

EXHIBIT 1: WEST VIRGINIA CODE

WV JUMPSTART SAVINGS ACT

WEST VIRGINIA CODE

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CHAPTER 18. EDUCATION.

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Article 30

All Articles

Article 31

ARTICLE 30A. WEST VIRGINIA JUMPSTART SAVINGS ACT.

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§18-30A-1. Short Title.

This article shall be known, and may be cited as, the “West Virginia Jumpstart Savings Act”.

§18-30A-2. Findings.

(a) The Legislature recognizes the importance of cultivating an environment in West Virginia where our tradespersons and entrepreneurs can be successful in their careers and remain in their home state. The Legislature finds that a savings and investment program to assist our citizens who wish to embark on a new trade or establish a new business within this state, is an investment in the future of West Virginia and its hardworking citizens.

(b) The Legislature further finds that, whenever possible, this article should be read in pari materia and construed in harmony with the West Virginia College Savings Program Act, §18-30-1 *et seq.* of this code.

(c) The Legislature further finds that interests in the Jumpstart Savings Program Trust are intended:

(1) To qualify for relevant federal securities law exemptions for public instrumentalities of a state; and

(2) To be exempt from registration under Chapter 32 of the West Virginia Code, titled the "Uniform Securities Act."

§18-30A-3. Definitions.

(a) For the purposes of this article, the following terms shall have the following meanings:

(1) "Account owner" means the person who opens and invests money into a Jumpstart Savings Account, as provided in this article.

"Advanced Career Education" or ACE, shall mean the same as that term is used in §18-25-11 of this code.

(2) "Beneficiary" means the person designated as a beneficiary at the time an account is established, or the individual designated as the beneficiary when the beneficiary is changed.

(3) The "board" means the Board of Trustees of the West Virginia College and Jumpstart Savings Programs created in §18-30-4 of this code.

(4) "Contribution" means any amount of money deposited into a Jumpstart Savings Account according to the procedures established and required by the board or the Treasurer.

(5) "Deduction" as used in this article has the same meaning as when used in a comparable context in the laws of the United States relating to income taxes, unless a different meaning is clearly required. Deduction means

and refers to a deduction allowable under the federal income tax code for the purpose of determining federal taxable income or federal adjusted gross income, unless text clearly indicates otherwise.

(6) "Distributee" has the same meaning provided in §11-21-12m of this code.

(7) "Distribution" means any disbursement from an account.

(8) The term "family member", as used to describe a person's relationship to a designated beneficiary, includes any of the following:

(A) The spouse of the beneficiary;

(B) A child of the beneficiary or a descendant of the beneficiary's child;

(C) A brother, sister, stepbrother, or stepsister of the beneficiary;

(D) The father or mother of the beneficiary, or an ancestor of either;

(E) A first cousin of the beneficiary;

(F) A stepfather or stepmother of the beneficiary;

(G) A son or daughter of a brother or sister of the beneficiary;

(H) A brother or sister of the father or mother of the beneficiary;

(I) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the beneficiary; or

(J) The spouse of any person described in paragraphs (B) through (I) of this subdivision.

(K) Any term set forth in this subdivision means and includes such term as established through a lawful adoption, including, but not limited to, adoptions of a child or children, or other natural person, by a natural person or natural persons who are not the father, mother, or stepparent of the child or person.

(9) "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.

(10) The "program" refers to the Jumpstart Savings Program established by this article.

(11) "Qualified expense" means an 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:

(A) 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;

(B) 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; or

(C) 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; or

(D) Is not allowable as any one of the federal personal income tax deductions described in paragraphs (A) through (C) of this subdivision and is expended for:

(i) The purchase of tools, equipment, or supplies used exclusively in a qualifying profession;

(ii) Costs to establish a business in this state to practice a qualifying profession; or

(iii) Fees for required certification or licensure in a qualifying profession: *Provided*, That in no event shall any dues, fees, subscriptions, or any other payments to a labor organization constitute qualified expenses for the purposes of this article; and

(iv) Is not reimbursed by the taxpayer's employer.

(12) "Qualifying profession" means an occupation, profession, or trade for which the designated beneficiary is required to:

(A) Complete an apprenticeship program registered and certified with the United States Department of Labor, as provided in 29 U.S.C. § 50;

(B) Complete an apprenticeship program required by any provision of this code or a legislative rule promulgated pursuant to this code;

(C) Earn a license or certification from an Advanced Career Education (ACE) career center; or

(D) 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;

(E) Earn a license or certification from a career and technical education or vocational training program at a public secondary school; or

(F) Complete any other apprenticeship or educational program consistent with the purposes of this article, as approved by the board.

(13) The "Treasurer" refers to the West Virginia State Treasurer or his or her designee.

(b) The amendments to this section adopted during the regular session of the Legislature, 2023, are effective January 1, 2023.

§18-30A-4. West Virginia Jumpstart Savings Program established.

The West Virginia Jumpstart Savings Program is hereby established, to be operable on or before July 1, 2022. The board shall implement and administer the program under the terms and conditions required by this article.

§18-30A-5. The Board of Trustees of the West Virginia College and Jumpstart Savings Programs.

The West Virginia Jumpstart Savings Program shall be administered by the Board of Trustees of the West Virginia College and Jumpstart Savings Programs. The board is created in §18-30-4 of this code and is a public instrumentality of the State of West Virginia.

§18-30A-6. Powers of the board to implement and administer the Jumpstart Savings Program.

(a) The board shall implement and administer the Jumpstart Savings Program in accordance with this article and all applicable laws and regulations.

(b) The board is authorized to take any lawful action necessary to effectuate the provisions of this article and successfully administer the program, subject to applicable state and federal law, including, but not limited to, the following:

(1) Adopt and amend bylaws;

(2) Execute contracts and other instruments for necessary goods and services, employ necessary personnel, and engage the services of private consultants, auditors, counsel, managers, trustees, and any other contractor or professional needed for rendering professional and technical assistance and advice: *Provided*, That selection of these services is not subject to the provisions of §5A-3-1 *et seq.* of this code: *Provided*, *however*, That all expenditures and monetary and financial transactions may be subject to periodic audits by the Legislative Auditor;

(3) Implement the program through use of financial organizations as account depositories and managers, as provided in §18-30A-9 of this code;

(4) Develop and impose requirements, policies, procedures, and guidelines to implement and manage the program;

(5) Establish the method by which funds shall be allocated to pay for administrative costs and assess, collect, and expend administrative fees, charges, and penalties;

(6) Authorize the assessment, collection, and retention of fees and charges against the amounts paid into and the earnings on the trust funds by a financial institution, investment manager, fund manager, West Virginia Investment Management Board, the Board of Treasury Investments, or other professional managing or investing the trust funds and accounts;

(7) Invest and reinvest any of the funds and accounts under the board's control with a financial institution, an investment manager, a fund manager, the West Virginia Investment Management Board, the Board of Treasury Investments, or other professional investing the funds and accounts: *Provided*, That investments made under this article shall be made in accordance with the provisions of §44-6C-1 *et seq.* of this code;

(8) Solicit and accept gifts, including bequests or other testamentary gifts made by will, trust, or other disposition; grants; loans; aid; and property, real or personal of any nature and from any source, or to participate in any other way in any federal, state, or local governmental programs in carrying out the purposes of this article: *Provided*, That the board shall use the property received to effectuate the desires of the donor, and shall convert the property received into cash within 90 days of receipt; and

(9) Propose legislative rules for promulgation in accordance with §29A-3-1 *et seq.* of this code, including emergency rules when necessary.

(c) The board may enter into agreements with other states or agencies of, subdivisions of, or residents of those states related to the program or a program that is substantially similar to the Jumpstart Savings Program established by another state.

(d) The power and duties of the board provided in this article are in addition to the powers and duties of the board provided in §18-30-1 *et seq.* of this code.

§18-30A-7. Powers and duties of the Treasurer.

(a) In order to implement and administer the program, the Treasurer shall:

(1) Provide support staff and office space for the board;

(2) Establish and monitor, at the direction of the board, the methods and processes by which the funds held in accounts are deposited and distributed;

(3) Charge and collect any necessary administrative fees, penalties, and service charges in connection with any agreement, contract, or transaction relating to the program;

(4) Develop marketing plans and promotional material to ensure that potential program beneficiaries will be aware of the program and the advantages the program offers; and

(5) Present the annual evaluations and reports required by §18-30A-13 of this code at any meeting or proceeding of the Legislature or the Office of the Governor upon request.

(b) In order to implement and administer the program, the Treasurer may:

(1) Collect all necessary information from program account holders and beneficiaries;

(2) Create forms necessary for implementation of the program;

(3) Propose legislative rules for legislative approval, in accordance with the provisions of §29A-3-1 *et seq.* of this code, that are necessary to effectuate the provisions and purposes of this article; and

(4) Perform all other lawful actions necessary to effectuate the provisions of this article, subject to applicable state and federal law.

§18-30A-8. West Virginia Jumpstart Savings Program Trust and Trust Fund created; administrative account.

(a) There is hereby established the Jumpstart Savings Program Trust, a public instrumentality of the State of West Virginia. The Jumpstart Savings Program Trust shall offer and issue interests in the trust to eligible members of the public.

(b) There is hereby also established a Jumpstart Savings Program Trust Fund Account, titled the Jumpstart Savings Trust Fund, within the accounts held by the Treasurer or with a financial institution, an investment manager, a fund manager, the West Virginia Investment Management Board, the Board of Treasury Investments, or any other person for the purpose of managing and investing the trust fund. Assets of the Jumpstart Savings Program Trust are held in trust for account owners and beneficiaries.

(c) The Jumpstart Savings Trust Fund shall receive all moneys from account owners on behalf of beneficiaries or from any other source, public or private. Earnings derived from the investment of the moneys in the Jumpstart Savings Trust Fund shall remain in the fund, held in trust in the same manner as contributions, except as refunded, applied for purposes of the beneficiaries, and applied for purposes of maintaining and administering the program.

(d) The corpus, assets, and earnings of the Jumpstart Savings Trust Fund do not constitute public funds of the state and are available solely for carrying out the purposes of this article. Any contract entered into by, or any obligation of the board on behalf of and for the benefit of the program, does not constitute a debt or obligation of the state but is solely an obligation of the Jumpstart Savings Trust Fund.

(e) All interest derived from the deposit and investment of moneys in the Jumpstart Savings Trust Fund shall be credited to the fund. At the end of any fiscal year, all unexpended and unencumbered moneys in the trust fund may not be credited or transferred to the State General Fund or to any other fund.

(f) In order to fulfill the charitable and public purposes of this article, neither the earnings nor the corpus of the Jumpstart Savings Trust Fund is subject to taxation by the state or any of its political subdivisions.

(g) Notwithstanding any provision of this code to the contrary, money in the Jumpstart Savings Trust Fund is exempt from creditor process and not subject to attachment, garnishment, or other process; is not available as security or collateral for any loan, or otherwise subject to alienation, sale, transfer, assignment, pledge, encumbrance, or charge; and is not subject to seizure, taking, appropriation, or application by any legal or equitable process or operation of law to pay any debt or liability of any account owner, beneficiary, or successor in interest.

(h) The College and Jumpstart Savings Administrative Account, established in §18-30-8 of this code, shall receive all fees, charges, and penalties collected by the board. All expenses incurred by the board or the Treasurer in developing and administering the program shall be payable from the College and Jumpstart Savings Administrative Account.

§18-30A-9. Use of financial organizations as program depositories and managers.

