



# **West Virginia Jumpstart Savings Program Account Disclosure Statement & Informational Booklet**

*October 2025*

## IMPORTANT NOTICE & DISCLAIMER

Prospective Account Owners (“You”) should carefully read and understand this West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet (this “Booklet”) before you open an Account (“Account”) or otherwise participate in the Jumpstart Savings Program (the “Program”). This Booklet should be read in conjunction with the Participation Agreement for the Program which is attached to and incorporated into this Booklet as **Appendix A**. This Booklet includes important information and instructions for Account Owners. You should retain this Booklet for your future reference. Capitalized terms have the meanings assigned to them in the [Key Terms](#) section or in the document.

The information and statements in this Booklet should not be construed or relied upon as financial, tax, or legal advice. This Booklet should not be considered a recommendation or prediction regarding the success or appropriateness of any savings product or strategy. Savings products offered through the Program may not be appropriate for every individual. You should consult with your own qualified financial, legal, and/or tax professional prior to opening an Account or making any financial decision.

Account transactions or other Program participation may result in tax liability to you including, but not limited to, state or federal income tax, gift tax, and corporate or business tax liability. Program activity that may result in tax liability includes, but is not limited to, contributions to an Account (such as contributions by an Account Owner, and contributions by any other person or entity); a \$100 contribution into an Account as part of the Ignite Incentive Program; accrual of interest or earnings to an Account; Rollover contributions to or from an Account; and distributions or withdrawals from an Account. This Booklet should not be relied upon for, or construed as, tax recommendations or advice. You should consult a qualified tax advisor before opening an Account or undertaking any Account transactions to determine federal and state tax liability that may result from said Account or Account transactions. You should also consult with a qualified tax advisor to determine how federal tax laws and the laws of West Virginia or your state of residence apply to your specific circumstances. Applicable federal and state laws, regulations, and rules are subject to change and such change(s) could affect the tax treatment of your Account.

Nothing in the Act, this Booklet, the Board and Programs rules, or the operating procedures adopted by the Board, creates any obligation of the Program Parties to make any guarantee for the benefit of any Account Owner or Designated Beneficiary with respect to the return of principal, interest rate, yield, income factor or any other return on the Account. Neither the Board nor the Recordkeeper has a duty to perform any actions, other than those specified in this Booklet, or the Participation Agreement.

None of the Program Parties will have any responsibility or liability for the actions of the Account Owner or the Designated Beneficiary.

Links to any third-party websites are provided for informational purposes. No representation is made as to the accuracy of the information contained on any third-party websites. Website content and website addresses are subject to change and broken links.

The effective date of this Booklet is October 1, 2025. This Booklet is subject to future changes. If changes are made, an update to this Booklet will be made available explaining the changes. The information presented in this Booklet may only be updated by the Board.

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## KEY TERMS

“Account” or means a Program account, established pursuant to the Act, this Booklet and the attached Participation Agreement.

“Account Owner,” “I” or “You” as the context requires means the individual who establishes and owns an Account. Account Owners are the only persons who are entitled to transact business or provide instructions with respect to the Account (e.g., receive distributions, designate a beneficiary, select investment options (if applicable)).

“ACH” means an automated clearing house transfers effected through wire transfers, online transaction processing, automatic contribution plans, or similar electronic methods.

“Act” refers to West Virginia Code §§18-30A-1, et seq., and the corresponding tax provisions in West Virginia Code §11-21-12m, §11-21-25, and §11-24-10a.

“Advanced Career Education” or ACE means the same as that term is used in West Virginia Code §18-25-11.

“Application” means the completed program enrollment, the Initial Contribution amount, and any accompanying information that an individual must submit to the Board for approval as a prerequisite of opening an Account.

“Board” means the Board of Trustees of the West Virginia College and Jumpstart Savings Programs, established in West Virginia Code §18-30-4. The term “Board” also includes the West Virginia State Treasurer, his or her staff charged with the effectuation of the program, the Recordkeeper, or other designee when referring specifically to tasks and duties duly authorized and delegated by the Board. When referring to limitations on liability, responsibilities, or duties under the Participation Agreement or this Booklet, “Board” includes the members, agents, assigns, and designees of the Board.

“Booklet” or “Disclosure” refers to this West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet and the information contained in all appendices or supplements to this Booklet, including without limitation the Participation Agreement.

“Cash” includes checks, money orders, wire transfers, or electronic funds transfers.

“Contribution” means any payment allocated to an Account or that is used to pay administrative or other fees associated with the Account according to the procedures established by the Board.

“Designated Beneficiary” means the individual designated as a beneficiary at the time an Account is established, or the individual designated as the beneficiary when the beneficiary is changed, according to the requirements of the Act and the rules promulgated by the Board. Unless the Designated Beneficiary is the same individual as the Account Owner, the Designated Beneficiary

will have no right, title, or interest in the Account and cannot transact business or otherwise provide instructions with respect to an Account.

“Federal adjusted gross income” means an individual’s federal adjusted gross income as defined in the laws of the United State Internal Revenue Code for the applicable taxable year.

“Immediate family,” as used to describe an individual’s relationship to another individual, has the meaning provided in West Virginia Code §18-30A-3 and includes any of the following: the spouse of the Designated Beneficiary; a child of the Designated Beneficiary or a descendant of the Designated Beneficiary’s child; a brother, sister, stepbrother, or stepsister of the Designated Beneficiary; the father or mother of the Designated Beneficiary, or an ancestor of either; a first cousin of the Designated Beneficiary; a stepfather or stepmother of the Designated Beneficiary; a son or daughter of a brother or sister of the Designated Beneficiary; a brother or sister of the father or mother of the Designated Beneficiary; a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the Designated Beneficiary; or the spouse of any individual described in this paragraph. Please note: any term set forth in this paragraph means and includes such term as established through a lawful adoption, including, but not limited to, adoptions of a child or children, or other individual, by an individual or individuals who are not the father, mother, or stepparent of the child or individual.

“Individual” means a natural person.

“Initial Contribution” means the minimum amount required to be submitted with an individual’s Program Application to open a new Account. Currently, this Initial Contribution amount is \$5. If an individual’s Program Application is refused or if the Recordkeeper is unable to complete the Account opening process for any reason, the Initial Contribution amount will not be refunded or returned to the applicant and will instead be forfeited to the Board.

“Jumpstart Savings Program” or “Program” means the Jumpstart Savings Program, established and authorized by the Act.

“Jumpstart Savings Program Trust” or “Trust” means the Jumpstart Savings Program Trust created by the Act in West Virginia Code §18-30A-8.

“Labor organization” means any organization, agency, association, union, or employee representation committee of any kind that exists, in whole or in part, to assist employees in negotiating with employers concerning grievances, labor disputes, wages, rates of pay, or other terms or conditions of employment.

“Non-qualified distribution” means any distribution of funds from an Account that is not a qualified distribution for the purposes of West Virginia Code §11-21-12m and §18-30A-11 and is, therefore, not eligible for the state tax benefits for Account distributions provided by the Act.

“Participation Agreement” means the contract between an Account Owner and the Board, setting forth the terms and conditions under which the Account Owner participates in the program. The Participation Agreement is attached and incorporated into this Booklet as [Appendix A](#).

“Program Parties” means Program, the Trust, the Board, the State and their respective affiliates, agents, directors, officers, employees, representatives, successors and assigns.

“Program Participant” means any individual, other than an Account Owner, making a contribution to an Account.

“Program website” or “website” means the Jumpstart Savings Program website and customer portal provided by the Recordkeeper where Account Owners can access and transact on their Accounts, as well as obtain program information, Program Disclosures, and Program forms. This website location is <https://www.wvjumpstart.gov/>. A link to the customer portal provided by the Recordkeeper is provided on the website or can be accessed at <https://access.wvjumpstart.gov>.

“Qualified expenses” has the meaning set forth under [Qualified Expenses](#) section.

