the event of a clearing member default. Risk of loss may exceed amounts recognized on the Statement of Fiduciary Net Position.

Credit Default Contracts The GAA Portfolios may enter into OTC and/or centrally cleared credit default contracts to manage credit risk, to manage market risk and to gain exposure on individual names and/or baskets of securities. In OTC and centrally cleared credit default contracts, the protection buyer typically makes a periodic stream of payments to a counterparty, the protection seller, in exchange for the right to receive a contingent payment upon the occurrence of a credit event on the reference obligation or all other equally ranked obligations of the reference entity. Credit events are contract specific but may include bankruptcy, failure to pay, restructuring and obligation acceleration. For OTC credit default contracts, an upfront payment received by the GAA Portfolios is recorded as a liability on the GAA Portfolios' books. An upfront payment made by the GAA Portfolios is recorded as an asset on the GAA Portfolios' books. Centrally cleared credit default contracts provide the same rights to the protection buyer and seller except the payments between parties, including upfront premiums, are settled through a central clearing agent through variation margin payments. Upfront and periodic payments received or paid by the GAA Portfolios for OTC and centrally cleared credit default contracts are recorded as realized gains or losses at the reset date or close of the contract. The OTC and centrally cleared credit default contracts are marked to market daily based upon quotations from an independent pricing service or market makers. Any change in value of OTC credit default contracts is recorded as an unrealized gain or loss. Daily fluctuations in the value of centrally cleared credit default contracts are recorded in variation margin on the GAA Portfolios' books and recorded as unrealized gain or loss. Upon the occurrence of a credit event, the difference between the par value and fair value of the reference obligation, net of any proportional amount of the upfront payment, is recorded as a realized gain or loss.

In addition to bearing the risk that the credit event will occur, the GAA Portfolios could be exposed to market risk due to unfavorable changes in interest rates or in the price of the underlying security or index or the possibility that the GAA Portfolios may be unable to close out a position at the same time or at the same price as if they had purchased the underlying reference obligations. In certain circumstances, the GAA Portfolios may enter into offsetting OTC and centrally cleared credit default contracts which would mitigate their risk of loss. Risks of loss may exceed amounts recognized on the Statement of Fiduciary Net Position. The GAA Portfolios' maximum risk of loss from counterparty risk, either as the protection seller or as the protection buyer, is the fair value of the contract. This risk may be mitigated for OTC credit default contracts by having a master netting arrangement between the GAA Portfolios and the counterparty and for centrally cleared credit default contracts through the daily exchange of variation margin. Counterparty risk is further mitigated with respect to centrally cleared credit default swap contracts due to the clearinghouse guarantee fund and other resources that are available in the event of a clearing member default. Where the GAA Portfolios are a seller of protection, the maximum potential amount of future payments the GAA Portfolios may be required to make is equal to the notional amount.

TBA Commitments The GAA Portfolios may enter into TBA (to be announced) commitments to purchase securities for a fixed unit price at a future date beyond customary settlement time. Although the unit price and par amount have been established, the actual securities have not been specified. However, it is anticipated that the amount of the commitments will not significantly differ from the principal amount. The GAA Portfolios hold, and maintain until settlement date, cash or high-grade debt obligations in an amount sufficient to meet the purchase price, or the GAA Portfolios may enter into offsetting contracts for the forward sale of other securities it owns. Income on the securities will not be earned until settlement date.

The GAA Portfolios may also enter into TBA sale commitments to manage its portfolio positions, to sell mortgage-backed securities it owns under delayed delivery arrangements or to take a short position in mortgage-backed securities. Proceeds of TBA sale commitments are not received until the contractual settlement date. During the time a TBA sale commitment is outstanding, either equivalent deliverable securities or an offsetting TBA purchase commitment deliverable on or before the sale commitment date are held as "cover" for the transaction, or other liquid assets in an amount equal to the notional value of the TBA sale commitment are segregated. If the TBA sale commitment is closed through the acquisition of an offsetting TBA purchase commitment, the GAA Portfolios realize a gain or loss. If the GAA Portfolios deliver securities under the commitment, the GAA Portfolios realize a gain or a loss from the sale of the securities based upon the unit price established at the date the commitment was entered into.

TBA commitments, which are accounted for as purchase and sale transactions, may be considered securities themselves, and involve a risk of loss due to changes in the value of the security prior to the settlement date as well as the risk that the counterparty to the transaction will not perform its obligations. Counterparty risk is mitigated by having a master agreement between the GAA Portfolios and the counterparty.

Unsettled TBA commitments are valued at their fair value according to the procedures described under "Security valuation" above. The contract is marked to market daily and the change in fair value is recorded by the GAA Portfolios as an unrealized gain or loss. Based on market circumstances, Putnam Management will determine whether to take delivery of the underlying securities or to dispose of the TBA commitments prior to settlement.

Master Agreements The GAA Portfolios holding derivative instruments are a party to ISDA (International Swaps and Derivatives Association, Inc.) Master Agreements that govern OTC derivative and foreign exchange contracts and Master Securities Forward Transaction Agreements that govern transactions involving mortgage-backed and other asset-backed securities that may result in delayed delivery (Master Agreements) with certain counterparties entered into from time to time. The Master Agreements may contain provisions regarding, among other things, the parties' general obligations, representations, agreements, collateral requirements, events of default and early termination. With respect to certain counterparties, in accordance with the terms of the Master Agreements, collateral posted to GAA Portfolios is held in a segregated account by the GAA Portfolios' custodian, if applicable.

Collateral pledged by the GAA Portfolios is segregated by the GAA Portfolios' custodian, if applicable. Collateral can be in the form of cash or debt securities issued by the U.S. Government or related agencies or other securities as agreed to by the GAA Portfolios and the applicable counterparty. Collateral requirements are determined based on the GAA Portfolios' net position with each counterparty.

With respect to ISDA Master Agreements, termination events applicable to the GAA Portfolios may occur upon a decline in the GAA Portfolios' net assets below a specified threshold over a certain period of time. Termination events applicable to counterparties may occur upon a decline in the counterparty's long-term or short-term credit ratings below a specified level. In each case, upon occurrence, the other party may elect to terminate early and cause settlement of all derivative and foreign exchange contracts outstanding, including the payment of any losses and costs resulting from such early termination, as reasonably determined by the terminating party. Any decision by one or more of the GAA Portfolios' counterparties to elect early termination could impact the GAA Portfolios' future derivative activity.

Note 6 — Investment Risk Disclosures

Credit Risk Certain of the Plan's Investment Options represent shares of underlying Mutual Funds, rather than individual securities and therefore are not subject to classification by custodial credit risk or disclosure of concentration of credit risk under GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. The underlying Mutual Funds are not rated by any nationally recognized statistical rating organization.

Receivable for Participant contributions and payable for Participant redemptions represent contributions received from account owners that have been directly invested in underlying Mutual Funds, or redemption proceeds from underlying Mutual Funds for withdrawals that will be distributed in accordance with account owner instructions. Investments into the plan are allocated among one or more Asset Allocation Portfolios, Putnam Mutual Funds or Other Mutual Funds. Notwithstanding these allocations, amounts may be allocated to the 529 GAA Money Market Portfolio or to the Putnam Government Money Market Fund, for certain periods to facilitate the processing of transactions.

In the normal course of business, the Underlying Investment Options trade financial instruments and enter into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the contracting party to the transaction to perform (credit risk). Concentration of credit risk is the risk of loss that may be attributed to the magnitude of an investment in a single issuer, or security type. Each Underlying Investment Option may be exposed to additional credit risk that an institution or other entity with which that fund has unsettled or open transactions will default.

The combined underlying GAA Portfolio investments for the reporting period, based on their rating by Standard & Poor's and/or an equivalent national rating organization, are presented below at fair value. Derivative instruments held by the GAA Portfolios were not individually rated by a rating agency for the reporting period.