(a) The board may implement the program through use of financial organizations as account depositories and managers. The board may solicit proposals from financial organizations to act as depositories and managers of the program. Financial organizations submitting proposals shall describe the investment instruments which will be held in accounts. The board may select more than one financial organization and investment instrument for the program. The board shall select financial organizations to act as program depositories and managers based on the following criteria:

- (1) The financial stability and integrity of the financial organization;
- (2) The safety of the investment instrument being offered;
- (3) The ability of the financial organization to satisfy recordkeeping and reporting requirements;
- (4) The financial organization's plan for promoting the program and the investment the organization is willing to make to promote the program;
- (5) The fees, if any, proposed to be charged to the account owners;
- (6) The minimum initial deposit and minimum contributions that the financial organization will require;
- (7) The ability of the financial organization to accept electronic deposits and withdrawals, including payroll deduction plans; and
- (8) Other benefits to the state or its residents included in the proposal, including fees payable to the state to cover expenses of operation of the program.

(b) The board may enter into any contracts with a financial organization necessary to effectuate the provisions of this article. Any management contract shall include, at a minimum, terms requiring the financial organization to:

- (1) Take any action required to keep the program in compliance with requirements of this article and any other applicable state or federal law;
- (2) Keep adequate records of each account, keep each account segregated from each other account, and provide the board with the information necessary to prepare the statements required by this article and other applicable state and federal laws;

- (3) Compile, summarize, and total information contained in statements required to be prepared under this article and applicable state and federal laws and provide such compilations to the board;
- (4) Provide the board with access to the books and records of the program manager and with any other information needed to determine compliance with the contract, this article, and any other applicable state or federal law;
- (5) Hold all accounts for the benefit of the account owner or owners;
- (6) Be audited at least annually by a firm of certified public accountants selected by the program manager and provide the results of such audit to the board;
- (7) Provide the board with copies of all regulatory filings and reports made by the financial organization during the term of the management contract or while the financial organization is holding any accounts, other than confidential filings or reports that will not become part of the program. The program manager shall make available for review by the board and the Treasurer the results of any periodic examination of such manager by any state or federal banking, insurance, or securities commission, except to the extent that such report or reports may not be disclosed under law; and
- (8) Ensure that any description of the program, whether in writing or through the use of any medium, is consistent with the marketing plan developed pursuant to the provisions of this article.

(c) The board may:

- (1) Enter into contracts it deems necessary for the implementation of the program, including, but not limited to, a contract with a financial institution, manager, consultant or other professional to provide services to both the Jumpstart Savings Program, and the College Savings Program, established in §18-30-1 *et seq.* of this code;
- (2) Require that an audit be conducted of the operations and financial position of the program depository and manager at any time if the board has any reason to be concerned about the financial position, the record-keeping practices, or the status of accounts of such program depository and manager; and
- (3) Terminate or decline to renew a management agreement. If the board terminates or does not renew a management agreement, the board shall seek to promptly transfer such accounts to another financial organization that is selected as a program manager or depository and into investment instruments as similar to the original instruments as possible.

§18-30A-10. Opening a Jumpstart Savings Account; deposits.

(a) Beginning on July 1, 2022, a person may open a Jumpstart Savings Account.

(b) To open a Jumpstart Savings Account, the account owner must:

(1) Provide all information required by the Treasurer;

(2) Make a minimum opening deposit, if required by the board; and

(3) Name a single person as the designated beneficiary: *Provided*, That the designated beneficiary may be the account owner himself or herself, or another person: *Provided, however*, That the beneficiary may not be a business, corporation, or enterprise.

(c) The Treasurer will deposit \$100 from the College and Jumpstart Savings Administrative Account into a newly opened Jumpstart Savings Account if the following criteria are met:

(1) The designated beneficiary is a resident of West Virginia;

(2) Any minimum deposit required by the board is made to the account within 30 days of the account's opening; and

(3) The account is opened when the designated beneficiary is under 18 years of age; or

(4) The account is opened within the 180 days following the date of the designated beneficiary's enrollment in an apprenticeship, training, or educational program described in §18-30A-3(a)(12) of this code.

(d) Any person may make a contribution to a Jumpstart Savings Account after the account is opened, subject to applicable state and federal laws.

(e) The Treasurer shall prescribe all forms required to open and make deposits to a Jumpstart Savings Account and make the forms available in a prominent location on the Treasurer's website.

(f) The board may establish minimum deposits or amounts for accounts to be considered active and may establish procedures to close inactive accounts.

§18-30A-11. Distributions.

(a) A distribution from a Jumpstart Savings Account that was used to pay for qualified expenses is not subject to the increasing income tax modification provided in §11-21-12m(c) of this code.

(b) A change in the designated beneficiary of a Jumpstart Savings Account is not a distribution for the purposes of this article or §11-21-1 *et seq.* of this code if the new beneficiary is a family member of the prior beneficiary.

(c) Pursuant to the rule-making authority provided in this article, the board shall promulgate rules specifying the expenditures that constitute qualified expenses, according to §18-30A-3(a)(11)(D) of this code.

§18-30A-12. State tax benefits related to a Jumpstart Savings Account.

(a) As provided in §11-21-12m, §11-21-25, and §11-24-10a of this code, contributions, distributions, and employer matching contributions are eligible for specified decreasing modifications in determining taxable income, or specified tax credits against tax imposed by §11-21-1 *et seq.* and §11-24-1 *et seq.* of this code.

(b) Nothing in this article nor in §11-21-12m, §11-21-25, or §11-24-10a of this code shall be construed to decrease or otherwise impact any person's federal tax obligations or to authorize any act which violates federal law.

§18-30A-13. Reports and account; annual audit.

(a) In addition to any other requirements of this article, the board shall:

(1) Prepare and provide an annual summary of information on the financial condition of the Jumpstart Savings Trust Fund and statements on the savings program accounts to the respective account owners; and

(2) Prepare, or have prepared, a quarterly report on the status of the program, including the Jumpstart Savings Trust Fund and the College and Jumpstart Savings Administrative Account, and provide a copy of the report to the Joint Committee on Government and Finance: *Provided*, That the report submitted pursuant to §18-30-10 of this code fulfills this subdivision's requirement concerning the College and Jumpstart Savings Administrative Account.

(b) All accounts administered under the program, including the Jumpstart Savings Trust 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 audit shall comply with the requirements and standards in §5A-2-33 of this code.

§18-30A-14. Records; confidentiality.

(a) Notwithstanding any other provision of this code, the board and an apprenticeship provider, training or educational institution, or employer, are authorized to exchange information regarding participants in the

program to carry out the purposes of this article: *Provided*, That the tax information confidentiality provisions of §11-10-5d of this code shall apply to tax returns and tax return information.

(b) Records containing personally identifying information regarding Jumpstart Savings Account holders and beneficiaries is exempt from disclosure under §29B-1-1 *et seq.* of this code.

§18-30A-15. Limitation on liability.

Nothing in this article creates any obligation of the board, the Treasurer, the state, or any agency or instrumentality of the state to guarantee for the benefit of any account holder or designated beneficiary with respect to the:

- (1) Return of principal;
- (2) Rate of interest or other return on any account; or
- (3) Payment of interest or other return on any account.

§18-30A-16. Legislative rules required.

Prior to the commencement of the program, the board shall promulgate legislative, procedural, or emergency rules, or any combination thereof, in accordance with the provisions of §29A-3-1 *et seq.* of this code, that include at a minimum, the following:

- (1) Requirements for any contract to be entered between the board and an account holder upon opening a Jumpstart Savings Account to ensure compliance with the requirements of this article and applicable state and federal laws;
- (2) Examples of qualified expenses, as described in §18-30A-11 of this code; and
- (3) Procedures for opening Jumpstart Savings Accounts, making contributions thereto, requesting distributions therefrom, and instructions for accessing any necessary forms.



EXHIBIT 2: JUMPSTART SAVINGS LEGISLATIVE RULE



WEST VIRGINIA SECRETARY OF STATE

MAC WARNER

ADMINISTRATIVE LAW DIVISION

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Office of West Virginia
Secretary Of State

**NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED
BY THE WEST VIRGINIA LEGISLATURE**

AGENCY: Treasurer TITLE-SERIES: 112-20
RULE TYPE: Legislative Amendment to Existing Rule: Yes Repeal of existing rule: No
RULE NAME: Jumpstart Savings Program
CITE STATUTORY AUTHORITY: §18-30A-6, §18-30A-16

The above rule has been authorized by the West Virginia Legislature.

Authorization is cited in (house or senate bill number) HB 4110

Section §64-9-24(b) Passed On 3/9/2024 12:00:00 AM

This rule is filed with the Secretary of State. This rule becomes effective on the following date:

April 4, 2024

This rule shall terminate and have no further force or effect from the following date:

August 01, 2029

BY CHOOSING 'YES', I ATTEST THAT THE PREVIOUS STATEMENT IS TRUE AND CORRECT.

Yes

James G Fuerhoff -- By my signature, I certify that I am the person authorized to file legislative rules, in accordance with West Virginia Code §29A-3-11 and §39A-3-2.

**TITLE 112
LEGISLATIVE RULE
STATE TREASURER'S OFFICE**

**SERIES 20
JUMPSTART SAVINGS PROGRAM**

§112-20-1. General.

1.1. Scope. – This rule provides the administrative requirements of the Jumpstart Savings Program.

1.2. Authority. – W. Va. Code §18-30A-6; §18-30A-16.

1.3. Filing Date. – April 4, 2024

1.4. Effective Date. – April 4, 2024

1.5. Sunset Provision. – This rule shall terminate and have no further force or effect on August 1, 2029.

§112-20-2. Definitions.

2.1. “Account” means a Jumpstart Savings Program account, established pursuant to W. Va. Code §18-30A-1 *et seq.* and this rule. Any investment account issued by the board or the trust constitutes an interest in the Jumpstart Savings Program Trust and, for securities law purposes, is classified as a municipal fund security issued by the trust.

2.2. “Account owner” means the individual who establishes and owns an account and who is authorized to receive distributions, designate a beneficiary, select investment options, if applicable, and be eligible to receive any and all necessary state or federal tax documentation, according to W. Va. Code §18-30A-1 *et seq.* and this rule.

2.3. “ACH” means automated clearinghouse, a national EFT network which enables participating financial institutions to distribute electronic credit and debit entries to financial institution accounts and to settle the entries.

2.4. “Board” means the Board of Trustees of the West Virginia College and Jumpstart Savings Programs, established in W. Va. Code §18-30-4. The term “board” shall also include the program manager or designee when referring to such tasks and duties delegated by the board.

2.5. “Cash” includes checks, money orders, wire transfers, or EFTs, but does not include currency.

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2.6. “Contribution” means any payment directly allocated to an account for the benefit of a designated beneficiary or that is used to pay administrative or other fees associated with the account according to the procedures established by the board.

2.7. “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 W. Va. Code §18-30A-1 *et seq.* and this rule.

2.8. “EFT” means electronic funds transfer through wire transfers, ACH, online transaction processing, payroll deduction, automatic contribution plans, or similar methods.

2.9. “Jumpstart Savings Program” or “program” means the Jumpstart Savings Program, established in W. Va. Code §18-30A-1 *et seq.*

2.10. “Jumpstart Savings Program Trust” or “trust” means the Jumpstart Savings Program Trust created in W. Va. Code §18-30A-8.

2.11. “Jumpstart Savings Website” or “website” means the program website and/or account owner portal where account owners can access and transact on their accounts, as well as obtain program information, program documents, and program forms.