“Qualifying profession” means an occupation, profession, or trade for which the designated beneficiary is required to:

- 1) Complete an apprenticeship program registered and certified with the United States Department of Labor, as provided in 29 U.S.C. § 50; or
- 2) Complete an apprenticeship program required by any provision of the Act or a legislative rule promulgated pursuant to the Act; or
- 3) Earn a license or certification from an Advanced Career Education (ACE) career center; or
- 4) Earn an associate degree or certification from a community and technical college or from a school or program, authorized by the West Virginia Council for Community or Technical College Education or a similar agency in another state, to award associates degrees or technical certifications; or
- 5) Earn a license or certification from a career and technical education or vocational training program at a public secondary school; or
- 6) Complete any other apprenticeship or educational program consistent with the purposes of this article, as approved by the Board.

“Recordkeeper” means the entity the Board has selected and designated to provide recordkeeping and other administrative services for the Program. When referring to limitations on liability, responsibilities, or duties under the Participation Agreement, “Recordkeeper” includes the

Recordkeeper's affiliates, directors, officers, employees, and agents. The Recordkeeper is currently Catalis Regulatory & Compliance, LLC.

"Rollover contribution" means, for the purposes of West Virginia tax law only:

- 7) The transfer of all or part of a distribution from a SMART529 College Savings account into an Account within thirty (30) days of receiving the SMART529 distribution; or
- 8) The transfer of all or part of a distribution from an Account to a West Virginia ABLE account within thirty (30) days of receiving the Jumpstart distribution.

"SMART529" refers to the college savings program and plan established in West Virginia Code §§18-30-1, *et seq.*

"State Treasurer" or "Treasurer" means the West Virginia State Treasurer or his or her designee.

The "State" refers to the State of West Virginia and its agencies and instrumentalities.

"West Virginia ABLE" means the program and plan established in West Virginia Code §§16-48-1, *et seq.*

"West Virginia adjusted gross income" means the West Virginia adjusted gross income of a resident individual, as defined West Virginia Code §11-21-12 for the taxable year.



## **PURPOSE OF THIS DISCLOSURE**

This Disclosure is intended to provide key information related to the Jumpstart Savings Program and Accounts and contains a general overview of West Virginia-specific tax and state benefits available to Program Participants.

Before any individual opens an Account, the individual should carefully read and understand this Disclosure. This Disclosure is no substitute for financial, tax, or legal advice. Each individual should consult a qualified financial, tax, and/or legal professional to determine how applicable federal and state laws apply to the individual's specific circumstances prior to opening an Account or participating in the Program in any manner. Applicable federal and state laws, regulations, and rules are subject to change and could affect the tax consequences of the Program and owning an Account.

Inappropriate and/or bad faith use of an Account in violation of the Act or in contravention of the purposes thereof may subject an Account Owner to audit by the West Virginia State Tax Department and denial of state tax benefits. Inquiries regarding inappropriate and/or bad faith use of Account funds should be directed to the West Virginia State Tax Division (<https://tax.wv.gov>).

## **WHAT IS THE JUMPSTART SAVINGS PROGRAM?**

The Jumpstart Savings Program is a state-administered savings program created to help West Virginia taxpayers save money for future costs involved in the Account Owner's or a Designated Beneficiary's pursuit of a qualifying occupation, profession, or trade, such as the cost of tools, equipment, and business start-up expenses. The Program is intended to allow Account Owners and Program Participants to claim certain state tax benefits for Account contributions and then later use those amounts for Qualified expenses incurred in a Qualifying profession that are currently deductible under federal law. For Qualified expenses that are not federally deductible under current federal law, a state decreasing personal income tax modification is available. Taken together, these tax benefits are intended to allow participants to contribute to an Account tax-free on the state level (subject to the \$25,000 annual cap on the reducing personal income tax modification), enjoy Account interest earnings that are tax-free on the state level, then later use the Account funds and earnings on Qualified expenses that are tax-free on the federal level based on pre-existing federal deductions. See [Summary of Federal and State Tax Considerations](#) below. In the enabling statute creating the Program, the West Virginia Legislature cited to the importance of cultivating an environment in which West Virginia's tradespersons and entrepreneurs can be successful in their careers and remain in their home state. The Program is the first of its kind in the nation.

The Program also provides a one-time \$100 Ignite Program Deposit grant to Accounts with Designated Beneficiaries meeting certain criteria and incentivizes employers to match their employees' Account contributions, also described in further detail below.

## WEST VIRGINIA MONEY MARKET POOL

The Program's underlying vehicle is the West Virginia Money Market Pool provided by the West Virginia Board of Treasury Investments ("WVBTI"). The board was established in July 2005 by the legislature to provide prudent fiscal administration, investment, and management for the Consolidated Fund as defined by The West Virginia Code of 1931, as amended §12-6C-1 et seq. The WVBTI is governed by a five-member board and staffed by employees of the West Virginia State Treasurer's Office. The role of the WVBTI is to develop investment guidelines, select and oversee investment managers, prohibit commingling of funds with any other account in the Consolidated Fund, distribute daily earnings to participants, and calculate monthly net income and net asset values.

West Virginia Money Market Pool. The West Virginia Money Market Pool was created as the primary vehicle for the investment of state and local government operating funds. The objective of the Pool is to maintain sufficient liquidity to meet the needs of participants while striving to earn a return above inflation. An investment in the Pool is not a bank deposit and is not covered by FDIC insurance. The Pool is structured as a money market fund with an emphasis of maintaining a stable dollar value. As of the date of publication (i) the Pool risk factor is considered to be low relative to other types of investments and is managed through numerous maturity restrictions, diversifications, guidelines, and credit limits and (ii) the West Virginia Money Market Pool is rated AAAM Rated by Standard & Poor's. Ratings. Net investment income and realized gains and losses are declared as dividends and distributed daily to the Participants. If the pool incurs an extraordinary loss and distributing the loss would decrease the share value below one dollar (\$1), then the Investment Committee would be promptly notified for development of an action plan. There is no guarantee that the share value of the Pool will not decrease below one dollar (\$1).

Furthermore, contributions to the Program are not deposits or other obligations of any depository institution. Neither your Account, the principal you invest, nor any investment return is insured or guaranteed by the Program Parties, any state or federal governmental agency, or other person or entity. In short, you may not make money and you could lose your money (including the principal invested) if you invest in an Account.

Neither the Accounts nor the Program nor the West Virginia Money Market Pool have been registered with the Securities and Exchange Commission (the "SEC") or the West Virginia State Securities Commission in reliance on an exemption from registration available for obligations issued by a public instrumentality or state. Neither the SEC nor any state securities commission has approved or disapproved these securities or passed upon the adequacy of the Disclosure or the Participation Agreement.

For more information about the West Virginia Money Market Pool including the Investment Policy adopted by the WVBTI Board, and the most recent performance information please visit the WVBTI website at <https://wvbt.gov/Home/Investments/Investment-Pools>. The information

on the WVBTI website is incorporated by reference into this Disclosure and is subject to change without prior notice to Account Owners.

### **GOVERNING LAW**

In 2021, the West Virginia Legislature adopted the Act, codified at West Virginia Code §§18-30A-1, *et seq.*, which created the Jumpstart Savings Program. Additional legislation, adopted in February of 2022, placed the Program under the administration of the Board that governs West Virginia's SMART529 qualified tuition program, and redesignated the Board as the "Board of Trustees of the West Virginia College and Jumpstart Savings Programs." The Act authorizes the Board to implement and administer the Jumpstart Savings Program Trust and Program. Additional legislation was adopted in March 2023 retroactively effective on January 1, 2023. Among other things, the 2023 legislation amended the tax benefits available to Account Owners and updated important definitions in the Act.