	Quality Rating					
	Corporate Bonds and Notes	Asset- Backed Securities	Mortgage-Backed Securities	U.S. Government and Agency Mortgage Obligations	U.S. Treasury Obligations	Short-Term Investments
AAA	\$325,905	\$461,394	\$3,146,455	\$15,464,645	\$—	\$—
AA+	198,942	—	918,201	5,748,212	10,013,672	3,901,639
AA	67,203	—	182,297	—	—	—
AA-	471,583	—	63,188	—	—	—
A+	681,700	200,004	64,187	—	—	—
A	1,017,399	—	244,292	—	—	—
A-	2,920,515	—	783,087	—	—	—
BBB+	3,266,744	—	819,511	—	—	—
BBB	4,929,861	801,000	1,356,032	—	—	—
BBB-	6,700,393	—	301,924	—	—	—
BB+	897,819	—	18,213	—	—	—
BB	971,101	—	75,265	—	—	—
BB-	—	—	319,306	—	—	—
B+	—	—	433,162	—	—	—
B	—	—	7,185	—	—	—
B-	—	—	56,738	—	—	—
CCC & below	—	—	927,532	—	—	—
A-1+	—	—	—	—	—	46,683,538
A-1	—	—	—	—	—	72,004,771
Unrated	—	—	455,014	—	—	—
Total	\$22,449,165	\$1,462,398	\$10,171,589	\$21,212,857	\$10,013,672	\$122,589,948

Derivative instruments held by the GAA Portfolios, to the extent of diversification among counterparties, are presented below, at fair value, as of June 30, 2020 (the table excludes CC Interest Rate Swap Contracts and CC Credit Default Contracts totaling \$214,249. Centrally cleared contracts are not considered brokered contracts and have mitigated risk, see note 5).

Counterparty	Purchased Currency Options	Forward Currency Contracts	OTC Total Return Swap Contracts	OTC Credit Default Contracts	Futures Contracts	Written Currency Options	Total
Bank of America, N.A.	\$31,155	\$3,520	\$—	\$(9,752)	\$—	\$(11,795)	\$13,128
Barclays Bank PLC	4,405	8,105	(96)	(3,829)	—	(1,696)	6,889
Citibank, N.A.	—	(19,906)	1,689	(46,104)	—	—	(64,321)
Credit Suisse International	10,167	(5,555)	130	(164,984)	—	(5,523)	(165,765)
Goldman Sachs International	26,756	(1,199)	108,366	(188,200)	—	(10,098)	(64,375)
HSBC Bank USA, National Association	—	14,120	—	—	—	—	14,120
JPMorgan Chase Bank, N.A.	—	(18,432)	—	(35,318)	—	—	(53,750)
Merrill Lynch, Pierce, Fenner & Smith, Inc.	—	—	—	19,138	346,641	—	365,779
Morgan Stanley & Co. International PLC	—	—	—	(63,026)	—	—	(63,026)
NatWest Markets PLC	—	1,240	—	—	—	—	1,240
State Street Bank and Trust Co.	—	(5,547)	—	—	—	—	(5,547)
Toronto-Dominion Bank	—	8,504	—	—	—	—	8,504
UBS AG	15,984	895	—	—	—	(1,699)	15,180
Westpac Banking Corp.	—	12,865	—	—	—	—	12,865
Total	\$88,467	\$(1,390)	\$110,089	\$(492,075)	\$346,641	\$(30,811)	\$20,921

As of June 30, 2020, OTC derivative counterparties had ratings that were either greater than or equivalent to long-term ratings of A3 and short-term ratings of P-2.

The GAA Portfolios could be exposed to credit or market risk due to unfavorable changes in the fluctuation of interest rates or in the price of the underlying security or index, the possibility that there is no liquid market for these agreements or that the counterparty may default on its obligation to perform. The GAA Portfolios' maximum risk of loss from counterparty risk is the fair value of the contract. This risk may be mitigated by having a master netting arrangement between the GAA Portfolios and the counterparty. Risk of loss may exceed amounts recognized on the Statement of Fiduciary Net Position.

OTC Credit Default Contracts Outstanding as of June 30, 2020

Referenced Debt	Notional amount	Payments received (paid) by Underlying funds per annum	Fair value
CMBX NA A Index	\$3,325,000	200 bp	\$(211,911)
CMBX NA A Index	11,000	(200 bp)	1,008
CMBX NA BB Index	194,000	500 bp	(58,906)
CMBX NA BB Index	951,000	(500 bp)	198,200
CMBX NA BBB- Index	2,438,000	300 bp	(389,040)
CMBX NA BBB- Index	686,000	(300 bp)	(31,426)
Total			\$(492,075)

CC Credit Default Contracts Outstanding as of June 30, 2020

Referenced Debt	Notional amount	Payments received (paid) by Underlying funds per annum	Fair value
NA HY Series 34 Index	\$10,769,200	500 bp	\$240,133
Total			\$240,133

Interest Rate Risk Certain Underlying Investments invest in debt securities, including bonds, and are subject to interest-rate risk. Declining interest rates generally increase the value of existing debt instruments, and rising interest rates generally decrease the value of existing debt instruments. Long-term bonds are more exposed to interest rate risk than short-term bonds. Putnam High Yield Fund, Putnam Income Fund, Putnam Fixed Income Absolute Return Fund, Putnam GAA Conservative Portfolio, Putnam GAA Balanced Portfolio and Federated U.S. Government Securities Fund 2-5 Years[§] are the Underlying Investment Options which have a majority of their investments exposed to interest rate risk. The average effective maturity and the average effective duration measured in years, as of June 30, 2020, is as follows.

	Average Effective Maturity	Average Effective Duration
Putnam High Yield Fund	4.97	3.85
Putnam Income Fund	7.37	5.48
Putnam Fixed Income Absolute Return Fund	4.38	1.12
Putnam GAA Conservative Portfolio	9.39	3.69
Putnam GAA Balanced Portfolio	8.00	1.97
Federated U.S. Government Securities Fund 2-5 Years [§]	4.50	3.90

[§] As of June 29, 2020, the Federated U.S. Government Securities Fund 2-5 Years was renamed Federated Hermes Short-Intermediate Government Fund.

The following table provides information about the interest rate risks associated with the Investment Options' investments held in the combined underlying GAA Portfolios as of June 30, 2020 (the table excludes equity investments totaling \$137,235,440).

	Maturities in Years				Total
	Less than 1	1-5	6-10	Greater than 10	
Underlying Investments at Fair Value					
Corporate bonds and notes	\$100,928	\$2,441,675	\$13,571,763	\$6,334,799	\$22,449,165
Asset-backed securities	589,000	412,004	—	461,394	1,462,398
Mortgage-backed securities	—	743,923	2,466,266	6,961,400	10,171,589
U.S. government and agency mortgage obligations	—	—	—	21,212,857	21,212,857
U.S. treasury obligations	—	1,184,981	403,111	8,425,580	10,013,672
Short-term investments	120,390,339	2,199,609	—	—	122,589,948
TBA sale commitments	—	—	—	(2,106,484)	(2,106,484)
Total Underlying Investments at Fair Value	\$121,080,267	\$6,982,192	\$16,441,140	\$41,289,546	\$185,793,145

	Maturities in Years				Total
	Less than 1	1-5	6-10	Greater than 10	
Underlying Derivatives at Fair Value					
Purchased currency options	\$88,467	\$—	\$—	\$—	\$88,467
Forward currency contracts	(1,390)	—	—	—	(1,390)
CC interest rate swap contracts	—	1,599	(23,827)	(3,656)	(25,884)
OTC total return swap contracts	1,689	—	108,407	(7)	110,089
OTC credit default contracts	—	—	—	(492,075)	(492,075)
CC credit default contracts	—	240,133	—	—	240,133
Futures contracts	346,641	—	—	—	346,641
Written currency options	(30,811)	—	—	—	(30,811)
Total Underlying Derivatives at Fair Value	\$404,596	\$241,732	\$84,580	\$(495,738)	\$235,170

Concentration of Credit Risk Concentration of credit risk is the risk of loss that may be attributed to the magnitude of an investment in a single issuer or security type. There were no investments in any one issuer that exceeded 5% of total Plan investments.