2.12. “Immediate family,” as used to describe an individual’s relationship to another individual, has the meaning provided in W. Va. Code §18-30A-3 and includes any of the following:

2.12.1. The spouse of the designated beneficiary;

2.12.2. A child of the designated beneficiary or a descendant of the designated beneficiary’s child;

2.12.3. A brother, sister, stepbrother, or stepsister of the designated beneficiary;

2.12.4. The father or mother of the designated beneficiary, or an ancestor of either;

2.12.5. A first cousin of the designated beneficiary;

2.12.6. A stepfather or stepmother of the designated beneficiary;

2.12.7. A son or daughter of a brother or sister of the designated beneficiary;

2.12.8. A brother or sister of the father or mother of the designated beneficiary;

2.12.9. 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

2.12.10. The spouse of any person described in this section 2.12.

2.12.11. Any term set forth in this rule 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 person.

2.13. "Individual" means a natural person and includes an individual acting as the individual's legal representative (for example, in his or her capacity as custodian of a trust established for the benefit of a natural person).

2.14. "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.

2.15. "Non-qualified distribution" means any distribution of funds from an account that is not a qualified distribution for the purposes of W. Va. Code §11-21-12m and §18-30A-3(a)(11).

2.16. "Person" includes an individual, a trust, estate, partnership, association, company, or corporation.

2.17. "Program description and 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.

2.18. "Program manager" means the entity the board selects and designates to serve as the administrator of the program or a substantial function of the program, and to undertake any other program duties specified by the board.

2.19. "Qualified distribution" means any distribution of funds from an account, pursuant to a distribution request from the account owner, that is used to pay for qualified expenses.

2.20. "Qualified expenses" includes any expense treated as a qualified expense under W. Va. Code §18-30A-3(a)(11) and this rule.

2.21. "Qualifying profession" means an occupation or profession for which the designated beneficiary is required to:

2.21.1. Complete an apprenticeship program registered and certified with the United States Department of Labor, as provided in 29 U.S.C. §50;

2.21.2. Complete an apprenticeship program required by any provision of the West Virginia Code or a legislative rule promulgated pursuant to said Code;

2.21.3. 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;

2.21.4. Earn a license or certification from an Advanced Career Education (ACE) career center;

2.21.5. Earn a license or certification from a career and technical education or vocational training program at a public secondary school; or

2.21.6. Complete any other apprenticeship or educational program consistent with the purposes of this article, as approved by the board.

2.22. "Rollover contribution" means the transfer of all or part of an account from a SMART529 College Savings account to a Jumpstart Savings account or from a Jumpstart Savings account to a West Virginia ABLE account, pursuant to and in accordance with the requirements of W. Va. Code §11-21-12m.

2.23. "SMART529" refers to the college savings program and plan established in W. Va. Code §18-30-1 *et seq.*

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

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

§112-20-3. The Jumpstart Savings Program Trust; securities laws; taxation.

3.1. The Jumpstart Savings Program Trust is a public instrumentality of the State of West Virginia. All interests issued by said trust shall constitute interests in the trust and shall be made available to eligible members of the public. For securities law purposes, an interest in the Jumpstart Savings Program Trust, other than an interest in an FDIC-insured account, is a municipal fund security.

3.2. The board shall take any action necessary to administer the program in a manner that allows the trust to qualify and remain qualified for relevant federal securities law exemptions for public instrumentalities of a state.

3.3. The board shall take any action necessary to administer the program in a manner that allows the trust to be exempt and remain exempt from registration under the securities laws of the West Virginia Code, including Chapter 32, the "Uniform Securities Act," and any other West Virginia securities laws existing now or in the future.

3.4. The board shall file all tax returns on behalf of the trust required by federal or state law, if any. To the extent permitted by law, the board shall claim any tax deductions available to the board to avoid double taxation of any trust fund earnings and recapture taxes paid on behalf of the trust on earnings later distributed to trust beneficiaries. The board shall file any information returns with regard to account owners as may be required by federal or state law.

3.5. The board may adopt any reinvestment strategy, if applicable, permitted by state and federal law that is necessary to minimize the tax liability, if any, of the trust fund and account owners.

§112-20-4. Account owner eligibility.

4.1. Any individual who is legally able to contract under applicable state law is eligible to establish an account.

§112-20-5. Opening an account.

5.1. To open a Jumpstart Savings account, the account owner must:

5.1.1. Provide all information and forms required by the board;

5.1.2. Make a minimum opening deposit as required by the board and available on the website: <https://wvjumpstart.com>; and

5.1.3. Name a single individual as the designated beneficiary according to the requirements of section 8 of this rule.

5.2. All forms required to open and make deposits to a Jumpstart Savings account will be available on the website: <https://wvjumpstart.com>.

§112-20-6. Ignite Incentive Program

6.1. The program described in this section shall be known as the “Ignite Incentive Program.” The State Treasurer will deposit \$100 from the Jumpstart Savings Expense Fund into a newly opened Jumpstart Savings account if the designated beneficiary is a resident of West Virginia, and either of the following criteria are met:

6.1.1. The account is opened when the designated beneficiary is under 18 years of age; or

6.1.2. The account is opened within the 180 days following the date of the designated beneficiary’s enrollment in an apprenticeship or educational program described in 2.21.1. through 2.21.6. of this rule.

6.2. To qualify for the \$100 deposit described in this section, the account owner must provide all information to the board or program manager within 30 days of completion of a Jumpstart account application, as required by the board. All information required to qualify for said deposit will be available on the website.

6.3. An individual may be the designated beneficiary for an account that receives the \$100 deposit 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.

§112-20-7. Refusal of application to open Account.

7.1. The board may refuse to open an account for any of the following reasons:

7.1.1. The applicant is not an eligible account owner;

7.1.2. The applicant has not provided all the information required in the application;

7.1.3. The applicant has failed to execute the participation agreement, or any other instrument required by the board;

7.1.4. The applicant has failed to complete the minimum account opening deposit as required by the board;

7.1.5. The execution of a participation agreement violates any federal or state law; or

7.1.6. The board determines that the applicant has intentionally provided false information to the board or has violated any applicable state or federal law related to a savings or investment program currently or previously administered by the state.

7.2. The board shall provide written notice to an applicant of refusal to open an account and the reason for said refusal. If the applicant provides additional information credibly refuting the basis for the application refusal, the board shall reconsider the application.

§112-20-8. Designated beneficiary.

8.1. Any individual regardless of age, residency, or relationship to the account owner, including the account owner himself or herself, may be a designated beneficiary under the program.

8.2. There shall be only one designated beneficiary per account.

8.3. Any number of accounts may be opened for a single designated beneficiary. An account owner may not be the account owner for multiple accounts with the same designated beneficiary.

8.4. A designated beneficiary must be an individual and may not be a business, corporation, enterprise, or other entity that is not a natural person.

§112-20-9. Changing Designated Beneficiaries.

9.1. An account owner may change the designated beneficiary of the account, as permitted by W. Va. Code §18-30A-11(b).

9.2. 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.

9.3. To change a designated beneficiary, the account owner shall provide all information to the board or program manager, as required by the board.

9.4. Upon receipt of the written request, the board shall register the information regarding the newly designated beneficiary in the records of the program. The change of the designated beneficiary shall be effective upon registration.

9.5. For state law purposes, a change in the designated beneficiary of a Jumpstart Savings account is not a distribution so long as the new designated beneficiary is a member of the prior designated beneficiary's immediate family, as required by this rule.

9.6. Any forms necessary for the changing of designated beneficiaries will be available on the website.

§112-20-10. Change of account ownership.

10.1. An account owner may designate a successor who shall become the new account owner automatically upon the death of the account owner.

10.1.1. This designation may be made at any time prior to the death of the designated account owner by submitting a designation of the successor to the program manager containing the information set forth in the account change request form.

10.1.2. Designation of a successor shall be effective upon registration in the records of the program manager.

10.2. If a change in the ownership of an account is required by a court order directing such change, or by an affidavit or declaration that is recognized under applicable law as requiring transfer of ownership without a court order, such change unless otherwise required by law shall be registered in the records of the program manager promptly after receipt of such information.

10.3. Transfer of ownership shall not be effective until registered in the records of the program manager.

10.4. Any forms necessary to transfer account ownership will be available on the website: <https://wvjumpstart.com>.

§112-20-11. Termination of Account.

11.1. An account owner may terminate an account at any time by submitting an account termination request to the board, via any method made available by the board on the website: <https://wvjumpstart.com>.

11.2. If the board receives credible evidence that an account owner or a designated beneficiary has provided false or misleading information to the board, or to a state or federal tax authority related to an account, the board may suspend an account pending an investigation. The board shall

consider any credible information provided by the account owner to refute the evidence leading to suspension of the account. The board shall provide written notice of any suspension and the reason for the suspension to an account owner as soon as reasonably practicable.

11.3. If the board receives credible evidence that an account has been used in connection with fraud or inappropriate activity, or in connection with a violation of any laws or any rules or standards of the program, the board may suspend such account pending an investigation. The board shall consider any credible information provided by the account owner to refute the evidence leading to suspension of the account. The board shall provide written notice of any suspension and the reason for the suspension to an account owner as soon as reasonably practicable.

11.4. If the board determines that an account owner or designated beneficiary has provided false or misleading information to the board, or to a state or federal tax authority related to an account, or if the board determines that an account has been used in connection with fraud or inappropriate activity, or in connection with a violation of any laws or any rules or standards of the program, the board may terminate the account. The board shall provide written notice of the decision to terminate an account to the account owner as soon as reasonably practicable.

11.5. The board may terminate an account in accordance with the provisions of the program description and participation agreement if the account balance drops below a point at which there are insufficient funds to cover appropriate account fees or are below a level determined by the board.

11.6. Upon termination of an account, the remaining account balance will be distributed to the account owner, and the contributions and earnings thereon may be subject to federal and state income taxation according to applicable laws. Neither the program, nor the board nor the program manager, nor the board's other designee(s) shall be subject to liability for any federal or state income taxes or penalties imposed on an account owner as a result of a distribution.

11.7. 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 incentive program or programs in order to prevent duplication of program benefits, misuse of funds, or fraud.

§112-20-12. Fees.

12.1. The board may charge account owners a fee for the administrative expenses of the program. Fees shall be clearly identified in the program description that accompanies the participation agreement and available on the website: <https://wvjumpstart.com>.

§112-20-13. Investment policies.

13.1. The board may establish investment policies for the monies in the Jumpstart Savings Trust Fund, if applicable, to the nature of accounts in the program. The board may review and modify the investment policies from time-to-time as the board, in its sole discretion, determines.

13.2. The program may include interest-bearing only savings accounts and/or investment accounts to account owners. Any interest-bearing only savings accounts made available to account owners must be insured by the Federal Deposit Insurance Corporation.

13.3. Taxation of any investment returns or interest earnings are governed by applicable federal and state law. Account owners should consult with their own federal tax advisor concerning any potential tax implications of interest or earnings accruing to their Jumpstart Savings account.

13.4. Any changes to the investment policies shall apply prospectively.

13.5. If an account requires investment direction, investment direction by the account owner or designated beneficiary of an account is prohibited. Nothing in this section prohibits the program manager from offering a limited menu of portfolio options to all account owners based on risk-tolerance and potential for growth and permitting an account owner to change his or her portfolio option up to two times per year.

§112-20-14. Contributions.

14.1. Any person may make a contribution to a Jumpstart Savings account after the account is opened, subject to applicable state and federal laws. Contributions shall be made only in cash.

14.2. Rollover Contributions.

14.2.1. Any portion of a SMART529 distribution that is deposited into a Jumpstart Savings account within 30 days of receipt of the SMART529 account distribution, is a rollover contribution to the Jumpstart Savings account and is eligible for the state tax decreasing modification according to W. Va. Code §11-21-12m(d) to the extent the distribution amount is not allowable as a deduction when arriving at the account owner's federal adjusted gross income. Nothing in this rule governs or addresses the treatment of any such rollover contribution for federal tax purposes and the SMART529 distribution may be subject to federal tax liability and penalties.