The Act authorizes the Board to adopt legislative rules governing Program administration, which were adopted by the Board in May of 2022 and were promulgated at West Virginia Code of State Rules §§112-20-1, *et seq.*, as emergency legislative rules. The procedural rules of the Board are promulgated at West Virginia Code of State Rules §§112-15-1, *et seq.* In addition to the Act and the rules adopted by the Board, the Jumpstart Savings Program and Accounts are subject to all applicable federal and state laws, regulations, and rules. In the event of a conflict between such applicable laws and regulations and this Disclosure or the Participation Agreement, the Act and other applicable laws and regulations will control.

### **PROGRAM ADMINISTRATION AND OVERSIGHT**

The Act establishes the Jumpstart Savings Program Trust as a public instrumentality of the State. The Trust is authorized to issue interests in the Trust to eligible members of the public. As explained above, the Act provides that the Program and Trust will be administered by the Board. The State Treasurer serves as Chairman of the Board. The Treasurer also has a duty to staff the Board, as well as to take other steps to implement the Program. The Treasurer has broad statutory authority to take any action necessary to effectuate the Act.

The Board is authorized to enter into contracts for professional services needed to implement the Program through the use of financial organizations as account depositories and managers.

### **ACCOUNT ADMINISTRATION**

The current Recordkeeper is Catalis Regulatory & Compliance, LLC (Catalis). The Board and Catalis have entered into a contract for Catalis to provide recordkeeping and administrative services for the Program. Pursuant to the contract Catalis is authorized to administer Accounts according to the directives and procedures of the Board. When taking duly authorized actions in its capacity as the Recordkeeper, Catalis will have no liability to any Account Owner or Program Participant.

## FEES AND EXPENSES

This section outlines the fees and expenses associated with participation in the Program as of the date of publication of this Disclosure. The Program reserves the right to modify existing fees or implement new fees, charges, expenses, or penalties at any time in the future.

All Account Owners. There are no fees charged to Account Owners to open, maintain, or close an Account. As an Account Owner you indirectly bear a pro rata share of the annual costs and expenses associated with the West Virginia Money Market Pool. The underlying expenses of the Pools reduce the yield and return you receive on an Account. See [West Virginia Money Market Pool](#) above for more information about the Pool.

A \$25 fee will be charged if a contribution to your Account cannot be processed due to insufficient funds in your financial institution. This includes, but is not limited to, failed transactions such as returned checks, rejected Automated Investment Plans (AIPs), and unsuccessful Electronic Funds Transfers (EFTs). The Recordkeeper will debit your Account in the amount of \$25 to cover costs incurred in connection with these failed contribution attempts.

See [Prepaid Debit Card](#) for more information about the terms and conditions associated with use of the Prepaid Debit Card.

Annual Print/Mail Fee For Paper Delivery. A \$25 annual fee will be charged to Account Owners who have not opted for electronic delivery of official Program documents. This fee is assessed monthly in the amount of \$2.08 per Account and will be automatically deducted on or around the 20th day of each month. To avoid Annual Print/Mail Fee, Account Owners may elect to receive Program documents electronically by visiting the Program website at [access.wvjumpstart.gov](http://access.wvjumpstart.gov), logging into their Account, and selecting the electronic delivery option within the Profile section.

## ACCOUNT OWNER ELIGIBILITY

Any individual who is legally able to contract under applicable law is eligible to establish an Account. An Account Owner must be an individual and may not be a business, corporation, enterprise, or other entity that is not a natural person.

## OPENING AN ACCOUNT

To open an Account, an individual must complete enrollment at [access.wvjumpstart.gov](http://access.wvjumpstart.gov) along with an Initial Contribution amount of \$5. The Initial Contribution must be made in the manner specified by the Recordkeeper during enrollment. Online Enrollment requires the individual to provide specific information including, but not limited to, the identity of the Designated Beneficiary, and to verify the individual's Account eligibility and identity. An individual may submit their enrollment or access their Account at [access.wvjumpstart.gov](http://access.wvjumpstart.gov). Prospective Account Owners will be required to agree to the Program's General Terms & Conditions to open an Account. It is the sole responsibility of the prospective Account Owner to complete the online enrollment process with the Recordkeeper.

The Program may place a hold on an individual's Account pending additional documentation confirming the prospective Account Owner's identity. If, after making reasonable efforts, the Program is unable to verify an Account Owner's identity, the Program may take action permitted by law, without prior notice to you, including rejecting contribution and transfer requests, suspending Account services, or closing your Account and issuing a refund at the value calculated the day your Account is closed. The Program has the right to close an Account if the Account Owner maintains zero (0) dollar balance for an extended amount of time. If an Account is closed by the Program due to dormancy or for suspicion of fraud, the Initial Contribution amount will not be returned to the Account Owner or prospective Account Owner and will instead be forfeited. Any refund made under these circumstances may be considered a Non-qualified distribution. The risk of market loss, tax implications, and any other expenses, as a result of the liquidation and the closure of an Account, will be solely your responsibility. See [\*Summary of Federal and State Tax Considerations\*](#) below for more information about the potential tax consequences of non-qualified distributions.

### **DESIGNATED BENEFICIARY**

Any individual, regardless of age, residency, or relationship to the Account Owner, including the Account Owner himself or herself, may be an Account's Designated Beneficiary. There may only be one Designated Beneficiary per Account and any number of Accounts may be opened for a single Designated Beneficiary. However, an Account Owner may not be the Account Owner for multiple Accounts with the same Designated Beneficiary. A Designated Beneficiary must be an individual and may not be a business, corporation, enterprise, or other entity that is not a natural person.

An Account Owner may change the Designated Beneficiary of the Account at any time. Only an Account Owner may change the Designated Beneficiary of an Account. The new Designated Beneficiary must be a member of the prior Designated Beneficiary's Immediate family. To change a Designated Beneficiary, the Account Owner must provide a request to the Board. Upon receipt of the request and any additional information required by the Board, the Board will register the information regarding the newly Designated Beneficiary in the records of the Program. For West Virginia state law purposes, a change in the Designated Beneficiary of an Account is not an Account distribution so long as the new Designated Beneficiary is a member of the prior Designated Beneficiary's Immediate family. Instructions and forms for changing an Account's Designated Beneficiary are available at <https://wvjumpstart.gov/Tools-Resources/Forms>.

### **ACCOUNT CONTRIBUTIONS**

A person may contribute to their Account, via Automated Clearing House payment (one-time or recurring payments), check, or PayPal/Venmo. Detailed information on procedures required by the Recordkeeper for making contributions to an Account are set forth in the Contribution Terms & Conditions. Disputes arising between Account Owners and financial institutions and PayPal or Venmo are between Account Owners and the aforementioned third parties and will not be mediated by the Program Parties.

## MAINTAINING AND MONITORING AN ACCOUNT

It is the responsibility an Account Owner to maintain his or her Account. The customer portal provides Account Owners with access to update their demographic information, change their delivery preferences, request a prepaid card, view Account details, make contributions, process distributions, view Account documents, upload program forms and enroll additional beneficiaries.

## HOLD PERIODS FOR CERTAIN ACCOUNT ACTIVITIES

To help safeguard the integrity of your Account and protect against unauthorized transactions, the Program imposes hold periods on withdrawals following certain changes or activities. These holding periods are designed to allow time for verification and processing and to help prevent fraud or misuse of Account funds.

The following hold times apply:

- **Change of Address:** A 15-calendar-day hold will apply before a distribution can be processed following any change to the Account Owner's mailing address.
- **Transfer to a New Account Owner:** If ownership of the Account is transferred to a new Account Owner, a 15-calendar-day hold will be imposed before any distribution requests can be processed.
- **Recent Contributions:** Contributions to an Account will be subject to a 10-calendar-day holding period before becoming eligible for distribution. This applies to all contribution methods, including automated clearing house (ACH), checks, and automated recurring contributions.
- **New Bank Information:** Any newly added bank account must be verified prior to the initiation of any contribution or distribution. Verification procedures may include, but are not limited to, micro-deposit confirmation or other identity confirmation methods.