Foreign Currency Risk Certain underlying Mutual Funds invest in foreign securities and the Plan is subject to classification of risk under GASB Statement No. 40, "Deposit and Investment Risk Disclosure." Certain additional risks are involved when investing in foreign securities that are not inherent to investments in domestic securities. These risks may involve foreign currency exchange rate fluctuations, adverse political and economic developments and the possible prevention of currency exchange or other foreign governmental laws or restrictions. In addition, the liquidity of foreign securities may be more limited than that of domestic securities.

At the end of the reporting period the combined underlying GAA Portfolios had the following foreign currency exposure:

Foreign Currency Risk as of June 30, 2020	Total Value
Australian Dollar	\$650
Brazilian Real	1,236
Euro	850
Hong Kong Dollar	699
New Taiwan Dollar	1,124
Philippine Peso	21
South African Rand	56
South Korean Won	26
Swedish Krona	1,042
Swiss Franc	1,885
Total	\$7,589

The Plan's investments for the single fund Investment Options, such investments are 100% of the Investment Option, and therefore, pose no foreign currency risk. The Age-Based Investment Option which invests in the GAA Portfolios are subject to foreign currency risk. The following table provides information about the foreign exchange contracts from open/pending forward contracts associated with the combined underlying GAA Portfolios as of June 30, 2020.

Forward Currency Contracts as of June 30, 2020:

	Buy	Fair value	Sell	Fair value	Total
Australian Dollar	\$2,112,772	\$135,572	\$1,457,676	\$(125,413)	\$10,159
British Pound	1,315,621	(24,700)	1,013,632	15,625	(9,075)
Canadian Dollar	2,197,943	48,258	3,764,215	(86,550)	(38,292)
Chinese Yuan (Offshore)	58,329	(70)	167,252	(1,049)	(1,119)
Danish Krone	—	—	157,930	(719)	(719)
Euro	2,732,148	(1,878)	3,110,495	(5,663)	(7,541)
Hong Kong Dollar	49,134	17	2,012,827	(2,081)	(2,064)
Indian Rupee	195,670	1,492	203,177	(608)	884
Indonesian Rupiah	202,286	11,814	205,411	1,177	12,991
Japanese Yen	2,132,619	(15,190)	1,096,763	4,443	(10,747)
New Taiwan Dollar	210,807	(412)	198,847	(554)	(966)
New Zealand Dollar	2,359,333	145,230	1,330,890	(89,684)	55,546
Norwegian Krone	1,110,731	(14,627)	1,128,471	(167)	(14,794)
Polish Zloty	206,742	43	209,550	(380)	(337)
Russian Ruble	197,560	5,423	199,921	1,011	6,434
Singapore Dollar	545,345	3,023	401,751	(8,404)	(5,381)
South African Rand	33,154	(301)	—	—	(301)
South Korean Won	39,322	599	22,300	(372)	227
Swedish Krona	1,032,253	782	638,724	(1,355)	(573)
Swiss Franc	350,104	4,685	29,299	(407)	4,278
Total	\$17,081,873	\$299,760	\$17,349,131	\$(301,150)	\$(1,390)

Note 7 — Market Conditions

Beginning in January 2020, global financial markets have experienced, and may continue to experience, significant volatility resulting from the spread of a virus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have adversely affected, and may continue to adversely affect, the global economy, the economies of certain nations, and individual issuers, all of which may negatively impact the Plans' performance.

SUPPLEMENTAL INFORMATION — INVESTMENT OPTIONS

The following information is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Putnam 529 for AmericaSM college savings plan. The information was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. It shows financial information relating to the Investment Options, which were included in the Plan during the year ended June 30, 2020.

Age-Based Asset Allocation Investment Option

Statement of Fiduciary Net Position

June 30, 2020

ASSETS	Age-Based 2020[†]	Age-Based 2019	Age-Based 2018	Age-Based 2017
Underlying investments, at fair value	\$80,274	\$716,360	\$1,039,175	\$2,469,645
Receivable for Participant contributions	50	5,700	300	701
Total assets	80,324	722,060	1,039,475	2,470,346
LIABILITIES				
Payable for securities purchased	50	5,700	300	701
Accrued administration and board fees	31	231	364	835
Audit and other accrued fees	5	96	199	542
Total liabilities	86	6,027	863	2,078
Net position	\$80,238	\$716,033	\$1,038,612	\$2,468,268
Computation of net position value and offering price – A*				
Net Position	\$49,106	\$643,996	\$912,854	\$2,243,659
Number of units outstanding	5,160	55,998	87,639	179,817
Net position value	\$9.52	\$11.50	\$10.42	\$12.48
Offering price Fee Structure A	\$10.10	\$12.20	\$11.06	\$13.24
Computation of net position value – B				
Net Position	\$9,481	\$11,367	\$13,123	\$68,082
Number of units outstanding	1,000	1,000	1,284	5,601
Net position value	\$9.48	\$11.37	\$10.22	\$12.16
Computation of net position value – C				
Net Position	\$9,481	\$48,539	\$100,248	\$144,471
Number of units outstanding	1,000	4,270	9,810	11,886
Net position value	\$9.48	\$11.37	\$10.22	\$12.15
Computation of net position value – Y				
Net Position	\$12,170	\$12,131	\$12,387	\$12,056
Number of units outstanding	1,279	1,055	1,189	966
Net position value	\$9.52	\$11.50	\$10.42	\$12.48
Cost of Investments (Note 2)	\$74,831	\$712,970	\$994,349	\$2,356,780

[†] Inception date January 2, 2020.

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Fiduciary Net Position (continued)

June 30, 2020

ASSETS	Age-Based 2016	Age-Based 2015	Age-Based 2014	Age-Based 2013
Underlying investments, at fair value	\$2,675,920	\$4,791,577	\$5,536,598	\$6,485,562
Receivable for Participant contributions	592	391	595	688
Dividends and interest receivable	—	138	—	—
Total assets	2,676,512	4,792,106	5,537,193	6,486,250
LIABILITIES				
Payable for securities purchased	592	392	595	689
Accrued administration and board fees	1,033	1,805	2,471	2,930
Audit and other accrued fees	674	1,288	1,448	1,747
Total liabilities	2,299	3,485	4,514	5,366
Net position	\$2,674,213	\$4,788,621	\$5,532,679	\$6,480,884
Computation of net position value and offering price – A*				
Net Position	\$2,223,881	\$4,067,916	\$4,079,284	\$4,725,496
Number of units outstanding	166,500	305,328	279,791	259,175
Net position value	\$13.36	\$13.32	\$14.58	\$18.23
Offering price Fee Structure A	\$14.18	\$14.13	\$15.47	\$19.34
Computation of net position value – B				
Net Position	\$150,609	\$381,001	\$569,473	\$733,644
Number of units outstanding	11,660	29,801	41,015	42,568
Net position value	\$12.92	\$12.79 [#]	\$13.88	\$17.23
Computation of net position value – C				
Net Position	\$287,733	\$327,382	\$872,059	\$1,009,965
Number of units outstanding	22,277	25,607	62,792	58,599
Net position value	\$12.92	\$12.78	\$13.89	\$17.24
Computation of net position value – Y				
Net Position	\$11,990	\$12,322	\$11,863	\$11,779
Number of units outstanding	898	925	814	646
Net position value	\$13.36 [#]	\$13.32	\$14.58 [#]	\$18.23
Cost of Investments (Note 2)	\$2,521,724	\$4,472,165	\$5,004,542	\$5,979,372