14.2.2. Any portion of a Jumpstart Savings account distribution that is deposited into a West Virginia ABLE account within 30 days of receipt of the Jumpstart Savings account distribution, is a rollover contribution and is eligible for the state tax decreasing modification according to W. Va. Code §11-21-12m(d) to the extent the distribution amount is not allowable as a deduction when arriving at the account owner's federal adjusted gross income. Nothing in this rule governs or addresses the treatment of any such rollover contribution for federal tax purposes and the Jumpstart distribution may be subject to federal tax liability and penalties.

14.2.3. When making a rollover contribution, the account owner shall complete the forms and make such disclosures of financial information as required by the board.

14.2.4. Account owners should consult with their own federal tax advisor concerning any potential rollover of a SMART529 or West Virginia ABLE account into a Jumpstart Savings account prior to any such rollover.

14.3. Matching Contributions. –

14.3.1. When making a matching contribution to qualify for the tax credit provided in W. Va. Code §11-21-25 or §11-24-10a, the contributing employer and the owner of the account receiving the matching contribution shall submit all information required by the board on a form provided by the board.

14.3.2. An employer may not claim the credit for a matching contribution provided in section 14.3. to an Account of which he or she is the Account Owner or Designated Beneficiary.

14.3.3. Employers should consult with their own federal tax advisor and/or legal counsel concerning any potential tax implications or other legal implications of making a matching contribution to a Jumpstart Savings account.

14.4. Any forms necessary to make a contribution, a rollover contribution, or an employer matching contribution will be made available on the website: <https://wvjumpstart.com>.

§112-20-15. Distributions

15.1. Only the account owner may authorize and receive a distribution of funds (whether for a qualified expense, a non-qualified expense, or otherwise) from an account. A designated beneficiary may not authorize distribution or withdrawal of account funds unless he or she is also the account owner.

15.2. An account owner may request a distribution of funds by submitting a distribution request to the board via any method made available by the board (*e.g.*, online or paper form). Upon receipt, the program manager shall commence processing properly submitted distribution requests as soon as reasonably practicable.

15.3. A change in the designated beneficiary of a Jumpstart Savings account is not a distribution for the purposes of this article or W. Va. Code §11-21-1 *et seq.* if the new designated beneficiary is a member of the prior designated beneficiary's immediate family.

§112-20-16. Qualified Expenses.

16.1. The amount of any distribution that is used to pay for a qualified expense of the account's designated beneficiary establishes the account owner's entitlement to the personal income tax decreasing modification authorized by W. Va. Code §11-21-12m(b) to the extent the distribution amount is not allowable as a deduction when arriving at the account owner's federal adjusted gross income. An account owner is responsible for maintaining documentation of qualified expenditures needed for state tax reporting or in the case of a state tax audit. The board will not collect or maintain documentation of an account owner's expenditures of moneys distributed to the account owner from a Jumpstart Savings account: *Provided*, That the board may request information on the use of distribution monies for the purpose of collecting program data.

16.2. The amount of any distribution that is used for qualified expenses is considered a qualified distribution. For the purposes of W. Va. Code §11-21-12m and this rule, a qualified expense includes an 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:

16.2.1. 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;

16.2.2. 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; or

16.2.3. 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; or

16.2.4. Is not allowable as any one of the federal personal income tax deductions described in subdivisions 16.2.1. through 16.2.3. of this subsection and is expended for:

16.2.4.a. The purchase of tools, equipment, or supplies used exclusively in a qualifying profession;

16.2.4.b. Costs to establish a business in this state to practice a qualifying profession; or

16.2.4.c. Fees for required certification or licensure in a qualifying profession: *Provided*, That in no event shall any dues, fees, subscriptions, or any other payments to a labor organization constitute qualified expenses for the purposes of this article; and

16.2.4.d. Is not reimbursed by the taxpayer's employer.

16.3. A distribution of funds from an account for any use other than qualified expenses for the designated beneficiary constitutes a non-qualified distribution and is not eligible for the state tax benefits provided in W. Va. Code §11-21-12m and is subject to an increasing modification for distributions not used for qualified expenses pursuant to W. Va. Code §11-21-12m(c). Any expense that does not meet the definition of qualified expense provided in section 16.2. of this rule 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 of West Virginia.

§112-20-17. Separate Accounting.

17.1. Separate records and accounting shall be maintained for each account established under the program.

17.2. The board or its identified program manager shall prepare an annual summary of information on the financial condition of the Jumpstart Savings Trust Fund.

17.3. The board or its identified program manager shall provide quarterly account statements to account owners.

17.4. The board shall comply with all internal and external audit requirements set forth in W. Va. Code §18-30A-1 *et seq.* The board shall make an annual summary on the financial condition of the College and Jumpstart Savings Administrative Account available on the website: <https://wvjumpstart.com>.

§112-20-18. Confidentiality.

18.1. Individual account information, including, but not limited to, names, addresses, telephone numbers, personal identification information, amounts contributed and earnings on amounts contributed, shall be maintained as confidential, and may be disclosed only as needed to administer the program consistent with W. Va. Code §18-30A-1 *et seq.* or other applicable state and federal laws, or unless the person providing the information, or who is the subject of the information, executes and delivers to the board his or her written consent to disclosure.

EXHIBIT 3A: JUMPSTART APPLICATION - VISUAL GUIDE

(APPLICATIONS ARE SUBMITTED ONLINE ONLY AT THIS TIME)

Open a Jumpstart Savings Account.

Take your career to the next level.

What you will need to get started:

- The date of birth, address, and Social Security Number OR Tax Identification # for the Account Owner/Beneficiary on the account. You will also need to provide your driver's license number OR state-issued ID, passport, or military ID number.
- If you would like to apply for the \$100 Ignite Incentive for students and new apprentices, you will also be asked to submit an enrollment verification letter and/or upload a copy of the beneficiary's birth certificate. Check your eligibility for the Ignite Incentive [here](#).

Your Email*

I have read and accepted the terms of the [Plan Disclosure Statement & Participation Agreement](#).

I have read the [Online Privacy Statement](#).

Already have an account? Click [HERE](#) to login.

This Program Application must be completed and submitted to the Board of Trustees of the College and Jumpstart Savings Programs ("the Board") to open and become the Account Owner for a West Virginia Jumpstart Savings Account ("Account") offered by the Program's Savings Account Manager, United Bank, in the West Virginia Jumpstart Savings Program ("the Program").

Tell us about yourself.

Account Owner Information

Preferred Salutation (Mr., Mrs., Ms., etc.):

Legal Name (First, Middle, Last):

Social Security Number (SSN) OR Taxpayer Identification Number:

Date of Birth (DOB):

Gender: *Male, Female, Choose not to identify*:

Are you a US Permanent Resident?

- Yes
- No

Citizenship: *(Dropdown)*

Tell us about yourself.

Account Owner Contact Information

Permanent Street Address (no P.O. boxes, please):

City:

State:

Zip:

Account Mailing Address (if different from above):

This address will be used as the Account's address of record and for all Account mailings.

Mailing Address:

City:

State:

Zip:

Please enter your mobile number below. If you do not have a mobile number, please enter your home phone number and select that option below.

Phone Number Type:

Mobile

Home

Phone Number:

Email Address:

Employer:

Occupation:

Tell us about yourself.

(To help the government prevent the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account.) All the fields must be completed.

Account Owner's Driver's License, Passport, or ID number:

- US Driver's License
- State-Issued ID
- Passport
- Military ID

State or Country of Issuance:

Issue Date:

Expiration Date:

Account Owner's mother's maiden name:

Are you a non-US person with more than \$500,000 invested in a Jumpstart Savings Account?

- Yes
- No

Are you a Senior Foreign Official of a government branch, military branch, political party, foreign government-owned company, or a close personal or professional associate of one of these persons?

- Yes
- No

Tell us about the beneficiary

Are you the beneficiary?

The beneficiary benefits from the funds in this account. The beneficiary can be changed to another eligible relative at any time. The Account Owner and Designated Beneficiary may be the same person. The information entered below will also be used for tax purposes.

Yes

No

(If “Yes”, autofill or skip this section) Beneficiary Information

Legal Name (First, Middle, Last):

Social Security Number (SSN) OR Taxpayer Identification Number:

Date of Birth (DOB):

Residential Address, City, State, Zip (no PO boxes, please):

Mailing Address, City, State, Zip:

US Permanent Resident?

Yes

No

Citizenship: (Dropdown)

Tell us about the beneficiary

If the Designated Beneficiary is under the age of 18, it is permissible to enter the phone number and email address of the Account Owner.

Phone:

Email Address:

What is the beneficiary's relationship to the Account Owner:

- Self
- Child
- Grandchild
- Employee
- Other

Gender:

- Male
- Female
- Choose not to identify

Is the beneficiary currently working in the field of their education or training?

- Yes
- No yet

Tell us about the beneficiary

(If “Yes”) Please select all qualifying training or educational programs* that the beneficiary has enrolled in or has completed as of the date of this application. (Select all that apply)

- Community and Technical College
- Advanced Career Education (ACE) center
- Series 35 vocational training program
- State of Federal Approved Apprenticeship
- High School Career Technical Education (CTE) program
- Board-approved License or Certification ([see list](#))

Please provide the name(s) of any qualified apprenticeship or education programs* that the beneficiary has enrolled in or has completed as of the date of this application, along with the approximate month and year of enrollment and/or program completion.

Beneficiary Employer:

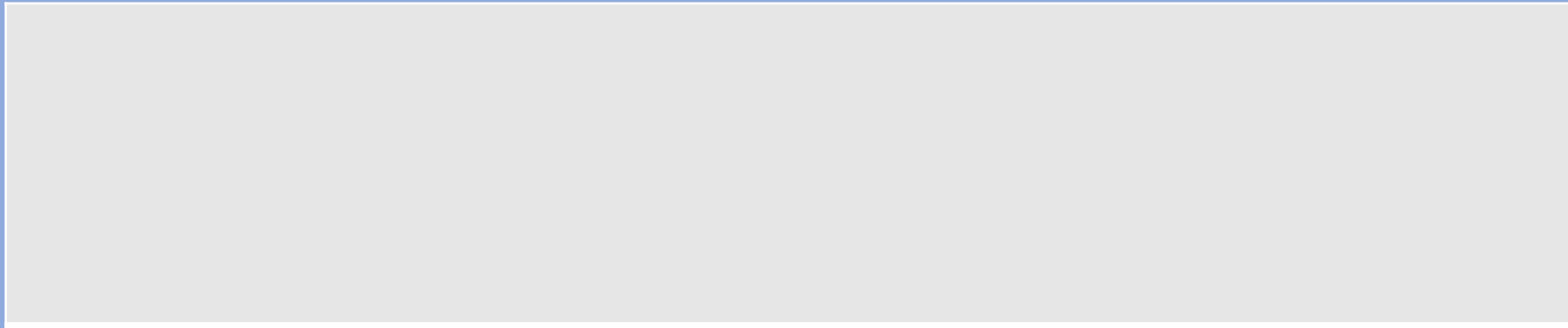
Beneficiary Occupation:

*A qualifying apprenticeship or educational program is one of the following: apprenticeship program registered and certified with the United States Department of Labor, as provided in 29 U.S.C. §50; an apprenticeship program required by any provision of West Virginia law or rule; an Associate Degree or certification program from a community and technical college; or a license or certification from an Advanced Career Education (ACE) career center.