## ACCOUNT DISTRIBUTIONS

Only the Account Owner may authorize an Account distribution (whether for a Qualified expense, a non-Qualified expense, or otherwise) from an Account at [access.wvjumpstart.gov](https://access.wvjumpstart.gov). A change in the Designated Beneficiary of an Account is not considered to be a distribution under state law if the new Designated Beneficiary is a member of the prior Designated Beneficiary's Immediate family. The amount of any distribution that is used to pay for a Qualified expense of the Account's Designated Beneficiary determines the tax treatment of the distribution for West Virginia personal income tax purposes, as explained in the [\*Summary of Federal and State Tax Considerations\*](#) below. The Account Owner is responsible for all tax reporting required to claim state tax benefits and for maintaining all records demonstrating that expenditures of distribution funds qualify for state tax benefits, including but not limited to itemized records of Qualified expenses.

## **JUMPSTART PREPAID DEBIT CARD**

You have the option to request a reloadable prepaid debit card to use with your Account. You can request a prepaid debit card at any time under the “Prepaid Card” tab on your online account access. You can deposit or “load” funds from your Account onto your Jumpstart Prepaid Card and then use the Prepaid Card to pay for Qualified expenses both online and in stores everywhere Mastercard debit cards are accepted. The Jumpstart Prepaid Card is not a credit card that extends credit or a debit card that draws directly from your Account. The Jumpstart Prepaid Card is a reloadable prepaid debit card that is funded by withdrawals you initiate on your Account.

To sign up for the Jumpstart Prepaid Card, you must have a valid Account. The Jumpstart Prepaid Card is issued by Florida Capital Bank. If you sign up for the Jumpstart Prepaid Card, you will be required to agree to a privacy policy and a separate Cardholder Agreement (including all card account related fees) with Florida Capital Bank. You could receive other documents related to your Jumpstart Prepaid Card from time to time (“Card Documents”) that may become part of your agreement with Florida Capital Bank. You can load your Jumpstart Prepaid Card by requesting a withdrawal online from your Account. Your Jumpstart Prepaid Card may be subject to load, hold and transaction limits set by Florida Capital Bank. Funds held on the Jumpstart Prepaid Card are FDIC-insured. Please refer to the Cardholder Agreement for additional details. You are responsible for complying with the terms of the Cardholder Agreement, Card Documents, and for any applicable fees related to the Jumpstart Prepaid Card, including but not limited to inactivity and card replacement fees.

There may be a limit placed on the number of Jumpstart Prepaid Cards issued. If there is a change in the Account Owner, the Jumpstart Prepaid Card issued to the previous Account Owner may be subject to holds, restrictions or deactivation. The Jumpstart Prepaid Card may not be used to obtain cash withdrawals from ATMs or cash back when making retail purchases. Please see Cardholder Agreement and any Card Documents for more information.

Loading funds to your Jumpstart Prepaid Card is treated as an ACH withdrawal from your Account. Any funds withdrawn from your Account and loaded onto your Jumpstart Prepaid Card not spent on Qualified expenses may subject to federal and state taxes. The Jumpstart Prepaid Card is issued by Florida Capital Bank pursuant to a license from Mastercard U.S.A. Inc. ©2025. None of the Program Parties are legally responsible for the terms and conditions or operation of the Jumpstart Prepaid Card. Any disputes involving the Prepaid Card are between the Cardholder and Florida Capital Bank and will not be mediated by the Program Parties.

## **ACCOUNT TERMINATION**

An Account Owner may close their Account at any time by following the closing procedures of the Recordkeeper. Account Owners should contact the Recordkeeper to terminate their Accounts.

Account closure may also occur if an Account has a \$0 (zero) balance for 60 continuous days. If the Board receives credible evidence that an Account Owner or a Designated Beneficiary has



provided false or misleading information, or has been used in connection with fraud or inappropriate activity, the Board may suspend or close the Account pending an investigation.

The Board may terminate an Account in accordance with this Disclosure and the Participation Agreement if the Account balance drops below a point at which there are insufficient funds to cover appropriate Account fees or if the balance drops below a minimum amount established by the Board. The Board may also terminate an Account that is dormant for three (3) years, meaning the Account has had no contributions or distributions and the Account Owner has had no communication with the Recordkeeper about the Account for three (3) years.

If the Board or the Recordkeeper determines that an Account was mistakenly or erroneously opened and/or that an Account Owner is not actually eligible to own an Account, the Board may close the Account..

Upon closure of an Account, the remaining Account balance will be distributed to the Account Owner, and the distributions including, but not limited to, funds from previous contributions and earnings to the Account, may be subject to federal and state income taxation according to applicable laws. Neither the Board nor the Recordkeeper will be subject to liability for any federal or state income taxes or penalties imposed on an Account Owner as a result of an Account's termination or any other distribution.

The Board may develop standards and procedures to limit the number of Accounts an Account Owner may open or the number of times an Account Owner or beneficiary may participate in any Program benefit or incentive to prevent duplication of Program benefits, misuse of funds, or fraud.

The risk of market loss, tax implications, and any other expenses, as a result of a liquidation and closure of an Account will be solely your responsibility. See [Summary of Federal and State Tax Considerations](#) below for more information about the potential tax consequences of Non-qualified distributions.

## **KEY RISKS OF OWNING AN ACCOUNT**

As with any investment, there are risks involved in owning an Account. The following information is not an exhaustive list of all risks of being an Account Owner but is intended to provide a general overview of some of the key risks that Account Owners should consider prior to opening an Account. You should weigh these risks with the understanding that they could arise at any time during the life of your Account. Prior to opening an Account, an individual should consult with a qualified financial, tax, and/or legal professional.

*No other insurance or guarantees.* Neither the principal nor earnings are guaranteed or insured by any federal, state, or private entity including, without limitation, the Program Parties. An Account Owner could lose money (including contributions) or not make any money by investing in the Program. See [West Virginia Money Market Pools](#) for more information.



*Appropriateness or Suitability of an Account for an individual's situation:* None of the Program Parties make any representation regarding the appropriateness or suitability of an Account as a savings vehicle for any individual. Other types of investments and/or savings accounts may be more appropriate depending upon an individual's residence, financial status, tax situation, risk tolerance, age, growth preference, or liquidity needs. The fees, expenses, eligibility requirements, rates, tax consequences, and features of investment and/or savings account alternatives may differ from those in the Program. Compared to other investment options, a money market type investment is generally considered low-risk, but there is minimal interest earned on the assets in the account. Other types of investment or savings vehicles, standing alone or used in combination with the Program, may be a better alternative for certain individuals.

*Changes in fees, costs, and rates:* The current fees and costs to the Account Owner, as well as the current interest rate that will accrue to an Account, are subject to change at any time.

*Changes in the Program:* The Board may at any time modify any aspect of the Program or terminate the Program. Changes may include changes to fees and expenses or additional or different savings and/or investment options for Account Owners. The Board may make additional changes to the Program's structure, rules, and procedures. The Program will have a commercially reasonable period to implement any such changes. The Board will not consider any individual's personal financial situation when making such changes. An Account Owner should consult a qualified financial, tax, and/or legal professional for advice regarding how any such change will impact that individual's specific situation. Neither the Board nor the Recordkeeper will provide any financial, tax, or legal advice regarding the impact that any such changes will have on any person.

*Changes in applicable law:* The Program is established pursuant to the Act and its accompanying rules and applicable state tax law. The State of West Virginia could make changes to the Act or its accompanying rules that could materially alter the Program, terminate the Program, or otherwise adversely affect the Program. Changes in federal law may also result in material changes to the Program regarding the Account, contributions, withdrawals, or interest accrued.

*Changes in Recordkeeper:* The Board may change the Recordkeeper in the future or add investment managers or additional Recordkeepers to the Program. If this happens (or even if it does not), Account Owners may experience a material change to certain terms and conditions of the Participation Agreement or this Disclosure

*Eligibility for government benefits:* As with any income or other financial gain to an individual, earnings or benefits provided under the Program could affect the Account Owner's eligibility for state or federal benefits programs. Any transfer of an Account distribution to a Designated Beneficiary or other individual could affect their eligibility for state or federal benefits. An individual should contact his or her state or federal benefits agency for more information.