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Fiduciary Net Position (*continued*)

June 30, 2020

ASSETS	Age-Based 2012	Age-Based 2011	Age-Based 2010	Age-Based 2009
Underlying investments, at fair value	\$8,079,133	\$11,164,812	\$8,900,708	\$11,329,080
Cash and cash equivalents	12	—	—	17
Receivable for Participant contributions	842	12,929	1,693	14,364
Dividends and interest receivable	2	25	—	39
Total assets	8,079,989	11,177,766	8,902,401	11,343,500
LIABILITIES				
Payable for securities purchased	844	13,023	1,698	14,372
Accrued administration and board fees	3,451	4,696	3,673	4,297
Audit and other accrued fees	1,806	2,639	2,039	2,656
Total liabilities	6,101	20,358	7,410	21,325
Net position	\$8,073,888	\$11,157,408	\$8,894,991	\$11,322,175
Computation of net position value and offering price – A*				
Net Position	\$6,169,092	\$8,730,638	\$7,064,066	\$9,616,133
Number of units outstanding	294,519	436,078	332,106	458,018
Net position value	\$20.95	\$20.02	\$21.27	\$21.00
Offering price Fee Structure A	\$22.23	\$21.24	\$22.57	\$22.28
Computation of net position value – B				
Net Position	\$922,109	\$1,274,999	\$829,949	\$534,510
Number of units outstanding	46,924	68,416	41,960	27,389
Net position value	\$19.65	\$18.64	\$19.78	\$19.52
Computation of net position value – C				
Net Position	\$969,588	\$1,140,171	\$989,466	\$1,160,127
Number of units outstanding	49,346	61,171	50,036	59,450
Net position value	\$19.65	\$18.64	\$19.77 [#]	\$19.51
Computation of net position value – Y				
Net Position	\$13,099	\$11,600	\$11,510	\$11,405
Number of units outstanding	625	579	541	543
Net position value	\$20.95 [*]	\$20.02 [#]	\$21.27 [#]	\$21.00
Cost of Investments (Note 2)	\$7,467,083	\$10,227,782	\$8,018,927	\$10,140,188

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Fiduciary Net Position (continued)

June 30, 2020

ASSETS	Age-Based 2008	Age-Based 2007	Age-Based 2006	Age-Based 2005
Underlying investments, at fair value	\$11,084,362	\$11,895,287	\$11,521,410	\$15,230,279
Cash and cash equivalents	—	249	103	212
Receivable for Participant contributions	1,045	423	786	1,179
Dividends and interest receivable	22	20	27	59
Total assets	11,085,429	11,895,979	11,522,326	15,231,729
LIABILITIES				
Payable for securities purchased	1,057	443	813	1,225
Accrued administration and board fees	4,487	4,323	4,429	5,927
Audit and other accrued fees	2,608	2,812	2,728	3,574
Total liabilities	8,152	7,578	7,970	10,726
Net position	\$11,077,277	\$11,888,401	\$11,514,356	\$15,221,003
Computation of net position value and offering price – A*				
Net Position	\$8,944,884	\$10,420,212	\$9,708,346	\$12,699,568
Number of units outstanding	431,615	511,379	486,626	655,925
Net position value	\$20.72	\$20.38	\$19.95	\$19.36
Offering price Fee Structure A	\$21.98	\$21.62	\$21.17	\$20.54
Computation of net position value – B				
Net Position	\$651,951	\$530,790	\$751,436	\$884,538
Number of units outstanding	33,841	28,025	40,539	49,154
Net position value	\$19.26 [#]	\$18.94	\$18.54	\$18.00
Computation of net position value – C				
Net Position	\$1,469,203	\$925,733	\$1,043,666	\$1,625,158
Number of units outstanding	76,267	48,878	56,295	90,298
Net position value	\$19.26	\$18.94	\$18.54	\$18.00
Computation of net position value – Y				
Net Position	\$11,239	\$11,666	\$10,908	\$11,739
Number of units outstanding	542	572	547	606
Net position value	\$20.72 [#]	\$20.38 [#]	\$19.95 [#]	\$19.36 [#]
Cost of Investments (Note 2)	\$9,945,646	\$10,854,948	\$10,524,567	\$14,173,218

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Fiduciary Net Position (continued)

June 30, 2020

ASSETS	Age-Based 2004	Age-Based 2003	Age-Based 2002	Age-Based 2001
Underlying investments, at fair value	\$16,947,075	\$24,793,992	\$20,120,221	\$17,404,956
Cash and cash equivalents	67	502	652	—
Receivable for Participant contributions	945	1,746	834	679
Receivable for securities sold	—	—	6,400	3,039
Dividends and interest receivable	63	108	101	100
Total assets	16,948,150	24,796,348	20,128,208	17,408,774
LIABILITIES				
Payable for Participant redemptions	—	—	6,400	3,039
Payable for securities purchased	1,008	1,855	936	1,131
Accrued administration and board fees	6,261	9,388	7,047	6,413
Audit and other accrued fees	4,145	5,907	4,890	4,577
Total liabilities	11,414	17,150	19,273	15,160
Net position	\$16,936,736	\$24,779,198	\$20,108,935	\$17,393,614
Computation of net position value and offering price – A*				
Net Position	\$14,662,694	\$20,580,484	\$15,701,142	\$13,501,475
Number of units outstanding	782,880	1,141,890	907,089	813,541
Net position value	\$18.73	\$18.02	\$17.31	\$16.60
Offering price Fee Structure A	\$19.87	\$19.12	\$18.37	\$17.61
Computation of net position value – B				
Net Position	\$878,948	\$981,567	\$453,003	\$486,422
Number of units outstanding	50,482	58,578	28,164	31,537
Net position value	\$17.41	\$16.76	\$16.08	\$15.42
Computation of net position value – C				
Net Position	\$1,384,482	\$2,640,536	\$1,518,554	\$1,756,387
Number of units outstanding	79,523	157,579	94,396	113,883
Net position value	\$17.41	\$16.76	\$16.09	\$15.42
Computation of net position value – D				
Net Position	—	\$566,120	\$2,425,858	\$1,639,054
Number of units outstanding	—	31,406	140,162	98,781
Net position value	—	\$18.03	\$17.31	\$16.59
Computation of net position value – Y				
Net Position	\$10,612	\$10,491	\$10,378	\$10,276
Number of units outstanding	567	582	600	619
Net position value	\$18.73 [#]	\$18.02 [#]	\$17.31 [#]	\$16.60
Cost of Investments (Note 2)	\$15,799,636	\$23,440,720	\$18,984,971	\$16,775,386

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Fiduciary Net Position (continued)