Tell us about the beneficiary

(If “Not Yet”)

If the beneficiary is under age 18 or has not yet started a qualifying education or training program, please provide a description of the beneficiary’s tentative future plans for skills training or apprenticeship*:



**A qualifying apprenticeship or educational program is one of the following: apprenticeship program registered and certified with the United States Department of Labor, as provided in 29 U.S.C. §50; an apprenticeship program required by any provision of West Virginia law or rule; an Associate Degree or certification program from a community and technical college; or a license or certification from an Advanced Career Education (ACE) career center.*

About your Successor Account Owner (optional, but recommended)

The Successor Account Owner will take control of the account in the event of your death or disability. You may change the Successor Account Owner at any time. The Successor Account Owner must be a person at least 18 years old, or a corporation, partnership, trust, or other entity.

The Successor Account Owner has no rights in regard to the account and cannot direct any changes, transfers, or cancellations, except in the event of the death or disability of the Account Owner.

Successor Account Owner Legal Name: (First, Middle, Last)

Social Security Number OR Tax Identification Number

Date of Birth: (mm/dd/yyyy)

Phone:

No Successor

Ignite Incentive Application *(optional)*

Setting aside money for a young person? Or have you recently enrolled in a qualifying education or training program? Receive \$100 to start saving with the Ignite Incentive! Learn more [here](#).

Are you interested in applying for the \$100 Ignite Incentive?

- Yes, I want to apply.
- No thanks! Take me to the end.

If “Yes”, is the beneficiary a West Virginia resident under the age of 18?

- Yes
- No

Ignite Incentive Application *(optional)*

(If “Yes”) Please submit a copy of the beneficiary’s birth certificate within 30 days of completing your Jumpstart Savings application in order to prove eligibility for the \$100 Ignite Incentive.

Upload Documents (.png, .jpg, .jpeg, .gif, .pdf):

Or mail documentation to:

Jumpstart Savings Ignite Incentive Program

West Virginia State Treasurer’s Office

315 70th St. SE

Charleston, WV 25304

Ignite Incentive Application *(optional)*

(If “No”) To qualify for the \$100 Ignite Incentive, the beneficiary must have enrolled in a qualifying apprenticeship or educational program within the past 180 days. Please select the program that applies:

- Community & Technical College
- Advanced Career Education (ACE) Center
- State or Federal Approved Apprenticeship

Has the beneficiary enrolled in this program within the past 180 days?

- Yes
- No *(We’re sorry, but you don’t appear to be eligible for the \$100 Ignite Incentive. Review our eligibility guidelines [here.](#))*

Ignite Incentive Application *(optional)*

(If “Yes”) To be eligible for the \$100 Ignite Incentive, a proof of enrollment letter must be submitted within 30 days of completing your Jumpstart Savings Account application.

A proof of qualifying apprenticeship or educational program enrollment letter must:

- Include the beneficiary’s name, program name, and program start date
- Be on official letterhead from the qualifying apprenticeship or educational program provider
- Contain a signature and contact information for a representative from the education and training provider

Click [here](#) to download a sample.

Upload Documents (.png, .jpg, .jpeg, .gif, .pdf):

Or mail documentation to:

Jumpstart Savings Ignite Incentive Program
West Virginia State Treasurer’s Office
315 70th St. SE
Charleston, WV 25304

Account Certification and Authorization

By signing below, I am agreeing to the terms and conditions set forth in the [West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement](#).

- I understand and agree the **West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement**, as well as applicable federal and state law, govern all aspects of this Account and are incorporated herein by reference. I acknowledge I have received, read, and understand the **West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement** as currently in effect. I will retain a copy of the **West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement** for my records.
- I understand that the Board may, from time to time, amend the **West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement**, and I understand and agree that I will be subject to the terms of those amendments.
- I understand that if my Program Application is approved, I must follow the subsequent instructions and procedures provided to me by the Board and/or United Bank to open my Account and become an Account Owner in the Program.
- I consent and agree that the Board will share information I provide on this Program Application with United Bank to facilitate opening my account upon this Program Application's approval by the Board.
- I understand that to be approved to open an Account, I will be required to provide my name, address, date of birth, and other information that identifies you, such as Social Security number or Tax Identification Number. Additionally, I understand that any designated beneficiary I name below will be required to provide similar information for identification verification purposes. I understand that United Bank must use this personal information to obtain, verify, and record my identity and my designated beneficiary's identity, in order to comply with federal laws aimed at preventing terrorism and money laundering.

For W-9 certification purposes, under penalty of perjury, I certify that:

1. The number shown on this Program Application is my correct Social Security Number and/or Taxpayer Identification number, and
2. I am not subject to backup withhold because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien). As a resident alien, my country of citizenship was included in the Program Application.

If you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return, please check here to certify that item 2 above is not applicable.

- I certify that the IRS does not require my consent to any provision of this document other than the certifications required to avoid backup withholding.
- I certify that all of the information provided by me on this Program Application is, and all information provided by me in the future will be, true, complete and correct.

By typing my name below, I am agreeing to all of the requirements and statements set forth above.

Account Owner Full Name:

Date:

Jumpstart Savings User Account

Please enter a username and password to create a Jumpstart Savings user account with the West Virginia State Treasurer's Office.

Username:

Passwords must be at least 8 characters containing at least one lowercase letter, one uppercase letter, one digit, and one special character (@#\$\$%^&+=!:;').*

Password:

Re-enter password:

Account Security Questions

Question 1: Answer

Question 2: Answer

Question 3: Answer

Upon continuing, you will be directed to the payment page.

Submit the account opening fee.

After your application is approved, the \$5 application fee will be deposited into your Jumpstart Savings Account in order to establish your opening balance. *For more information regarding the nonrefundable initial deposit, please consult the Savings Disclosure which can be found here. If your Application is refused or if the Savings Account Manager is unable to complete the opening an account for any reason, the nonrefundable initial deposit/application fee will not be refunded or returned to the applicant and will instead be forfeited to the Board.*

Payment Amount: \$5.00

First Name:

Last Name:

Outside of US

Address:

City:

State: (Dropdown)

Zip Code:

Phone:

Email:

I understand that my billing statement will say "Jumpstart".

I agree to the [Terms and Conditions](#).

Card Holder Name (if different than above):

Pay

Cancel

Back

Next

EXHIBIT 3B - JUMPSTART APPLICATION

VISUAL GUIDE TO COMPLETING ONLINE APPLICATION

Online Application Guidance for Applying for a Jumpstart Savings Account

(The following information is a guide that will support how the online application process has been designed. There is also a visual presentation document at the end that accompanies this document for better understanding, etc.)

Open a Jumpstart Savings Account.

Take your career to the next level.

What you will need to get started:

- The date of birth, address, and Social Security Number OR Tax Identification # for the Account Owner/Beneficiary on the account. You will also need to provide your driver's license number OR state-issued ID, passport, or military ID number.
- If you would like to apply for the \$100 Ignite Incentive for students and new apprentices, you will also be asked to submit an enrollment verification letter and/or upload a copy of the beneficiary's birth certificate. Check your eligibility for the Ignite Incentive [here](#).

Your Email*

I have read and accepted the terms of the [Plan Disclosure Statement & Participation Agreement](#).

I have read the [Online Privacy Statement](#).

Already have an account? Click [HERE](#) to log in.

This Program Application must be completed and submitted to the Board of Trustees of the College and Jumpstart Savings Programs ("the Board") to open and become the Account Owner for a West Virginia Jumpstart Savings Account ("Account") offered by the Program's Savings Account Manager, United Bank, in the West Virginia Jumpstart Savings Program ("the Program").

Tell us about yourself.

Owner Information

Account Owner Legal Name:

First:

Middle:

Last:

Account Owner Social Security Number or Taxpayer Identification Number:

Account Owner Date of Birth (mm/dd/yyyy):

Gender:

- Male
- Female
- Choose not to identify:

Are you a US Permanent Resident?

- Yes
- No

Citizenship (dropdown box):

- Check this box if the Account Owner will also be named as the Designated Beneficiary.

Tell us about yourself.

Account Owner Contact Information

Permanent Street Address (no P.O. boxes, please):

City:

State:

Zip:

Account Mailing Address (if different from above)

This address will be used as the Account's address of record and for all Account mailings.

Mailing Address:

City:

State:

Zip Code:

Please enter your mobile phone number below. If you do not have a mobile phone number, please enter your home phone number and select that option below.

Phone Number Type:

- Mobile
- Home

Phone Number:

Email Address:

Employer:

Occupation:

Tell us about yourself.

(To help the government prevent the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account.) All the fields must be completed.

Account Owner's Driver's License, Passport, or ID number:

- US Driver's License
- State-Issued ID
- Passport
- Military ID

State or Country of Issuance:

Issue Date:

Expiration Date:

Account Owner's mother's maiden name:

Are you a non-US person with more than \$500,000 invested in a Jumpstart Savings Account?

- Yes
- No

Are you a Senior Foreign Official of a government branch, military branch, political party, foreign government-owned company, or a close personal or professional associate of one of these persons?

- Yes
- No

Tell us about the beneficiary:

Are you the beneficiary?*

The beneficiary benefits from the funds in this account. The beneficiary can be changed to another eligible relative at any time. The Account Owner and Designated Beneficiary may be the same person. The information entered below will also be used for tax purposes.

- Yes
- No

Beneficiary Information

Legal Name:

First:

Middle:

Last:

Social Security Number (SSN) OR Taxpayer Identification Number:

Date of Birth (mm/dd/yyyy):

Residential Address (no P.O. Boxes, please):

City:

State:

Zip Code:

Mailing Address:

City:

State:

Zip:

US Permanent Resident?

Yes

No

Citizenship (dropdown box):

Tell us about the beneficiary:

If the Designated Beneficiary is under the age of 18, it is permissible to enter the phone number and email address of the Account Owner.

Phone:

Email Address:

What is the beneficiary's relationship to the Account Owner:

Self

Child

Grandchild

Employee

Other

Gender:

Male

Female

Choose not to identify

Is the beneficiary currently working in the field of their education or training?

Yes

Not yet

Tell us about the beneficiary:

(If "Yes") Please select all qualifying training or education programs* that the beneficiary has enrolled in or has completed as of the date of this application. (Select all that apply)

Community and Technical College

- Advanced Career Education (ACE) Center
- Series 35 Vocational Training Program
- State or Federal Approved Apprenticeship
- High School Career Technical Education (CTE) program
- Board-Approved License or Certification (see list)

Please provide the name(s) of any qualified apprenticeship or educational programs that the beneficiary has enrolled in or has completed as of the date of this application, along with the approximate month and year of enrollment and/or program completion:

Beneficiary Employer:

Beneficiary Occupation:

(A qualifying apprenticeship or educational program is one of the following: apprenticeship program registered and certified with the United States Department of Labor, as provided in 29 U.S.C. §50; an apprenticeship program required by any provision of West Virginia law or rule; an Associate Degree or certification program from a community and technical college; or a license or certification from an Advanced Career Education (ACE) career center.)

Tell us about the beneficiary:

(If “Not Yet”)

If the beneficiary is under age 18 or has not yet started a qualifying education or training program, please provide a description of the beneficiary’s tentative future plans for skills training or apprenticeship*.

(A qualifying apprenticeship or educational program is one of the following: apprenticeship program registered and certified with the United States Department of Labor, as provided in 29 U.S.C. §50; an apprenticeship program required by any provision of West Virginia law or rule; an Associate Degree or certification program from a community and technical college; or a license or certification from an Advanced Career Education (ACE) career center.)

About your Successor Account Owner (Optional, but recommended).