*Cyber Risks:* Failures or breaches of the electronic systems of the Program, the Recordkeeper, or other parties that provide services to the Program may cause disruptions and negatively impact

Program operations, potentially resulting in financial losses to the Program and its Account Owners. While the Recordkeeper has established business continuity plans and risk management systems seeking to address system breaches or failures (including plans and systems reasonably designed to protect Account Owners, Designated Beneficiaries, and personally identifiable information where applicable), there are inherent limitations in such plans and systems. There are no guarantees that the Program or Accounts will avoid losses due to cyber-attacks or cyber threats.

*Force Majeure and Other Factors:* A Force Majeure or other circumstances beyond the reasonable control of the Program Parties may affect the overall market value of an Account or your ability to transact business with the Program.

You should consult an attorney or a qualified financial or tax advisor with any legal, business, or tax questions you may have. The Program Parties are not providing investment recommendations or advice. The contents of this Disclosure should not be construed as legal, financial, or tax advice.

## **SUMMARY OF FEDERAL AND STATE TAX CONSIDERATIONS**

The following information is meant to provide a general overview of common tax considerations for Account Owners and Program Participants. This information may not be relied upon as professional tax or legal advice. No West Virginia law or action of the Board can modify any individual's federal tax liability or obligations, and nothing in this Disclosure should be construed to do so. The following information is no substitute for professional tax or legal advice. **All Account Owners and Program Participants should consult with a qualified tax professional and/or legal professional before opening an Account, completing any transaction involving an Account, or participating in the Program. Individuals and persons claiming tax modifications and/or credits pursuant to the Act are responsible for their own tax reporting and for maintaining sufficient documentation of Program transactions for tax reporting and tax audit purposes.**

**Inappropriate and/or bad faith use of an Account in violation of the Act or in contravention of the purposes thereof may subject an Account Owner to audit by the West Virginia State Tax Department and denial of state tax benefits. Inquiries regarding inappropriate and/or bad faith use of Account funds should be directed to the West Virginia State Tax Division (<https://tax.wv.gov>).**

*Federal Tax and State Tax Considerations:* Nothing in the Act, the rules promulgated by the Board, or this Disclosure provides any federal tax benefit or state tax benefit in a state other than West Virginia. Any Account activity resulting in income, earnings, or a gift to an Account Owner or Program Participant, may result in federal or state tax liability. Generally, the interest that an Account Owner earns on an Account is considered taxable income under federal law. The Recordkeeper will provide the Account Owner an IRS Form 1099-INT.

*West Virginia State Tax Considerations for West Virginia Taxpayers:* The West Virginia Code makes the following state tax benefits available to Account Owners and Program Participants who are West Virginia taxpayers:

- *Contribution benefit:* A modification reducing West Virginia taxable income, in an amount equal to the taxpayer's contribution to an Account for the taxable year in which the contribution was made. A taxpayer may not claim this modification in an amount that exceeds \$25,000 in any given taxable year, but the taxpayer may elect to carry forward this modification over a period not to exceed five taxable years.
- *Distribution benefit:* A modification reducing West Virginia taxable income, in an amount equal to the portion of an Account distribution that the taxpayer used to pay for Qualified expenses that the taxpayer cannot deduct from his or her federal adjusted gross income. **It is important that Account Owners remember that West Virginia adjusted gross income is calculated using federal adjusted gross income as a starting point. For this reason, amounts that are federally deducted cannot be deducted a second time on state tax returns—as those amounts have already been excluded from West Virginia adjusted gross income.**
  - *For example:* I contribute (or another person contributes) \$100 to my Account and I claim (or the other person claims) a \$100 reducing modification on my West Virginia personal income tax returns that year for the contribution. The next year, I withdraw the \$100 from my Account as an account distribution and spend it on Qualified expenses that are also federally deductible as ordinary and necessary business expenses. I then deduct the \$100 from my federal adjusted gross income on my federal personal income tax returns for the year in which I expended the funds. My federal adjusted gross income will then be the figure used as my West Virginia adjusted gross income for state personal income tax return purposes. I will not claim the state decreasing modification for the same \$100 on my state tax return that I deducted on my federal return, since the amount was already deducted from federal adjusted gross income and, therefore, is already excluded from my West Virginia adjusted gross income. However, the fact that my distribution was used for Qualified expenses means that the amount is not considered taxable income to me for West Virginia personal income tax purposes in the year I withdrew the \$100 from the Account, even if someone else (i.e. a parent) initially made the contribution to my Account.

A taxpayer may not claim this modification in an amount that exceeds \$25,000 in any given taxable year and there is no carry forward permitted for this modification. For purposes of the distribution benefit, a taxpayer is the Account Owner authorized to receive distributions from the Account. It is important to remember that the distribution amount may only be claimed as a modification reducing West Virginia taxable income to the extent

that the same amount is not already allowed as a federal tax deduction for the taxable year when the distribution was made. For example, if a taxpayer expends an Account distribution to pay for tools and can claim the amount of that expenditure as a federal income tax deduction for “ordinary and necessary business expenses” in the tax year of the distribution, the taxpayer cannot also claim the modification reducing West Virginia taxable income described in this paragraph.

- *Rollover to ABLE benefit:* A modification reducing West Virginia taxable income, in an amount equal to the portion of a distribution from an Account, distributed to the taxpayer in the taxable year, that the taxpayer contributes to a West Virginia ABLE Account within 30 days of receiving said distribution.
- *SMART529 rollover benefit:* A modification reducing West Virginia taxable income, in an amount equal to the portion of a distribution from a West Virginia SMART529 account, distributed to the taxpayer in the taxable year, that the taxpayer contributes to an Account within 30 days of receiving the distribution.

*West Virginia State Tax Considerations for distributions not used for Qualified expenses:* State law requires that as of January 1, 2023, any amount contributed to an Account that is subsequently withdrawn from the Account and not used for Qualified expenses in the taxable year of the receipt of the distribution or the succeeding taxable year shall be added to the West Virginia adjusted gross income of the Account Owner, unless it has already been included in the Account Owner’s federal adjusted gross income for the taxable year.

- *For example:* I contribute (or another person contributes) \$100 to my Account and I claim (or the other person claims) a \$100 reducing modification on my West Virginia personal income tax returns for that taxable year for the contribution. The next year, I withdraw the \$100 from my Account as an Account distribution and spend it on personal items – I do not spend the \$100 on Qualified expenses. For the taxable year when I withdrew the money from my Account, I will need to report the \$100 as income on my West Virginia personal income tax returns unless I report it as part of my personal income on my federal tax returns.

## **ROLLOVER CONTRIBUTIONS**

Any portion of a SMART529 distribution that is contributed to an Account within 30 days of receipt of the SMART529 account distribution is a Rollover contribution to the Account and may be eligible for the state tax decreasing modification provided in West Virginia Code §11-21-12m(c). However, the SMART529 distribution may be subject to federal tax liability and penalties.

Any portion of an Account distribution that is contributed to a West Virginia ABLE account within 30 days of receipt of the Account distribution is a Rollover contribution and may be eligible for

the state tax decreasing modification provided in West Virginia Code §11-21-12m(c). However, the Jumpstart distribution may be subject to federal tax liability and penalties.

When making a Rollover contribution, the Account Owner must complete the forms and make such disclosures of financial information as required by the Board. Instructions for making a Rollover contribution are available at <https://wvjumpstart.gov/Tools-Resources/Forms>.

Account Owners should consult with a qualified tax professional concerning any potential rollover of SMART529 funds into an Account or Account funds into a West Virginia ABLE account prior to initiating such a rollover.