June 30, 2020

ASSETS	Age-Based 2000	Age-Based 1999	Age-Based Graduate
Underlying investments, at fair value	\$10,833,095	\$4,365,131	\$18,230,275
Cash and cash equivalents	—	343	7,739
Receivable for Participant contributions	1,320	—	—
Receivable for securities sold	20,000	—	6,085
Dividends and interest receivable	168	35	121
Total assets	10,854,583	4,365,509	18,244,220
LIABILITIES			
Payable for Participant redemptions	20,000	—	—
Payable for securities purchased	1,645	85	963
Accrued administration and board fees	3,798	1,653	6,330
Audit and other accrued fees	2,907	1,988	3,759
Total liabilities	28,350	3,726	11,052
Net position	\$10,826,233	\$4,361,783	\$18,233,168
Computation of net position value and offering price – A*			
Net Position	\$8,934,631	\$3,732,498	\$14,218,290
Number of units outstanding	562,955	245,490	1,194,059
Net position value	\$15.87	\$15.20	\$11.91
Offering price Fee Structure A	\$16.84	\$16.13	\$12.64
Computation of net position value – B			
Net Position	\$318,810	\$95,439	\$236,830
Number of units outstanding	21,614	6,754	21,408
Net position value	\$14.75	\$14.13	\$11.06
Computation of net position value – C			
Net Position	\$747,670	\$146,017	\$1,829,593
Number of units outstanding	50,689	10,330	165,329
Net position value	\$14.75	\$14.14	\$11.07
Computation of net position value – D			
Net Position	\$814,928	\$377,699	\$1,938,329
Number of units outstanding	51,343	24,843	162,908
Net position value	\$15.87	\$15.20	\$11.90
Computation of net position value – Y			
Net Position	\$10,194	\$10,130	\$10,126
Number of units outstanding	642	666	850
Net position value	\$15.87 [#]	\$15.21	\$11.91
Cost of Investments (Note 2)	\$10,615,971	\$4,317,929	\$18,067,322

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Changes in Fiduciary Net Position

For the period ended June 30, 2020

ADDITIONS	Age-Based 2020	Age-Based 2019	Age-Based 2018	Age-Based 2017
Results from Investment Operations:				
Income from underlying fund shares	\$1	\$14	\$42	\$98
Net appreciation (depreciation) in fair value of investments **	4,657	2,250	13,111	36,526
Total additions & net investment income	4,658	2,264	13,153	36,624
DEDUCTIONS				
Expenses (Note 3)				
Administration fees *				
Class A	(31)	(879)	(1,805)	(4,927)
Class B	(45)	(113)	(133)	(689)
Class C	(45)	(268)	(761)	(1,243)
Board fees				
Class A	(12)	(352)	(721)	(1,970)
Class B	(5)	(11)	(13)	(69)
Class C	(5)	(27)	(76)	(124)
Class Y	(3)	(3)	(3)	(3)
Audit and other fees	(5)	(95)	(185)	(510)
Total deductions	(151)	(1,748)	(3,697)	(9,535)
Participant Transactions				
Contributions	83,263	613,246	439,643	605,473
Exchanges in	1,648	43,113	11,787	37,119
Redemptions	(1)	(2,420)	(3,051)	(109,573)
Exchanges out	(9,179)	(12,635)	(15,619)	(26,192)
Net increase (decrease) from participant transactions	75,731	641,304	432,760	506,827
Total increase (decrease) in net position	80,238	641,820	442,216	533,916
Net position				
Beginning of period	—	74,213	596,396	1,934,352
End of period	\$80,238	\$716,033	\$1,038,612	\$2,468,268

† Inception date January 2, 2020.

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Changes in Fiduciary Net Position *(continued)*

For the year ended June 30, 2020

ADDITIONS	Age-Based 2016	Age-Based 2015	Age-Based 2014	Age-Based 2013
Results from Investment Operations:				
Income from underlying fund shares	\$112	\$260	\$597	\$1,452
Net appreciation (depreciation) in fair value of investments **	33,764	69,258	90,725	111,628
Total additions & net investment income	33,876	69,518	91,322	113,080
DEDUCTIONS				
Expenses (Note 3)				
Administration fees *				
Class A	(4,921)	(9,460)	(9,409)	(10,962)
Class B	(1,501)	(3,872)	(5,657)	(7,517)
Class C	(2,677)	(2,995)	(8,505)	(10,104)
Board fees				
Class A	(1,968)	(3,782)	(3,762)	(4,383)
Class B	(150)	(387)	(566)	(752)
Class C	(268)	(299)	(850)	(1,010)
Class Y	(3)	(3)	(3)	(3)
Audit and other fees	(629)	(1,193)	(1,325)	(1,596)
Total deductions	(12,117)	(21,991)	(30,077)	(36,327)
Participant Transactions				
Contributions	501,058	550,994	621,328	648,674
Exchanges in	9,360	35,907	188,619	38,160
Redemptions	(28,600)	(98,231)	(40,245)	(96,191)
Exchanges out	(11,031)	(18,809)	(228,087)	(112,993)
Net increase (decrease) from participant transactions	470,787	469,861	541,615	477,650
Total increase (decrease) in net position	492,546	517,388	602,860	554,403
Net position				
Beginning of year	2,181,667	4,271,233	4,929,819	5,926,481
End of year	\$2,674,213	\$4,788,621	\$5,532,679	\$6,480,884

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Changes in Fiduciary Net Position *(continued)*

For the year ended June 30, 2020

ADDITIONS	Age-Based 2012	Age-Based 2011	Age-Based 2010	Age-Based 2009
Results from Investment Operations:				
Income from underlying fund shares	\$2,195	\$4,775	\$5,306	\$9,113
Net appreciation (depreciation) in fair value of investments **	153,932	216,410	194,258	257,866
Total additions & net investment income	156,127	221,185	199,564	266,979
DEDUCTIONS				
Expenses (Note 3)				
Administration fees *				
Class A	(13,713)	(20,336)	(16,427)	(22,575)
Class B	(9,508)	(13,904)	(9,097)	(6,157)
Class C	(10,283)	(13,000)	(9,452)	(13,339)
Board fees				
Class A	(5,484)	(8,131)	(6,568)	(9,026)
Class B	(951)	(1,390)	(909)	(615)
Class C	(1,028)	(1,300)	(945)	(1,333)
Class Y	(3)	(3)	(3)	(3)
Audit and other fees	(1,620)	(2,362)	(1,827)	(2,378)
Total deductions	(42,590)	(60,426)	(45,228)	(55,426)
Participant Transactions				
Contributions	810,560	885,216	620,995	799,005
Exchanges in	537,953	701,543	546,613	750,273
Redemptions	(236,552)	(325,798)	(92,575)	(303,809)
Exchanges out	(364,374)	(866,507)	(408,715)	(736,478)
Net increase (decrease) from participant transactions	747,587	394,454	666,318	508,991
Total increase (decrease) in net position	861,124	555,213	820,654	720,544
Net position				
Beginning of year	7,212,764	10,602,195	8,074,337	10,601,631
End of year	\$8,073,888	\$11,157,408	\$8,894,991	\$11,322,175

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Changes in Fiduciary Net Position *(continued)*

For the year ended June 30, 2020

ADDITIONS	Age-Based 2008	Age-Based 2007	Age-Based 2006	Age-Based 2005
Results from Investment Operations:				
Income from underlying fund shares	\$13,263	\$24,637	\$32,836	\$56,160
Net appreciation (depreciation) in fair value of investments **	213,080	277,387	272,683	301,618
Total additions & net investment income	226,343	302,024	305,519	357,778
DEDUCTIONS				
Expenses (Note 3)				
Administration fees *				
Class A	(21,661)	(25,258)	(23,931)	(30,596)
Class B	(7,081)	(5,751)	(7,967)	(9,978)
Class C	(14,069)	(9,444)	(9,032)	(15,310)
Board fees				
Class A	(8,660)	(10,098)	(9,567)	(12,232)
Class B	(708)	(575)	(796)	(997)
Class C	(1,406)	(944)	(903)	(1,530)
Class Y	(3)	(3)	(3)	(3)
Audit and other fees	(2,336)	(2,517)	(2,436)	(3,198)
Total deductions	(55,924)	(54,590)	(54,635)	(73,844)
Participant Transactions				
Contributions	919,826	905,367	754,906	833,929
Exchanges in	810,470	478,307	565,929	1,112,521
Redemptions	(407,359)	(554,565)	(487,303)	(566,687)
Exchanges out	(695,575)	(530,793)	(441,108)	(780,541)
Net increase (decrease) from participant transactions	627,362	298,316	392,424	599,222
Total increase (decrease) in net position	797,781	545,750	643,308	883,156
Net position				
Beginning of year	10,279,496	11,342,651	10,871,048	14,337,847
End of year	\$11,077,277	\$11,888,401	\$11,514,356	\$15,221,003