The Successor Account Owner will take control of the account in the event of the account owner’s death or disability. You may revoke or change the Successor Account Owner at any time. The Successor Account Owner must be a person at least 18 years old, or a corporation, partnership, trust, or other entity.

The Successor Account Owner has no rights in regard to the Account and cannot direct any changes, transfers, or cancellations, except in the event of the death or disability of the Account Owner.

Successor Account Owner Legal Name (First, Middle, Last):

Social Security Number or Taxpayer Identification Number:

Date of Birth (mm/dd/yyyy):

Street Address:

City:

State:

Zip Code:

Phone Number:

Gender:

No Successor

Ignite Incentive Application (optional)

Setting aside money for a young person? Or have you recently enrolled in a qualifying education or training program? Receive \$100 to start saving with the Ignite Incentive! Learn more [here](#).

Are you interested in applying for the \$100 Ignite Incentive?

Yes

No thanks! Take me to the end.

If “Yes”, is the beneficiary a West Virginia resident under the age of 18?

Yes

No

(If “Yes”) Please submit a copy of the beneficiary’s birth certificate within 30 days of completing your Jumpstart Savings application in order to prove eligibility for the \$100 Ignite Incentive.

Upload Documents (.png,.jpg,.jpeg,.gif,.pdf):

Or Mail documentation to:

Jumpstart Ignite Incentive Program

315 70th Street SE

Charleston, WV 25304

(If “No”) To qualify for the \$100 Ignite Incentive, the beneficiary must have enrolled in a qualifying apprenticeship or educational program within the past 180 days. Please select the program that applies:

- Community & Technical College
- Advanced Career Education (ACE) Center
- State or Federally Approved Apprenticeship

Has the beneficiary enrolled in this program within the past 180 days?

- Yes
- No (*We’re sorry, but you don’t appear to be eligible for the \$100 Ignite Incentive. Review our eligibility guidelines [here](#).*)

(If “Yes”) To be eligible for the \$100 Ignite Incentive, a proof of enrollment letter must be submitted within 30 days of completing your Jumpstart Savings Account application.

A Proof of qualifying apprenticeship or educational program enrollment letter must:

- Be on official letterhead from the qualifying apprenticeship or educational program provider;
- Include the beneficiary’s name, program name, and program start date
- Contain a signature and contact information for a representative from the education and training provider.

Click [here](#) to download a sample.

Upload documents (.png, .jpg, .jpeg, .gif, .pdf):

Or mail documentation to:

Jumpstart Savings Ignite Incentive Program
West Virginia State Treasurer’s Office
315 70th St. SE
Charleston, WV 25304

Account Certification and Authorization

By signing below, I am agreeing to the terms and conditions set forth in the [West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement](#).

- I understand and agree the **West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement**, as well as applicable federal and state law, govern all aspects of this Account and are incorporated herein by reference. I acknowledge I have received, read, and understand the **West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement** as currently in effect. I will retain a copy of the **West Virginia**

Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement for my records.

- I understand that the Board may, from time to time, amend the **West Virginia Jumpstart Savings Program Account Disclosure Statement and Informational Booklet & Participation Agreement**, and I understand and agree that I will be subject to the terms of those amendments.
- I understand that if my Program Application is approved, I must follow the subsequent instructions and procedures provided to me by the Board and/or United Bank to open my Account and become an Account Owner in the Program.
- I consent and agree that the Board will share information I provide on this Program Application with United Bank to facilitate opening my account upon this Program Application's approval by the Board.
- I understand that to be approved to open an Account, I will be required to provide my name, address, date of birth, and other information that identifies you, such as Social Security number or Tax Identification Number. Additionally, I understand that any designated beneficiary I name below will be required to provide similar information for identification verification purposes. I understand that United Bank must use this personal information to obtain, verify, and record my identity and my designated beneficiary's identity, in order to comply with federal laws aimed at preventing terrorism and money laundering.

For W-9 certification purposes, under penalty of perjury, I certify that:

1. The number shown on this Program Application is my correct Social Security Number and/or Taxpayer Identification number, and
2. I am not subject to backup withhold because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien). As a resident alien, my country of citizenship was included in the Program Application.

If you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return, please check here to certify that item 2 above is not applicable.

- I certify that the IRS does not require my consent to any provision of this document other than the certifications required to avoid backup withholding.

- I certify that all of the information provided by me on this Program Application is, and all information provided by me in the future will be, true, complete and correct.

By typing my name below, I am agreeing to all of the requirements and statements set forth above.

Account Owner Full Name:

Date:

Jumpstart Savings User Account

Please enter a username and password to create a user account with the WVSTO:

Username:

Passwords must be at least 8 characters containing at least one lowercase letter, one uppercase letter, one digit, and one special character (@#\$\$%^&+=!:,;').*

Password:

Re-enter password:

Account Security Questions

Question 1:

In what city were you born? What was the make of your first car? What is the name of your childhood best friend?

Answer:

Question 2:

What high school did you attend? On what street did you grow up? What was the name of your first pet?

Answer:

Question 3:

What is your mother's maiden name? What is your favorite food? What was your childhood nickname?

Answer:

Upon continuing, you will be redirected to a payment page.

Submit the account opening fee.

After your application is approved, the \$5 application fee will be deposited into your Jumpstart Savings Account in order to establish your opening balance. *For more information regarding the nonrefundable initial deposit, please consult the Savings Disclosure which can be found here [Learn more.](#) If your Application is refused or if the Savings Account Manager is unable to*

complete the opening an account for any reason, the nonrefundable initial deposit/application will not be refunded or returned to the applicant and will instead be forfeited to the Board.

Payment Amount: \$5.00

First Name:

Last Name:

Outside of US

Address:

City:

State:

Zip:

Phone:

Email:

I understand that my billing statement will say "Jumpstart".

Card Holder Name (if different than above):

Pay

Cancel

EXHIBIT 4: JUMPSTART SAVINGS PROGRAM WEBPAGE LINK

[Login \(/Account-Login\)](#)

[Enroll Now](#)

<https://www.wvtreasury.com>

<https://apps.wvsto.com/jumpstartsavingsap>



BUILDING A SKILLED WORKFORCE®

The **Jumpstart Savings Program** is a state-administered career savings account designed specifically for current and future members of the skilled workforce in West Virginia. Whether you're looking to grow your business, or just getting ready to go out on your own, the Jumpstart Savings Program serves West Virginia trade professionals throughout every stage of their careers.

0:00 / 1:49

Get Started

(<https://apps.wvsto.com/jumpstartsavingsapp/>)

Featured Professions



**Automotive
Mechanics**



**Carpentry, Construction,
and Skilled Labor**



CDL Truck Drivers



**Cosmetologists &
Barbers**

Stay up-to-date on the Jumpstart Savings Program.
Sign up to receive our newsletter, updates and special announcements.

First Name:

Last Name:

Email:

**Want to see it on paper?
Provide your mailing
address below and we'll
send you an info packet!**

Mailing Address:

City:

(<https://www.wvtreasury.com>)

West Virginia State
Treasurer's Office (<https://www.wvtreasury.com>)



(<https://www.bankwithunited.com/>)

(<https://www.wvtreasury.com/Savings-Programs/Board-of-Trustees>)

Connect with us:

(<https://www.facebook.com/WVJumpstart/>)

(<https://twitter.com/wvjumpstart>)

wvjumpstart@wvsto.com (<mailto:wvjumpstart@wvsto.com>)

304.340.5055

315 70th St. SE

Charleston, WV 25304

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Privacy Statement (<https://wvjumpstart.com/privacy>)

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EXHIBIT 5: JUMPSTART SAVINGS PROGRAM
SAVINGS ACCOUNT DISCLOSURE STATEMENT

West Virginia Jumpstart Savings Program Account Disclosure Statement & Informational Booklet

May 2024



IMPORTANT NOTICE & DISCLAIMER

You should carefully read and understand this West Virginia Jumpstart Savings Account Disclosure Statement and Informational Booklet (this “Booklet”) before you open a Jumpstart Savings 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 West Virginia Jumpstart Savings Program which is attached to and incorporated into this Booklet as **Appendix A**. This Booklet includes important information and instructions for Jumpstart Savings Account Owners. You should retain this Booklet for your future reference.

You should also carefully read and understand United Bank’s Terms & Conditions before you open an Account. If your Program Application is approved, your Account will not be opened until you sign United Bank’s standard account agreement and agree to be bound by United Bank’s Terms & Conditions.

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, matching contributions by an employer, and contributions by any other person or entity); a \$100 deposit 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. 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 Jumpstart Savings Act, this Booklet, the Board’s rules, or the operating procedures adopted by the Board, creates any obligation of the State, the Board, or the Savings Account Manager to make any guarantee for the benefit of any Account Owner or Designated Beneficiary with respect to the return of principal, rate of interest, or other return on any other Account, or payment of interest or other return on any Account. Neither the Board, nor the Savings Account Manager, has a duty to perform any actions, other than those specified in this Booklet, the Participation Agreement, or United Bank’s Terms and Conditions.

When an eligible individual opens an Account, the Account Owner's legal and economic interest is in the Jumpstart Savings Account. All rights and obligations of the Account Owner will be the same rights and obligations that other customers of United Bank have as a result of opening FDIC-insured savings accounts with the Bank. No additional rights or obligations will be created by virtue of participation in the Program. No security is being offered by the Trust, Board, or the Savings Account Manager.

Neither the Program, the Trust, the Board, the Savings Account Manager, nor their agents, directors, employees, or representatives 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 January 1, 2023, and it was last updated on April #, 2024. 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 “Jumpstart Savings Account” means a Jumpstart Savings Program Account, established pursuant to the Jumpstart Savings Act. So long as United Bank is the Savings Account Manager for the Jumpstart Savings Program, the term also includes the United Bank deposit product designated as the “WV Jumpstart Savings Account.”

“Account Owner” means the individual who establishes and owns an Account and who is authorized to receive distributions, designate a beneficiary, select investment options (if applicable), and be eligible to receive any and all necessary state or federal tax documentation, according to the Jumpstart Savings Act.

“Act” or “the Jumpstart Savings 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” or “Program Application” means the completed application form, the nonrefundable initial deposit/application fee, and any accompanying information that an individual must submit to the Board for approval as a prerequisite of opening a Jumpstart Savings 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, the Savings Account Manager, 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 “this Booklet” refers to this West Virginia Jumpstart Savings Account Disclosure Statement and Informational Booklet and the information contained in all appendices or supplements to this Booklet.

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

“Contribution” means any payment or deposit directly 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 Jumpstart Savings Act and the rules promulgated by the Board.

“EFT” means an electronic funds transfer effected through wire transfers, Automated Clearing

House transfers, online transaction processing, payroll deductions, automatic contribution plans, or similar electronic methods.

“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.

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

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

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

“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.

“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 Jumpstart Savings Act.

“Nonrefundable initial deposit,” also referred to as the “application fee,” means the amount required

to be submitted with an individual's Program Application for deposit into a newly opened account. Currently, this nonrefundable initial deposit/application fee amount is \$5. If an individual's Program Application is refused or if the Savings Account Manager is unable to complete the opening an account for any reason, the nonrefundable initial deposit/application fee will not be refunded or returned to the applicant and will instead be forfeited to the Board.

"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**.

"Person" includes an individual, a trust, estate, partnership, association, company, or corporation.

"Program Participant" means any individual, other than an Account Owner, participating in the Program or engaging in a transaction involving an Account including, but not limited to, a Designated Beneficiary, a person making a contribution to an Account, or an employer providing a matching contribution to an Account for which his or her employee is the Designated Beneficiary.

"Qualified distribution" means any distribution of funds from an Account, pursuant to a distribution request from the Account Owner, that is used to pay for qualified expenses.