**According to the Act, the tax modifications described above are only permitted to the extent that the amount applied toward the modifications are not already allowable as a deduction when arriving at the taxpayer's federal adjusted gross income for the taxable year. The tax modifications described above are state tax benefits only, and in no way will diminish or otherwise impact any person's federal tax liability or tax liability in a state other than West Virginia.**

### **IGNITE INCENTIVE PROGRAM**

The Ignite Incentive Program is an incentive program administered by the Treasurer. The Treasurer will contribute \$100 from the College and Jumpstart Savings Administrative Account to a newly opened Account if the Designated Beneficiary is a resident of West Virginia, and either of the following criteria are met:

- 1) The Account is opened when the Designated Beneficiary is under 18 years of age; or
- 2) The Account is opened within the 180 days following the date of the Designated Beneficiary's enrollment in an apprenticeship, training, or educational programs described in the definition of "Qualifying profession" provided above.

The Account Owner must attest if the Designated Beneficiary of an Account is eligible for the Ignite Incentive when opening the Account. An individual may be the Designated Beneficiary for an Account that receives the \$100 contribution described in this section only one time during said individual's lifetime, regardless of the number of Accounts for which an individual is named as Designated Beneficiary.

### **QUALIFIED EXPENSES**

Account Owners and Program Participants should carefully review the definition of "Qualifying profession" provided in this Disclosure, as Qualified expenses can *only* be incurred in a Qualifying profession. The amount of any distribution that is used to pay for a Qualified expense of the Account's Designated Beneficiary determines the tax treatment of the distribution for West Virginia personal income tax purposes, as explained in the [\*Summary of Federal and State Tax Considerations\*](#) above.

Qualified expenses include any Account distribution, or any amount thereof, expended by an account beneficiary in the taxable year of receipt of the distribution or the next succeeding taxable year that:

- Is allowable as a federal personal income tax deduction pursuant to 26 U.S.C. §162, as an ordinary and necessary business expense, and is incurred in carrying on a Qualifying profession. For more information on federal deductions for ordinary and necessary business expenses, see [IRS Publication 535](#).
- Is allowable as a federal personal income tax deduction pursuant to 26 U.S.C. § 195(b), as a business start-up expenditure, and is incurred in carrying on a Qualifying profession. For more information on these federally deductible expenses, see [IRS Publication 535](#).
- Is expended for goods, services, or other expenses that qualify for a federal personal income tax deduction for depreciation or amortization over time, pursuant to a provision of 26 U.S.C. § 161-199a and that are used to carry on a Qualifying profession. For more information on these federally deductible expenses, see [IRS Publication 535](#).
- Is not allowable as any one of the federal personal income tax deductions described in immediately above of this subdivision, is not reimbursed by the employer, and is expended for:
  - The purchase of tools, equipment, or supplies by the Designated Beneficiary to be used exclusively in a qualifying occupation, profession, or trade.

*Please note:* The types of tools, equipment, or supplies will vary depending on the qualifying occupation, profession, or trade of the Designated Beneficiary.

*Examples of purchases that could be Qualified expenses include but are not limited to:* The purchase of hammers; wrenches; saws; screwdrivers; air compressors; concrete mixers; nail guns; or other necessary tools, equipment, or supplies to be used exclusively in a qualifying occupation, profession, or trade. Vehicles that are used exclusively in the qualifying occupation, profession, or trade are considered to be equipment.

- Fees for required certification or licensure for the Designated Beneficiary to practice a qualifying occupation, profession, or trade in West Virginia.

*Please note:* The types of certifications and licensures to practice a qualifying occupation, profession, or trade will vary depending on the qualifying occupation, profession, or trade of the Designated Beneficiary.

*Examples of such fees that could be Qualified expenses include but are not limited to:* Fees for Occupational Safety and Health Administration (OSHA) certifications; a Commercial Driver's License (CDL); or a Cardiopulmonary

Resuscitation (CPR) certification necessary for a qualifying occupation, profession, or trade.

- Costs incurred by the Designated Beneficiary that are necessary to establish a business in West Virginia in which the Beneficiary will practice his or her qualifying occupation, profession, or trade, when the costs are exclusively incurred and paid for the purpose of establishing and operating such business.

*Please note:* The types of costs to establish a business will vary depending on the qualifying occupation, profession, or trade.

*Examples of costs that could be Qualified expenses include but are not limited to:* The cost of office space; insurance; fees for legal, professional, and accounting services; inventory; advertising and marketing materials; employee salaries; or other necessary costs to establish a business in West Virginia in which the Designated Beneficiary will practice a qualifying occupation, profession, or trade.

An Account Owner is solely responsible for maintaining documentation of Qualified expenses that will be needed to comply with state tax reporting requirements or in the case of a state tax audit. The Board will not collect or maintain documentation of an Account Owner's expenditures of funds distributed to the Account Owner from an Account. The Board may request information on the use of distribution funds for the purpose of collecting Program data.

A distribution of funds from an Account for any use other than Qualified expenses of the Designated Beneficiary constitutes a Non-qualified distribution, is not eligible for the state tax benefits provided in the Act and will be treated as income to the Account Owner unless reported as federal personal income for the taxable year. Any expense that does not meet the definition of a Qualified expense under the Act is a non-Qualified expense.

*Examples of non-Qualified expenses include, but are not limited to:* Dues, fees, subscriptions, or any other payments to a Labor organization; bad debt expenses; campaign donations; lobbying expenses; payment of federal or state property, income, or corporate taxes; payment of civil or criminal fines; the purchase of tools, equipment, or supplies for personal use; or costs to establish a business with its principal place of business located outside of the State when those costs are not federally deductible.

## **PROGRAM PRIVACY POLICY**

Account information, including, but not limited to the names, addresses, telephone numbers, and personal identification information of Account Owners, Designated Beneficiaries, and other Program Participants, as well as Account transactional information, will be maintained as confidential and may be disclosed only as needed to administer the program consistent with the Act or as otherwise permitted by applicable state and federal laws. Account information may also be disclosed if the individual providing the information, or who is the subject of the information,

executes and delivers to the Board his or her written consent to disclosure. As stated in the Participation Agreement, the Board may share information regarding Account transactional information and Account Owner identity with the West Virginia State Tax Department or other agencies to facilitate the State's enforcement of state tax law, including but not limited to the tax provisions in the Act. The Board and the Recordkeeper have policies and protections in place reasonably designed to protect personally identifiable information related to Accounts.

### **OTHER CONSIDERATIONS**

*Trust and Trust interests:* The Jumpstart Savings Program Trust is a public instrumentality of the State. All interests issued by said Trust constitute interests in the Trust and will be made available to eligible members of the public. Neither the Jumpstart Savings Program nor the Trust is registered with Securities Exchange Commission or the West Virginia Securities Commission.

*Protection from creditors under West Virginia law:* Money in the Jumpstart Savings Trust and Trust Fund is exempt from West Virginia creditor processes and is not subject to attachment, garnishment, or other process under West Virginia law; is not available as security or collateral for any loan, or otherwise subject to alienation, sale, transfer, assignment, pledge, encumbrance, or charge under West Virginia law; and is not subject to seizure, taking, appropriation, or application by any legal or equitable process or operation of West Virginia law to pay any debt or liability of any Account Owner, Designated Beneficiary, or successor in interest.

### **AUDITS, FINANCIAL STATEMENTS, AND REPORTS**

The Program and its Accounts, including the Jumpstart Savings Trust Fund and Expense Fund, are subject to an annual external audit by an accounting firm, selected by the Board, of which all members or partners assigned to head the audit are members of the American Institute of Certified Public Accountants.

The Board will prepare and provide an annual summary of information on the financial condition of the Jumpstart Savings Trust Fund and College and Jumpstart Savings Administrative Account and publish said summary on the Program website. The Board will also prepare, or have prepared, a quarterly report on the status of the Program for the West Virginia Legislature's Joint Committee on Government and Finance and publish said report on the Program website.