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Changes in Fiduciary Net Position *(continued)*

For the year ended June 30, 2020

ADDITIONS	Age-Based 2004	Age-Based 2003	Age-Based 2002	Age-Based 2001
Results from Investment Operations:				
Income from underlying fund shares	\$82,538	\$136,797	\$130,738	\$143,170
Net appreciation (depreciation) in fair value of investments **	326,125	444,834	326,301	252,922
Total additions & net investment income	408,663	581,631	457,039	396,092
DEDUCTIONS				
Expenses (Note 3)				
Administration fees *				
Class A	(36,932)	(50,617)	(39,196)	(36,643)
Class B	(9,664)	(11,659)	(5,526)	(5,867)
Class C	(13,897)	(24,452)	(15,584)	(19,054)
Class D	—	(1,386)	(6,038)	(4,370)
Board fees				
Class A	(14,764)	(20,235)	(15,669)	(14,649)
Class B	(966)	(1,165)	(552)	(586)
Class C	(1,389)	(2,444)	(1,558)	(1,905)
Class D	—	(554)	(2,414)	(1,747)
Class Y	(3)	(3)	(3)	(3)
Audit and other fees	(3,681)	(5,264)	(4,333)	(3,967)
Total deductions	(81,296)	(117,779)	(90,873)	(88,791)
Participant Transactions				
Contributions	805,454	1,282,482	578,158	602,133
Exchanges in	1,143,037	1,874,421	1,515,613	1,263,110
Redemptions	(732,449)	(769,722)	(1,009,861)	(4,095,220)
Exchanges out	(1,655,065)	(1,839,112)	(1,244,393)	(2,176,693)
Net increase (decrease) from participant transactions	(439,023)	548,069	(160,483)	(4,406,670)
Total increase (decrease) in net position	(111,656)	1,011,921	205,683	(4,099,369)
Net position				
Beginning of year	17,048,392	23,767,277	19,903,252	21,492,983
End of year	\$16,936,736	\$24,779,198	\$20,108,935	\$17,393,614

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Age-Based Asset Allocation Investment Option

Statement of Changes in Fiduciary Net Position *(continued)*

For the year ended June 30, 2020

ADDITIONS	Age-Based 2000	Age-Based 1999	Age-Based Graduate
Results from Investment Operations:			
Income from underlying fund shares	\$103,623	\$84,855	\$147,723
Net appreciation (depreciation) in fair value of investments **	128,842	58,603	128,379
Total additions & net investment income	232,465	143,458	276,102
DEDUCTIONS			
Expenses (Note 3)			
Administration fees *			
Class A	(24,457)	(16,520)	(31,631)
Class B	(4,035)	(2,026)	(2,416)
Class C	(9,112)	(6,724)	(10,664)
Class D	(2,248)	(2,327)	(3,940)
Board fees			
Class A	(9,777)	(6,603)	(12,647)
Class B	(403)	(203)	(241)
Class C	(911)	(672)	(1,066)
Class D	(899)	(929)	(1,576)
Class Y	(3)	(3)	(3)
Audit and other fees	(2,445)	(1,611)	(3,397)
Total deductions	(54,290)	(37,618)	(67,581)
Participant Transactions			
Contributions	336,218	463,674	306,581
Exchanges in	824,086	525,886	8,740,598
Redemptions	(4,221,046)	(3,382,599)	(4,310,527)
Exchanges out	(765,207)	(4,328,564)	(1,403,912)
Net increase (decrease) from participant transactions	(3,825,949)	(6,721,603)	3,332,740
Total increase (decrease) in net position	(3,647,774)	(6,615,763)	3,541,261
Net position			
Beginning of year	14,474,007	10,977,546	14,691,907
End of year	\$10,826,233	\$4,361,783	\$18,233,168

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Goal-Based Asset Allocation Investment Options

Statement of Fiduciary Net Position

June 30, 2020

ASSETS	Aggressive Growth Investment Option	Growth Investment Option	Balanced Investment Option
Underlying investments, at fair value	\$25,817,138	\$29,268,242	\$29,851,224
Cash and cash equivalents	—	33	72
Receivable for Participant contributions	3,544	603	2,570
Receivable for securities sold	5,738	17,000	—
Dividends and interest receivable	1	1	13
Total assets	25,826,421	29,285,879	29,853,879
LIABILITIES			
Payable for Participant redemptions	5,738	17,000	—
Payable for securities purchased	3,545	604	2,584
Accrued administration and board fees	9,242	10,800	10,565
Audit and other accrued fees	6,156	7,339	7,195
Total liabilities	24,681	35,743	20,344
Net position	\$25,801,740	\$29,250,136	\$29,833,535
Computation of net position value and offering price – A*			
Net Position	\$22,164,908	\$22,599,247	\$23,888,697
Number of units outstanding	946,229	1,035,705	1,214,124
Net position value	\$23.42	\$21.82	\$19.68
Offering price Fee Structure A	\$24.85	\$23.15	\$20.88
Computation of net position value – B			
Net Position	\$812,117	\$1,257,680	\$978,675
Number of units outstanding	37,304	62,010	53,521
Net position value	\$21.77	\$20.28	\$18.29
Computation of net position value – C			
Net Position	\$2,246,723	\$3,388,499	\$3,019,486
Number of units outstanding	103,157	167,058	165,148
Net position value	\$21.78	\$20.28	\$18.28
Computation of net position value – D			
Net Position	\$565,371	\$1,991,225	\$1,935,110
Number of units outstanding	24,125	91,263	98,377
Net position value	\$23.43 [#]	\$21.82	\$19.67
Computation of net position value – Y			
Net Position	\$12,621	\$13,485	\$11,567
Number of units outstanding	539	618	588
Net position value	\$23.43 [#]	\$21.82	\$19.68 [#]
Cost of Investments (Note 2)	\$21,673,929	\$25,414,798	\$26,334,287

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Goal-Based Asset Allocation Investment Options

Statement of Changes in Fiduciary Net Position

For the year ended June 30, 2020

ADDITIONS	Aggressive Growth Investment Option	Growth Investment Option	Balanced Investment Option
Results from Investment Operations:			
Income from underlying fund shares	\$1,221	\$1,520	\$19,580
Net appreciation (depreciation) in fair value of investments **	267,589	265,213	622,481
Total additions & net investment income	268,810	266,733	642,061
DEDUCTIONS			
Expenses (Note 3)			
Administration fees *			
Class A	(54,418)	(56,341)	(58,740)
Class B	(9,039)	(13,404)	(11,196)
Class C	(21,686)	(41,427)	(28,799)
Class D	(1,488)	(5,402)	(5,222)
Board fees			
Class A	(21,760)	(22,644)	(23,610)
Class B	(904)	(1,345)	(1,123)
Class C	(2,177)	(4,156)	(2,891)
Class D	(598)	(2,171)	(2,098)
Class Y	(3)	(3)	(3)
Audit and other fees	(5,437)	(6,411)	(6,358)
Total deductions	(117,510)	(153,304)	(140,040)
Participant Transactions			
Contributions	1,864,344	1,680,031	1,515,619
Exchanges in	1,549,535	1,712,978	3,378,701
Redemptions	(1,724,889)	(3,284,432)	(3,483,522)
Exchanges out	(2,684,142)	(3,961,710)	(2,467,786)
Net increase (decrease) from participant transactions	(995,152)	(3,853,133)	(1,056,988)
Total increase (decrease) in net position	(843,852)	(3,739,704)	(554,967)
Net position			
Beginning of year	26,645,592	32,989,840	30,388,502
End of year	\$25,801,740	\$29,250,136	\$29,833,535