"Qualified expenses" means an 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:

- (1) 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;
- (2) 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; or
- (3) 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; or
- (4) Is not allowable as any one of the federal personal income tax deductions described in paragraphs (1) through (3) above and is expended for: (i) The purchase of tools, equipment, or supplies used exclusively in a qualifying profession; (ii) Costs to establish a business in this state to practice a qualifying profession; or (iii) Fees for required certification or licensure in a qualifying profession. However, due, fees, subscriptions, or any other payments to a labor organization are not qualified expenses.; and (iv) Is not reimbursed by the taxpayer's employer.

"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;
- (2) Complete an apprenticeship program required by any provision of this code or a legislative rule promulgated pursuant to this code;
- (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;
- (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.

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

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

“Savings Account Manager” or “Jumpstart Savings Account Manager” means the entity the Board has selected and designated to create, provide, and maintain the FDIC-insured savings accounts as the exclusive underlying deposit product made available to prospective and existing Account Owners through the Program. When referring to limitations on liability, responsibilities, or duties under the Participation Agreement or this Booklet, “Savings Account Manager” includes the Savings Account Manager’s affiliates and agents. The Jumpstart Savings Account Manager is currently United Bank.

“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.

“United Bank’s Terms & Conditions” refers to the one-page account agreement (colloquially known as a “signature card”) with United Bank, that each Account Owner must execute to open a FDIC-insured WV Jumpstart Savings Account with United Bank, and further refers to each document

incorporated by reference into the one-page account agreement, including, but not limited to, United Bank's terms and conditions booklet, United Bank's TISA/Reg. DD disclosure, United Bank's Electronic Funds Transfer Act disclosure, and United Bank's Gramm-Leach-Bliley Act disclosure.

"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 BOOKLET

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

Before any individual opens a Jumpstart Savings Account, the individual should carefully read and understand this Booklet. This Booklet 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. 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 Jumpstart Savings 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>).

Once approved by the Board, individuals eligible to open an Account must agree to United Bank's Terms & Conditions by signing a United Bank deposit account agreement, which is often referred to as a "signature card," and completing the nonrefundable initial deposit. After a Program Application is approved by the Board, eligible individuals will be provided with United Bank's standard deposit account agreement and each document that comprises United Bank's Terms & Conditions. No Account will be opened for any individual who refuses to agree to United Bank's Terms & Conditions.

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 a Jumpstart Savings 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.***

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. The underlying deposit product made available to Account Owners through the Program is the "WV Jumpstart Savings Account" offered by the Program's Savings Account Manager, United Bank. In the Jumpstart Savings Act, 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.

GOVERNING LAW

In 2021, the West Virginia Legislature adopted the Jumpstart Savings 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 Jumpstart Savings 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.

PROGRAM ADMINISTRATION AND OVERSIGHT

The Jumpstart Savings Act established 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.

JUMPSTART SAVINGS ACCOUNT MANAGEMENT

The current Jumpstart Savings Account Manager is United Bank. The Board and United Bank have entered into a contract for United Bank to create, offer, and maintain the FDIC-insured savings accounts, a product designated by United Bank as the "WV Jumpstart Savings Account," that will serve as the exclusive underlying deposit product made available to Account Owners

through the Program. So long as United Bank is engaged by the Board to perform these services for the Program, United Bank is authorized to manage and administer Accounts according to the directives and procedures of the Board. **Following approval of a Program Application, eligible applicants will receive detailed instructions for opening and maintaining an Account with United Bank. Account Owners will be required to agree to United Bank's Terms and Conditions for WV Jumpstart Savings Accounts in order to open an Account.** When taking duly authorized actions in its capacity as the Savings Account Manager, United Bank has no liability to any Account Owner or Program Participant.

FEES, EXPENSES, AND RATE

United Bank's Terms and Conditions set forth all current fees and costs to Account Owners as well as the current interest rate that will accrue to each Account. The current fees, costs, and rates are as found in **Appendix B**, but are subject to change.

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 A JUMPSTART SAVINGS ACCOUNT

To open a Jumpstart Savings Account, an individual must submit a Program Application to the Board along with a nonrefundable initial deposit/application fee of \$5. The nonrefundable initial deposit must be made in the manner specified by the Savings Account Manager, which may include EFT authorization in the completed Program Application. The Application will require the individual to provide specific information to the Board including, but not limited to, the identity of the Designated Beneficiary, and to verify the individual's Account eligibility and identity. An individual may access and submit the Application at <https://jumpstartwv.com/app>.

Following the Board's approval of an Application, the approved individual must follow all Account opening procedures communicated to the individual by the Board or the Savings Account Manager including, but not limited to, instructions for completing the nonrefundable initial deposit into the Account. Each eligible individual will be required to agree to United Bank's Terms & Conditions in order to open an Account, including completion of the required signature card. For purposes of the Jumpstart Savings Account, the nonrefundable initial deposit/application fee of \$5 is returned to the Program and the account is subsequently closed if United's required signature card is not signed by the Participant. It is the sole responsibility of each eligible individual to perform all steps and banking transactions necessary to complete the Account opening process with the Savings Account Manager after the approval of his or her Application by the Board.

The Board may refuse an individual's Application or rescind approval of an individual's Application for the following reasons:

- 1) The individual is not an eligible Account Owner;

- 2) The individual has not provided all information required in the Program Application;
- 3) The individual has failed to execute the Participation Agreement, or any other instrument required by the Board or the Savings Account Manager;
- 4) The individual has failed to submit, authorize, or complete the nonrefundable initial deposit;
- 5) The individual has failed to complete the required signature card;
- 6) The individual's execution of the Participation Agreement or opening of an Account violates any federal or state law;
- 7) The Board has determined that the applicant has intentionally provided false information to the Board or to the Savings Account Manager or has violated any applicable federal or state law, regulation, or rule related to a savings or investment program currently or previously administered by the State;
- 8) The Program Manager is unable to verify or accept an applicant's information provided in the Program Application, such as name, Social Security Number, date of birth, address, phone number, or personal identification documentation, or complete verification through the Office of Foreign Assets Control (OFAC); or
- 9) There is a suspicion of theft or fraud (*e.g.*, theft of identity or falsified documentation).

An Account will be closed if the applicant does not completed all steps required by the Board and the Savings Account Manager for opening an Account including, but not limited to, successfully completing the Application process; executing the Participation Agreement and all other required agreements or documents; agreeing to United Bank's Terms & Conditions; completing the required signature card; completing the nonrefundable initial deposit; and providing all required information to the Board or the Savings Account Manager. If a Program Application is refused or the Savings Account Manager is unable to officially open an account for any reason, the nonrefundable initial deposit/application fee will not be returned to the Program applicant and will instead be forfeited to the Board.

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. The change

of the Designated Beneficiary will be effective upon registration. For West Virginia state law purposes, a change in the Designated Beneficiary of a Jumpstart Savings 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.com/Tools-Resources/Forms>.

JUMPSTART SAVINGS ACCOUNT CONTRIBUTIONS/DEPOSITS

Any person may contribute to a Jumpstart Savings Account, subject to applicable federal and state laws, regulations, and rules. Contributions must be made in cash as defined in this document and in United States dollars. A monthly automatic contribution plan via electronic funds transfer is also accepted as described in United Bank's Terms & Conditions. Detailed information on procedures required by the Savings Account Manager for depositing contributions to a Jumpstart Savings Account are set forth in United Bank's Terms & Conditions.

MAINTAINING AND MONITORING AN ACCOUNT

The duties and responsibilities of an Account Owner to maintain his or her Account are set forth in United Bank's Terms & Conditions.

The United Bank customer portal provides Account Owners with access to monthly, quarterly, and/or annual Account statements. Additionally, paper statements may be available for receipt through the USPS within 30 days of the end of the period to which the statement relates. The United Bank customer portal is available at <https://www.bankwithunited.com>.

ACCOUNT TERMINATION

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

Account Termination will also occur if an Account has a \$0 (zero) balance for 60 continuous days in accordance with United Bank's policies and procedures.

If the Board receives credible evidence that an Account Owner or a Designated Beneficiary has provided false or misleading information to the Board, or to a state or federal tax authority related to an Account, the Board may suspend the Account pending an investigation. The Board will consider any credible information provided by the Account Owner to refute the evidence leading to suspension of the Account. The Board will provide written notice of any suspension and the reason for the suspension to an Account Owner as soon as reasonably practicable.

If the Board receives credible evidence that an Account has been used in connection with fraud or inappropriate activity, or in connection with a violation of any laws or any rules or standards of the Program, the Board may suspend such Account pending an investigation. The Board will consider any credible information provided by the Account Owner to refute the evidence leading to suspension of the Account. The Board will provide written notice of any suspension and the reason for the suspension to an Account Owner as soon as reasonably practicable.

If the Board determines that an Account Owner or Designated Beneficiary has provided false or misleading information to the Board, or to a state or federal tax authority related to an Account, or if the Board determines that an Account has been used in connection with fraud or inappropriate activity, or in connection with a violation of any laws or any rules or standards of the Program, the Board may terminate the Account. The Board will provide written notice of the decision to terminate an Account to the Account Owner as soon as reasonably practicable.

The Board may terminate an Account in accordance with this Booklet 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 Savings Account Manager about the Account for three (3) years.

If the Board or the Savings Account Manager 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 terminate the Account. The Board will provide written notice of the decision to terminate an Account to the Account Owner as soon as reasonably practicable.

Upon termination 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 Savings Account Manager 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 in order to prevent duplication of Program benefits, misuse of funds, or fraud.

KEY RISKS OF OWNING A JUMPSTART SAVINGS ACCOUNT

As with any financial product, there are risks involved in owning a Jumpstart Savings Account. The following information is not an exhaustive list of all risks of being an Account Owner or Program Participant but is intended to provide a general overview of some of the key risks that Account Owners or Program Participants should consider prior to opening an Account or participating in the Program.

No other insurance or guarantees. Each Account is insured by the FDIC, subject to the limitations described in the next paragraph. No other insurance is provided. An Account is not guaranteed or insured by any federal, state, or private entity including, without limitation, the Program, the Trust, the Board, the Savings Account Manager, the State of West Virginia, or their respective members, officials, officers, employees or agents.

Rate of Interest and monetary loss: With any savings account, there is a possibility that the rate of interest paid over any period of time will be less than the rate of increase in the costs of intended

expenditures. Additionally, the value of a Jumpstart Savings Account may decrease, including principal an individual contributes to the Account. The Savings Account Manager maintains FDIC insurance protection for amounts contributed to a Jumpstart Savings Account, up to FDIC-permitted limits. Contributions to and earnings on a Jumpstart Savings Account are insured by the FDIC on a pass-through basis to each Account Owner in the same manner as other deposits held by a similarly situated customer of United Bank. FDIC insurance generally protects up to \$250,000 of an account holder's funds, which includes any amounts an Account Owner has in a Jumpstart Savings Account, taken together with other deposits the Account Owner holds in the same ownership right and capacity at United Bank. For more information on FDIC insurance, visit www.fdic.gov.

Appropriateness of a Jumpstart Savings Account for an individual's situation: Neither the Board nor the Savings Account Manager makes any representation regarding the appropriateness of a Jumpstart Savings 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 investment options, a savings account is a low-risk investment, 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. Prior to opening an Account, an individual should consult with a qualified financial, tax, and/or legal professional.

Changes in the law: The Program is established pursuant to the Jumpstart Savings Act and its accompanying rules and applicable state tax law. The State of West Virginia could make changes to the Jumpstart Savings 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 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 Savings Account Manager will provide any financial, tax, or legal advice regarding the impact that any such changes will have on any person.