### **COMPLAINT AND DISPUTE RESOLUTION**

Should a complaint or dispute related to participation in the Program arise (including complaints or disputes relating to the Recordkeeper's services), the Account Owner should first contact the Board to attempt resolution within 60 days of the complaint or dispute arising. The Account Owner and the Board should first attempt to resolve the dispute through direct discussions in the spirit of cooperation. If the dispute is not resolved through direct discussions, a person may appeal any action or decision of the Board according to the procedures in West Virginia Code of State Rules §112-15-11.



## CONTACT AND WEBSITE INFORMATION

For general questions regarding the Jumpstart Savings Program, such as Program eligibility or Program rules, visit <https://wvjumpstart.gov/what-is-jumpstart/overview#>, or contact customer service at [\(681\) 319-4638](tel:6813194638).

To enroll/login to an Account to view information, make a contribution, request a distribution, download forms, upload plan documents, or make profile and banking changes, visit <https://access.wvjumpstart.gov>.

For Account specific questions regarding your Account contact customer service at [\(681\) 319-4638](tel:6813194638).

To view the Jumpstart Savings Program legislative rules, visit <https://wvjumpstart.gov/>.

To view the West Virginia College and Jumpstart Savings Board procedural rules and bylaws, visit <https://wvtreasury.gov/Transparency/College-Jumpstart-Savings-Programs-Board-of-Trustees>.

To access information in federal tax benefits that are referenced in the definition of Qualified expenses, visit [IRS Publication 535](#).

For a list of Frequently Asked Questions (FAQs), visit <https://wvjumpstart.gov/Tools-Resources/FAQs>.

To view Jumpstart Savings Program Disclosures or reports, visit <https://wvjumpstart.gov/>.

**APPENDIX A:**  
**WEST VIRGINIA JUMPSTART SAVINGS PROGRAM PARTICIPATION**  
**AGREEMENT**

I, as Account Owner, am hereby entering into a legally binding Participation Agreement (“**Agreement**”) with the West Virginia Board of College and Jumpstart Savings Programs (“**the Board**”) in order to establish a West Virginia Jumpstart Account (“**Account**”) made available by the West Virginia Jumpstart Savings Program (“**the Program**”) and administered by Catalis Regulatory & Compliance, LLC (“**Recordkeeper**”). I am legally competent and over the age of eighteen (18). I understand and agree that this Agreement is subject to the West Virginia Jumpstart Savings Program Account Disclosure and Participation Agreement and all appendices thereto (the “**Disclosure**”). I hereby certify that I have read and understand the Disclosure. Further, I understand that all the information contained in the Program Application and the Disclosure is part of this Agreement and any requirements, procedures, terms, and/or conditions therein are accepted by me. I understand that by submitting my Program Application, I have accepted the terms of the Disclosure and this Agreement. The effective date of this Agreement is the date my Program Application is accepted by the Board.

The definitions of words and terms set forth in the Disclosure are incorporated into this Agreement and made part of this Agreement as if they were set forth in the body of this Agreement.

**A. Agreements, Representations, and Warranties of the Account Owner**

I, as Account Owner, hereby agree with, and represent and warrant to the Program Parties as follows:

- 1) I have received, read, and I understand the Disclosure and Participation Agreement as currently in effect. I have been given the opportunity to obtain answers to all of my questions concerning the Program, the Disclosure, my Account, and this Agreement. I acknowledge that there have been no representations or other information about the Program relied upon in entering into this Agreement, whether oral or written, other than as set forth in this Disclosure and Participation Agreement.
- 2) I have read and understand and agree that the Accounts bear the risks described in this Disclosure. I understand and agree that neither the principal nor earnings are guaranteed or insured by any federal, state, or private entity including, without limitation, the Program Parties. An Account Owner could lose money (including contributions) or not make any money by investing in the Program.
- 3) I understand that any income, earnings, gifts, or financial benefits resulting from or related to my ownership of an Account or other participation in the Program may result in state and/or federal tax liability and that it is my responsibility to consult with a

qualified tax professional before opening an Account or undertaking any transaction related to an Account or the Program. I understand that although the definition of Qualified expenses includes certain federally deductible expenses, the Act, Board, and State of West Virginia can in no way modify my federal tax liability nor advise me on my federal tax liability. I further understand that I am the sole person responsible for maintaining sufficient records and documentation to claim any tax benefits available under the Act or to otherwise comply with applicable federal and state tax laws and reporting requirements.

- 4) I have accurately and truthfully completed my enrollment, and any other documentation that I have furnished or will subsequently furnish in connection with the opening or maintenance of, or any transactions involving, my Account. My enrollment and all information I have submitted or will subsequently submit to the Board or to the Recordkeeper is accurate, truthful, and complete.
- 5) I understand that my Account may be terminated if: I am not an eligible Account Owner; I have not provided all the information required in the Program Application; I have failed to execute any documentation required by the Board or the Recordkeeper; I have failed to submit the Initial Contribution amount; the execution of a Participation Agreement by me violates any federal or state law; I have intentionally provided false information to the Board or the Recordkeeper; or I have violated any applicable state or federal law related to a savings or investment program currently or previously administered by the State of West Virginia.
- 6) I understand that if my Account is involuntarily terminated for any reason, my Initial Contribution amount will not be refunded or returned to me but will be forfeited.
- 7) I understand that if I make false or erroneous statements in connection with opening an Account or otherwise, the Board and/or the Recordkeeper may take such action as the Board and/or the Recordkeeper deem necessary or appropriate, including, without limitation, refusing my Program Application, requiring proof of my identity or eligibility, suspending my Account, or canceling my Account. I understand that I may face criminal or civil penalties for making false statements under applicable law.
- 8) By opening an Account, I agree to act as the Account Owner of the Account, and I agree to provide all information and forms required by the Board or the Recordkeeper and to follow all procedures required by the Board or the Recordkeeper.
- 9) By opening an Account, I consent to receive emails from the Board and the Recordkeeper about the Program and my Account. I understand that I may unsubscribe from emails about the Program at any time. I also understand that even if I unsubscribe from emails about the Program, the Board and the Recordkeeper reserve the right to send me administrative emails regarding my Account or as otherwise permitted by law.

- 10) I agree that a single individual must be named as the Designated Beneficiary for the Account according to requirements of the Act, the rules promulgated by the Board, and the Disclosure. I understand that I may name myself as the Designated Beneficiary. I understand that only the Account Owner may change the Designated Beneficiary for an Account to a member of the previous Designated Beneficiary's Immediate family. I agree to provide all information required by the Board if I wish to designate or change the Designated Beneficiary for my Account.
- 11) I understand that nothing in this Agreement the Program Application, is to be considered or interpreted to create or constitute a debt or liability of the State of West Virginia, the Board, the Recordkeeper, or any third party.
- 12) I understand that the Recordkeeper will not necessarily continue in its role as Recordkeeper for the entire period my Account is open, and that the Board may retain additional and/or different Recordkeeper(s) for the Program in the future. I acknowledge that if this occurs, the Program may experience a material change to the terms and conditions of the current Agreement, including the fees, costs, and rates for my Account and the services provided.
- 13) I understand and agree that I have not been advised by any of the Program Parties to contribute, or to refrain from contributing, to an Account. I understand that none of the Program Parties can provide me with any financial, tax, or legal advice.
- 14) I understand that none of the Program Parties has any duty to me to perform any action other than those specified in this Agreement. The Program may accept and rely conclusively on any instructions or other communications reasonably believed to have been given by me or another authorized person and may assume that the authority of any other authorized person continues in effect until the Program receives written notice to the contrary and has the opportunity to act on it. None of the Program Parties has a duty to determine or advise me of the financial, tax, legal or other consequences of my actions, or of its actions in following my directions, or of its failing to act in the absence of my directions. I understand that so long as the Recordkeeper is engaged by the Board to perform services for the Program, the Recordkeeper may follow the directives of the Board, and when acting in such capacity, the Recordkeeper shall have no liability to me, my Designated Beneficiary, or my authorized legal representative. My Account and this Agreement are subject to such rules as the Board may promulgate in accordance with West Virginia law. All decisions and interpretations by the Board in connection with the Program shall be final and binding on me and my successors.
- 15) I understand that any income, earnings, gifts, or financial benefits resulting from or related to my ownership of an Account or other participation in the Program may result in state and/or federal tax liability and that it is my responsibility to consult with a qualified tax professional before opening an Account or undertaking any transaction

related to an Account or the Program. I understand that although the definition of Qualified expenses includes certain federally deductible expenses, the Act, Board, and State of West Virginia can in no way modify my federal tax liability nor advise me on my federal tax liability. I further understand that I am the sole person responsible for maintaining sufficient records and documentation to claim any tax benefits available under the Act or to otherwise comply with applicable federal and state tax laws and reporting requirements.