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Absolute Return Funds Investment Options

Statement of Fiduciary Net Position

June 30, 2020

	Putnam Fixed Income Absolute Return Fund Investment Option	Putnam Multi-Asset Absolute Return Fund Investment Option
ASSETS		
Underlying investments, at fair value	\$7,011,653	\$10,672,068
Cash and cash equivalents	779	2
Receivable for Participant contributions	222	881
Receivable for securities sold	—	9,171
Total assets	7,012,654	10,682,122
LIABILITIES		
Payable for Participant redemptions	—	9,171
Payable for securities purchased	223	882
Accrued administration and board fees	2,375	4,225
Audit and other accrued fees	1,828	2,930
Total liabilities	4,426	17,208
Net position	\$7,008,228	\$10,664,914
Computation of net position value and offering price – A*		
Net Position	\$6,105,682	\$8,851,145
Number of units outstanding	507,811	729,530
Net position value	\$12.02	\$12.13
Offering price Fee Structure A	\$12.75	\$12.87
Computation of net position value – B		
Net Position	\$204,214	\$508,380
Number of units outstanding	17,326	45,082
Net position value	\$11.79	\$11.28
Computation of net position value – C		
Net Position	\$687,858	\$1,295,604
Number of units outstanding	61,576	114,910
Net position value	\$11.17	\$11.27
Computation of net position value – Y		
Net Position	\$10,474	\$9,785
Number of units outstanding	871	806
Net position value	\$12.02 [#]	\$12.13 [#]
Cost of Investments (Note 2)	\$7,280,941	\$11,811,648

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Absolute Return Funds Investment Options

Statement of Changes in Fiduciary Net Position

For the year ended June 30, 2020

	Putnam Fixed Income Absolute Return Fund Investment Option	Putnam Multi-Asset Absolute Return Fund Investment Option
ADDITIONS		
Results from Investment Operations:		
Income from underlying fund shares	\$319,858	\$502
Net appreciation (depreciation) in fair value of investments **	(285,843)	(1,006,282)
Total additions & net investment income	34,015	(1,005,780)
DEDUCTIONS		
Expenses (Note 3)		
Administration fees *		
Class A	(16,439)	(24,793)
Class B	(1,130)	(5,889)
Class C	(6,871)	(15,922)
Board fees		
Class A	(6,605)	(9,911)
Class B	(252)	(589)
Class C	(690)	(1,591)
Class Y	(3)	(3)
Audit and other fees	(1,635)	(2,550)
Total deductions	(33,625)	(61,248)
Participant Transactions		
Contributions	1,048,203	606,661
Exchanges in	733,102	614,631
Redemptions	(1,250,602)	(1,628,907)
Exchanges out	(1,077,204)	(1,122,773)
Net increase (decrease) from participant transactions	(546,501)	(1,530,388)
Total increase (decrease) in net position	(546,111)	(2,597,416)
Net position		
Beginning of year	7,554,339	13,262,330
End of year	\$7,008,228	\$10,664,914

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Individual Fund Investment Options

Statement of Fiduciary Net Position

June 30, 2020

	Putnam Equity Income Fund Investment Option	Putnam Growth Opportunities Fund Investment Option	MFS Institutional International Equity Fund Investment Option
ASSETS			
Underlying investments, at fair value	\$17,299,272	\$20,058,161	\$8,666,193
Cash and cash equivalents	132	2	1
Receivable for Participant contributions	595	26,303	248
Receivable for securities sold	10,417	2,517	—
Dividends and interest receivable	—	18	—
Total assets	17,310,416	20,087,001	8,666,442
LIABILITIES			
Payable for Participant redemptions	10,417	2,517	—
Payable for securities purchased	595	26,304	248
Accrued administration and board fees	6,406	7,671	3,211
Audit and other accrued fees	4,477	5,280	2,276
Total liabilities	21,895	41,772	5,735
Net position	\$17,288,521	\$20,045,229	\$8,660,707
Computation of net position value and offering price – A*			
Net Position	\$14,739,716	\$16,719,536	\$7,589,911
Number of units outstanding	562,007	750,325	432,947
Net position value	\$26.23	\$22.28	\$17.53
Offering price Fee Structure A	\$27.83	\$23.64	\$18.60
Computation of net position value – B			
Net Position	\$746,896	\$500,925	\$164,927
Number of units outstanding	30,641	23,162	10,123
Net position value	\$24.38	\$21.63	\$16.29
Computation of net position value – C			
Net Position	\$1,789,341	\$2,805,519	\$893,638
Number of units outstanding	73,405	129,715	54,845
Net position value	\$24.38	\$21.63	\$16.29
Computation of net position value – Y			
Net Position	\$12,568	\$19,249	\$12,231
Number of units outstanding	479	864	698
Net position value	\$26.23 [#]	\$22.28	\$17.53 [#]
Cost of Investments (Note 2)	\$16,948,794	\$14,564,040	\$8,131,069

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

The accompanying notes are an integral part of these financial statements.

Individual Fund Investment Options

Statement of Changes in Fiduciary Net Position

For the year ended June 30, 2020

	Putnam Equity Income Fund Investment Option	Putnam Growth Opportunities Fund Investment Option	MFS Institutional International Equity Fund Investment Option
ADDITIONS			
Results from Investment Operations:			
Income from underlying fund shares	\$831,620	\$630,471	\$309,013
Net appreciation (depreciation) in fair value of investments **	(974,177)	3,522,259	(376,840)
Total additions & net investment income	(142,557)	4,152,730	(67,827)
DEDUCTIONS			
Expenses (Note 3)			
Administration fees *			
Class A	(38,967)	(36,456)	(20,130)
Class B	(8,487)	(4,569)	(1,795)
Class C	(19,845)	(24,833)	(11,096)
Board fees			
Class A	(15,657)	(14,577)	(8,048)
Class B	(852)	(457)	(179)
Class C	(1,991)	(2,483)	(1,109)
Class Y	(3)	(3)	(3)
Audit and other fees	(3,944)	(4,829)	(1,970)
Total deductions	(89,746)	(88,207)	(44,330)
Participant Transactions			
Contributions	1,700,526	1,298,568	390,460
Exchanges in	1,525,624	1,268,616	551,902
Redemptions	(2,487,592)	(1,629,177)	(947,170)
Exchanges out	(1,918,947)	(2,237,922)	(1,478,808)
Net increase (decrease) from participant transactions	(1,180,389)	(1,299,915)	(1,483,616)
Total increase (decrease) in net position	(1,412,692)	2,764,608	(1,595,773)
Net position			
Beginning of year	18,701,213	17,280,621	10,256,480
End of year	\$17,288,521	\$20,045,229	\$8,660,707

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Individual Fund Investment Options

Statement of Fiduciary Net Position (continued)

June 30, 2020

	Principal MidCap Fund Investment Option	Putnam Small Cap Value Fund Investment Option	Putnam High Yield Investment Option
ASSETS			
Underlying investments, at fair value	\$17,009,525	\$2,936,642	\$2,917,649
Receivable for Participant contributions	1,351	136	1
Receivable for securities sold	22,831	—	313
Dividends and interest receivable	—	—	17
Total assets	17,033,707	2,936,778	2,917,980
LIABILITIES			
Payable for Participant redemptions	22,831	—	313
Payable for securities purchased	1,351	136	1
Accrued administration and board fees	5,901	1,090	1,112
Audit and other accrued fees	4,318	849	782
Total liabilities	34,401	2,075	2,208
Net position	\$16,999,306	\$2,934,703	\$2,915,772
Computation of net position value and offering price – A*			
Net Position	\$15,217,541	\$2,522,719	\$2,483,662
Number of units outstanding	418,966	252,128	227,856
Net position value	\$36.32	\$10.01	\$10.90
Offering price Fee Structure A	\$38.54	\$10.62	\$11.56
Computation of net position value – B			
Net Position	\$468,013	\$67,312	\$52,332
Number of units outstanding	13,863	7,027	4,917
Net position value	\$33.76	\$9.58	\$10.64
Computation of net position value – C			
Net Position	\$1,300,313	\$330,861	\$368,621
Number of units outstanding	38,515	34,545	34,639
Net position value	\$33.76	\$9.58	\$10.64
Computation of net position value – Y			
Net Position	\$13,439	\$13,811	\$11,157
Number of units outstanding	370	1,380	1,024
Net position value	\$36.32	\$10.01	\$10.90
Cost of Investments (Note 2)	\$14,263,879	\$4,029,393	\$3,059,904

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

The accompanying notes are an integral part of these financial statements.

Individual Fund Investment Options

Statement of Changes in Fiduciary Net Position (continued)

For the year ended June 30, 2020

	Principal MidCap Fund Investment Option	Putnam Small Cap Value Fund Investment Option	Putnam High Yield Investment Option
ADDITIONS			
Results from Investment Operations:			
Income from underlying fund shares	\$858,334	\$57,012	\$159,224
Net appreciation (depreciation) in fair value of investments **	(100,954)	(762,944)	(172,910)
Total additions & net investment income	757,380	(705,932)	(13,686)
DEDUCTIONS			
Expenses (Note 3)			
Administration fees *			
Class A	(39,062)	(7,400)	(6,778)
Class B	(5,386)	(749)	(944)
Class C	(14,721)	(4,702)	(4,014)
Board fees			
Class A	(15,696)	(2,960)	(2,709)
Class B	(540)	(75)	(94)
Class C	(1,477)	(470)	(401)
Class Y	(3)	(3)	(3)
Audit and other fees	(3,803)	(710)	(666)
Total deductions	(80,688)	(17,069)	(15,609)
Participant Transactions			
Contributions	612,730	202,671	114,029
Exchanges in	736,163	141,527	321,504
Redemptions	(1,550,008)	(427,788)	(507,501)
Exchanges out	(2,111,006)	(435,035)	(630,789)
Net increase (decrease) from participant transactions	(2,312,121)	(518,625)	(702,757)
Total increase (decrease) in net position	(1,635,429)	(1,241,626)	(732,052)
Net position			
Beginning of year	18,634,735	4,176,329	3,647,824
End of year	\$16,999,306	\$2,934,703	\$2,915,772

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

The accompanying notes are an integral part of these financial statements.

Individual Fund Investment Options

Statement of Fiduciary Net Position (continued)

June 30, 2020

	Putnam Income Fund Investment Option	Federated U.S. Government Securities Fund 2-5 Years Investment Option [§]	State Street S&P 500 Index Fund Investment Option	Putnam Government Money Market Fund Investment Option
ASSETS				
Underlying investments, at fair value	\$7,083,290	\$1,444,588	\$12,149,448	\$17,242,314
Cash and cash equivalents	489	513	109	42
Receivable for Participant contributions	106	—	2,322	28,200
Receivable for securities sold	—	6,000	—	15,000
Dividends and interest receivable	—	—	1,787	229
Total assets	7,083,885	1,451,101	12,153,666	17,285,785
LIABILITIES				
Payable for Participant redemptions	—	6,000	—	15,000
Payable for securities purchased	106	1,497	2,322	28,336
Accrued administration and board fees	2,466	442	4,806	—
Audit and other accrued fees	1,692	344	2,951	4,342
Total liabilities	4,264	8,283	10,079	47,678
Net position	\$7,079,621	\$1,442,818	\$12,143,587	\$17,238,107
Computation of net position value and offering price – A*				
Net Position	\$6,177,100	\$1,364,664	\$10,027,052	\$16,598,486
Number of units outstanding	412,655	121,477	381,103	16,597,252
Net position value	\$14.97	\$11.23	\$26.31	\$1.00
Offering price Fee Structure A	\$15.88	\$11.92	\$27.92	\$1.06
Computation of net position value – B				
Net Position	\$224,184	\$2,427	\$335,489	\$202,457
Number of units outstanding	16,118	232	13,543	202,399
Net position value	\$13.91	\$10.44 [#]	\$24.77	\$1.00
Computation of net position value – C				
Net Position	\$667,824	\$65,670	\$1,765,992	\$427,164
Number of units outstanding	47,982	6,287	71,286	426,397
Net position value	\$13.92	\$10.45	\$24.77	\$1.00
Computation of net position value – Y				
Net Position	\$10,513	\$10,057	\$15,054	\$10,000
Number of units outstanding	702	895	572	10,000
Net position value	\$14.97 [#]	\$11.23 [#]	\$26.31 [#]	\$1.00
Cost of Investments (Note 2)	\$6,769,104	\$1,374,753	\$11,526,061	\$17,242,314

* Fee Structure A investment options reflect an initial sales charge of 5.75%.

[#] Net position value per unit may not recalculate due to rounding of fractional shares.

[§] As of June 29, 2020, the Federated U.S. Government Securities Fund 2-5 Years was renamed Federated Hermes Short-Intermediate Government Fund.

The accompanying notes are an integral part of these financial statements.

Individual Fund Investment Options

Statement of Changes in Fiduciary Net Position (continued)

For the year ended June 30, 2020

	Putnam Income Fund Investment Option	Federated U.S. Government Securities Fund 2-5 Years Investment Option [§]	State Street S&P 500 Index Fund Investment Option	Putnam Government Money Market Fund Investment Option
ADDITIONS				
Results from Investment Operations:				
Income from underlying fund shares	\$308,706	\$27,083	\$808,824	\$112,035
Net appreciation (depreciation) in fair value of investments **	167,612	58,638	90,804	—
Total additions & net investment income	476,318	85,721	899,628	112,035
DEDUCTIONS				
Distributions (Note 2)				
Class A	—	—	—	(98,321)
Class B	—	—	—	(1,602)
Class C	—	—	—	(2,062)
Class Y	—	—	—	—
Expenses (Note 3)				
Administration fees *				
Class A	(15,064)	(3,305)	(24,888)	—
Class B	(2,391)	(26)	(3,366)	—
Class C	(6,845)	(853)	(19,049)	—
Board fees				
Class A	(6,055)	(1,329)	(9,951)	(12,616)
Class B	(240)	(3)	(336)	(199)
Class C	(687)	(86)	(1,904)	(320)
Class Y	(3)	(3)	(3)	(3)
Audit and other fees	(1,515)	(301)	(2,634)	(4,009)
Expenses waived by Putnam (Note 3)	—	—	—	5,343
Total deductions	(32,800)	(5,906)	(62,131)	(113,789)
Participant Transactions				
Contributions	262,646	70,813	574,472	1,482,002
Reinvestments	—	—	—	101,263
Exchanges in	1,339,692	594,639	689,436	9,714,227
Redemptions	(869,736)	(538,904)	(846,618)	(4,307,352)
Exchanges out	(945,083)	(116,520)	(1,415,993)	(2,392,446)
Net increase (decrease) from participant transactions	(212,481)	10,028	(998,703)	4,597,694
Total increase (decrease) in net position	231,037	89,843	(161,206)	4,595,940
Net position				
Beginning of year	6,848,584	1,352,975	12,304,793	12,642,167
End of year	\$7,079,621	\$1,442,818	\$12,143,587	\$17,238,107

* Class Y does not have an administration fee.

** Includes both net realized and unrealized gains and losses from investments in Underlying Investments.

§ As of June 29, 2020, the Federated U.S. Government Securities Fund 2-5 Years was renamed Federated Hermes Short-Intermediate Government Fund.

The accompanying notes are an integral part of these financial statements.



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