- 16) I understand that by accepting my Account enrollment and/or requesting information on the trade, profession, or occupation of my Account's Designated Beneficiary, the Board does not approve, deny, or otherwise advise me on my eligibility for any state tax benefit. I further understand and agree that it is solely my responsibility to determine whether any apprenticeship or educational program in which my Account Beneficiary has participated or is participating is listed in the definition of a "qualifying occupation, profession, or trade" appearing in this Disclosure.
- 17) I acknowledge and agree to the fees, charges, or penalties applicable to my Account as described in this Agreement and understand that they may change in the future.
- 18) I understand that I may cancel my Account at any time at [access.wvjumstart.gov](https://access.wvjumstart.gov) and requesting to close my account.
- 19) I understand that my Account may be suspended, pending an investigation, if the Board receives credible evidence that I, or the Designated Beneficiary for my Account, has provided false or misleading information to the Board, the Recordkeeper, or to a state or federal tax authority related to an Account, or if the Board receives credible evidence that my Account has been used in connection with fraud or inappropriate activity or in connection with a violation of any law, rule, or standard of the Program.
- 20) I understand that my Account may be terminated if the Board determines that I, or the Designated Beneficiary for my Account, has provided false or misleading information to the Board or to a state or federal tax authority related to my Account or if the Board determines that my Account has been used in connection with fraud or inappropriate activity or in connection with a violation of any law, rule, or standard of the Program.
- 21) I understand that my Account may be terminated if the Account balance drops below a point at which there are insufficient funds to cover appropriate Account fees; if the Account balance drops below a level determined by the Board; or if the Account is dormant for three (3) years.
- 22) I understand that if my Account is terminated for any reason, the distribution of my remaining Account balance and contributions and earnings may cause me to incur federal and state income tax liability according to applicable laws.

- 23) I understand that as the Account Owner, only I may authorize and receive a distribution of funds from my Account. I understand that any distributed funds from my Account that are not used for a Qualified expense will be a non-Qualified expense and will not be eligible for any special tax treatment under the Act. I understand that any distribution from an Account may cause me to incur federal and state income tax liability according to applicable laws.
- 24) I understand that if I rollover funds from my current SMART529 account into an Account or from my Account into a WVABLE account, I may incur federal and state income tax liability according to applicable laws.
- 25) I agree that if I qualify for the Ignite Incentive Program, I will provide all necessary documentation of my Account's eligibility for the contribution, as required by the Board. I further understand and agree that my Designated Beneficiary, whether myself or someone I have so identified, may only be the Designated Beneficiary for an Account receiving the Ignite Incentive contribution one time in the Designated Beneficiary's lifetime, regardless of the number of Accounts for which said individual is named as Designated Beneficiary. I understand that a contribution to my Account, pursuant to the Ignite Incentive Program, may result in federal and state income tax liability according to applicable laws.
- 26) I understand that if I name a successor owner for my Account, the successor owner shall become the new Account Owner automatically upon my death and shall thereafter have complete ownership rights to my Account and its contents. I provide the Board and the Recordkeeper with my consent to transfer my Account to the successor owner for my Account that I have named (if any) upon my death.
- 27) I understand that changes in applicable state or federal law and regulations and related interpretations may necessitate material alterations to the Program including termination of the Program, change in tax treatment at the state or federal level, and changes to the parameters of the Account, contributions, withdrawals, and fees.
- 28) I provide the Board with my consent to share the information provided to the Board, including the information provided in my Program Application, with the Recordkeeper.
- 29) I provide the Board with my consent to share my Account activity, Account transactions, Account information, or any other information related to my Account ownership or participation the Program with the West Virginia Tax Department for tax verification or audit purposes.
- 30) I provide the Board with my consent to share my Account activity, Account transactions, Account information, or any other information related to my Account ownership with third party auditors or other professionals for the purpose of the Board's compliance with audit requirements in the Act.

31) I understand and agree that the Board and the Recordkeeper have access to my Account activity, Account transactions, Account information, or any other information related to my Account ownership and may compile data using said information for any lawful purpose related to Program administration or otherwise.

### **B. Statutes, Policies, and Operating Procedures**

The Jumpstart Savings Program and this Agreement are subject to, and incorporate by reference, the Act, any rules, policies, and operating procedures adopted for the Program by the Board, any amendments to the Act and other applicable laws, and any rules that the Board may promulgate in accordance with state law. Any amendments to relevant statutes, rules, or procedures of the Board automatically amend this Agreement. Any such amendments shall become effective no later than the effective date of the applicable law, rule, or procedure.

### **C. Indemnity**

I understand and agree that the establishment of my Account will be based upon the agreements, representations, and warranties set forth in this Agreement, and in the General Terms & Conditions of the plan. I agree to indemnify and hold harmless the Program Parties from any of the foregoing, from and against any and all loss, damage, liability, or expense, including reasonable attorneys' fees, that any of them may incur by reason of, or in connection with, any misstatement or misrepresentation made by me in this Agreement or otherwise with respect to my Account, and any breach by me of any of the agreements, representations, or warranties contained in this Agreement. All of my agreements, representations, and warranties shall survive the termination of this Agreement.

### **D. Complaint or Dispute Resolution Process**

Should a complaint or dispute arise out of this Agreement, the Account Owner should first contact the Board to attempt resolution within 60 days of the complaint or dispute arising. The Account Owner and the Board shall first attempt to resolve the dispute through direct discussions in the spirit of cooperation. If the dispute is not resolved through direct discussions, I understand that I may appeal any action or decision of the Board according to the procedures in West Virginia Code of State Rules §112-15-11.

I understand that submitting an enrollment application online is considered a binding arbitration agreement.

### **E. Amendment and Termination**

I understand and agree that the Board reserves the right to amend this Agreement, in whole or in part, to meet the requirements of federal or state law, including without limitation the Act, or for any other purpose. Any amendments may be retroactively effective if such amendment is necessary to conform the Agreement to, or satisfy the conditions of, any law, regulation rule, or administrative agency or judicial ruling and to permit the Agreement to meet the requirements of

federal or state law. The Recordkeeper will furnish a copy of any amendment to the Account Owner.

#### **F. Miscellaneous**

- 1) *Binding Agreement*: This Agreement is binding on the Account Owner, any successor Account Owner, and their heirs, executors, and administrators. This Agreement shall survive the death of any individual Account Owner and shall be binding upon any executors or administrators, as applicable.
- 2) *Severability*: If any provision of this Agreement or any document referenced in this Agreement is found to be invalid by a court of competent jurisdiction, such invalidity shall not affect the remaining provisions which can be given effect without the invalid provision and, to this end, the provisions of this Agreement and any document referenced in this Agreement are declared to be severable.
- 3) *Headings*: The heading of each section, paragraph, and provision in this Agreement is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such section, paragraph, and provision.
- 4) *Governing Law*: This Agreement is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in this Agreement, or any other source, oral or written, which contradicts or violates the West Virginia Constitution, the West Virginia Code, or the West Virginia Code of State Rules, is void and of no effect.
- 5) *Entire Agreement*: This Agreement constitutes the entire understanding and agreement of the parties with respect to the subject matter and supersedes all prior agreements or understandings, written or oral, between the parties with respect thereto.