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.

Changes in Savings Account Manager: The Board may change the Savings Account Manager in the future or add investment managers or additional savings account managers 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 Booklet, including the fees charged under either the Participation Agreement or United Bank's Terms & Conditions. If United Bank ceases to be the Savings Account Manager, an Account Owner may have the option to open a new Jumpstart Savings Account in the Program with the successor Savings Account Manager in

order to make future contributions. After such changes, the account options or products offered in the Program may not correspond to those described in this Booklet.

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 a Jumpstart Savings 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 Savings Account Manager, 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 Savings Account Manager 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.

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 Booklet 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 Jumpstart Savings 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 Jumpstart Savings 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 Booklet 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. United Bank 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 Jumpstart Savings 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 Jumpstart Savings 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 a Jumpstart Savings Account, distributed to the taxpayer in the taxable year, that the taxpayer deposits into 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 deposits into a Jumpstart Savings 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 a Jumpstart Savings 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 Jumpstart Savings 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 Jumpstart Savings 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.

West Virginia State Tax Considerations for matching contributors: State law provides a nonrefundable employer state tax credit against either income tax or corporate net income tax in an amount equal to each matching contribution the employer makes directly into an Account for which his or her employee is the Account Owner and a West Virginia resident. The employer may claim the credit for matching contributions to more than one Account but may not claim more than \$5,000 per Account per taxable year. An employer may not claim the credit against more than one type of tax for a single contribution into a Jumpstart Savings Account. The credit may not be carried back or carried forward. Employers may not claim both the credit and a decreasing modification authorized by §11-21-12m for an amount contributed to an employee’s account. Employers considering making matching contributions should consult with a qualified tax and/or legal professional regarding federal tax and/or legal implications of such contributions, including

but not limited to any implications of the Employee Retirement Income Security Act of 1974 (ERISA). In order to claim the credit provided in §11-24-10a, an employer must complete the form available at <https://wvjumpstart.com/Tools-Resources/Forms> prior to making a matching contribution. An employer may not claim the credit for a matching contribution to an Account of which he or she is the Account Owner or Designated Beneficiary.

According to the Act, the tax modifications and credits described above are only permitted to the extent that the amount applied toward the modifications or credits is not already allowable as a deduction when arriving at the taxpayer's federal adjusted gross income for the taxable year. The tax modifications and credits 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.

ROLLOVER CONTRIBUTIONS

Any portion of a SMART529 distribution that is deposited into a Jumpstart Savings Account within 30 days of receipt of the SMART529 account distribution is a rollover contribution to the Jumpstart Savings 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 a Jumpstart Savings Account distribution that is deposited into a West Virginia ABLE account within 30 days of receipt of the Jumpstart Savings 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.com/Tools-Resources/Forms>.

Account Owners should consult with a qualified tax professional concerning any potential rollover of SMART529 funds into a Jumpstart Savings Account or Jumpstart Savings 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.

MATCHING CONTRIBUTIONS

When making a matching contribution to qualify for the tax credit provided in West Virginia

Code §11-21-25 or §11-24-10a, the contributing employer and the Account Owner receiving the matching contribution must submit all required information to the Board on a form provided by the Board available at <https://wvjumpstart.com/Tools-Resources/Forms> as a prerequisite to claiming the tax credit made available in West Virginia Code §11-24-10a. Employers should consult with a tax and/or legal professional concerning any potential tax implications or other legal implications of making a matching contribution to a Jumpstart Savings Account, including but not limited to any implications of the Employee Retirement Income Security Act of 1974 (ERISA). Additional information on matching contributions is available at <https://code.wvlegislature.gov/11-21-25>.

According to the Act, the tax credits described above are only permitted to the extent that the amount applied toward the credit is not already allowable as a deduction when arriving at the taxpayer’s federal adjusted gross income for the taxable year. The tax credits 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 deposit \$100 from the College and Jumpstart Savings Administrative Account into a newly opened Jumpstart Savings 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.

If the Designated Beneficiary of an Account is under 18 years of age when the Account is opened, the deposit will automatically be made to the Account. Otherwise, to qualify for the \$100 deposit described in this section, the Account Owner must apply for the deposit in the manner prescribed by the Board. An individual may be the Designated Beneficiary for an Account that receives the \$100 deposit 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.

ACCOUNT DISTRIBUTIONS

Only the Account Owner may authorize and receive an Account distribution (whether for a qualified expense, a non-qualified expense, or otherwise) from an Account. The Designated Beneficiary may not authorize or directly receive a distribution from the Account unless he or she is also the Account Owner. An Account Owner may receive a distribution of funds by withdrawing funds from his or her Account according to the procedures set forth in United Bank’s Terms & Conditions. A change in the Designated Beneficiary of a Jumpstart Savings 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](#) above. 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.

QUALIFIED EXPENSES

Account Owners and Program Participants should carefully review the definition of "qualifying profession" provided in this Booklet, 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 paragraphs (A) through (C) 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 Jumpstart Savings 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 Jumpstart Savings 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 Jumpstart Savings 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 Savings Account Manager have policies and protections in place reasonably designed to protect personally identifiable information related to Accounts.

The Savings Account Manager's obligations with respect to consumer information are governed by the Gramm Leach Bliley Act, as provided in United Bank's Terms and Conditions.

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, the Account Owner or Program Participant should first contact the Board to attempt resolution within 60 days of the complaint or dispute arising. The Account Owner or Program Participant 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.

Disputes involving the Savings Account Manager are governed by a binding arbitration provision, which is a part of United Bank's Terms & Conditions.

CONTACT AND WEBSITE INFORMATION

For general questions regarding the Jumpstart Savings Program, such as Program eligibility or Program rules, visit <https://wvjumpstart.com/What-is-Jumpstart>, or contact wvjumpstart@wvsto.com

For specific questions regarding banking transactions or your Jumpstart Account at United visit <https://www.bankwithunited.com>

To apply for the Jumpstart Savings Program, visit <https://jumpstartwv.com/app>

To change your Designated Beneficiary, visit https://jumpstartwv.com/user_login

To login to your Jumpstart Savings Account to view information, make a deposit, withdrawal a contribution, or perform and banking transaction, visit <https://www.unitedbank.com>

To terminate/close your Jumpstart Savings Account, visit <https://www.bankwithunited.com>.

To view the Jumpstart Savings Program legislative rules, visit <https://code.wvlegislature.gov/18-30A-8>

To view the West Virginia College and Jumpstart Savings Board procedural rules and bylaws, visit <https://www.wvtreasury.com/Savings-Programs/SMART529-Jumpstart-Board>

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.com/Tools-Resources/FAQs>

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

WEST VIRGINIA JUMPSTART SAVINGS PROGRAM PARTICIPATION AGREEMENT

I 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 Savings Account (“**Account**”) made available by United Bank (“**Savings Account Manager**”) in the West Virginia Jumpstart Savings Program (“**the Program**”). 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 Statement and Informational Booklet and all appendices thereto (the “**Booklet**”). I hereby certify that I have read and understand the Booklet. Further, I understand that all the information contained in the Program Application and the Booklet 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 Booklet and this Agreement. The effective date of this Agreement is the date my Program Application is accepted by the Board.

I acknowledge and agree that I must enter into an account agreement with United Bank through which I agree to be bound by United Bank’s Terms & Conditions and that any refusal to be bound by United Bank’s Terms & Conditions will result in the revocation of this Agreement.

The definitions of words and terms set forth in the Booklet 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 hereby agree with, and represent and warrant to the Board, the Savings Account Manager, and their respective successors and assigns, as follows:

- 1) I have received, read, and I understand the Booklet as currently in effect. I have been given the opportunity to obtain answers to all of my questions concerning the Program, the Booklet, my Jumpstart Savings 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 the Booklet and this Agreement.
- 2) I have accurately and truthfully completed my Program Application, 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 Program Application and all information I have submitted or will subsequently submit to the Board or to the Savings Account Manager is accurate, truthful, and complete.
- 3) I understand that in order to complete the Account opening process and become an Account Owner in the Program, I will be required to take additional actions according to instructions that will be communicated to me by the Board and/or Savings Account Manager following the Board’s approval of my Program Application. I further understand that I will be required to agree to United Bank’s Terms & Conditions for a Jumpstart

Savings Account following the Board's approval of my Program Application in order to open my Account with United Bank.

- 4) I understand that my Program Application may be refused 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 the Participation Agreement or any other document required by the Board or the Savings Account Manager, I have failed to complete the nonrefundable initial deposit, 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 Savings Account Manager, 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.
- 5) I understand that if my Program Application is refused or if the Program Manager is unable to open my account for any reason, my nonrefundable initial deposit/application fee will not be refunded or returned to me but will be forfeited to the Board.
- 6) I understand that if I make false or erroneous statements in connection with opening a Jumpstart Savings Account or otherwise, the Board and/or the Savings Account Manager may take such action as the Board and/or the Savings Account Manager deem necessary or appropriate, including, without limitation, refusing my Program Application, requiring proof of my identity or eligibility, suspending my Account, or terminating my Account. I understand that I may face criminal or civil penalties for making false statements under applicable law.
- 7) By opening a Jumpstart Savings 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 Savings Account Manager and to follow all procedures required by the Board or the Savings Account Manager.
- 8) By opening a Jumpstart Savings Account, I consent to receive emails from the Board and the Savings Account Manager 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 Savings Account Manager reserve the right to send me administrative emails regarding my Account or as otherwise permitted by law.
- 9) I recognize that opening a Jumpstart Savings Account involves certain risks, and I have taken into consideration and understand the related risk factors, including, but not limited to, those set forth in the Booklet.
- 10) I agree that a single individual must be named as the Designated Beneficiary for the Account according to requirements of the Jumpstart Savings Act, the rules promulgated by the Board, and the Booklet. 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 and agree that, although each Account is insured by the FDIC subject to the limitations imposed by the FDIC, Accounts are not insured or otherwise guaranteed by or any other person or entity, including but not limited to, the State of West Virginia, the Board, or the Savings Account Manager. I understand and agree that there is no guarantee that my financial objectives will be achieved through the Program. I understand that none of the State of West Virginia, the Board, nor the Savings Account Manager makes any assurances that I will not suffer a loss of any amount invested in my Account or that I will receive a particular return of any amount in my Account.
- 12) I understand that nothing in this Agreement, the Program Application, or the Booklet is to be considered or interpreted to create or constitute a debt or liability of the State of West Virginia, the Board, the Savings Account Manager, or any third party.
- 13) I understand that United Bank will not necessarily continue in its role as Savings Account Manager for the entire period my Jumpstart Savings Account is open, and that the Board may retain additional and/or different Savings Account Manager(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 to the fees, costs, and rates for my Account and the services provided.
- 14) I understand and agree that I have not been advised by the State of West Virginia, the Board, or the Savings Account Manager to contribute, or to refrain from contributing, to an Account. I understand that none of the State of West Virginia, the Board, nor the Savings Account Manager can provide me with any financial, tax, or legal advice.
- 15) I understand that the Board has no duty to me to perform any action other than those specified in this Agreement or the Booklet. The Board 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 Board receives written notice to the contrary. The Board has no 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. My Jumpstart Savings 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.
- 16) I understand that the Savings Account Manager has no duty to perform any actions, other than those specified in the Booklet and this Agreement. The Savings Account Manager 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 Savings Account Manager receives written notice to the contrary. The Savings Account Manager has no

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 Savings Account Manager is engaged by the Board to perform services for the Program, the Savings Account Manager may follow the directives of the Board, and when acting in such capacity, the Savings Account Manager shall have no liability to me, my Designated Beneficiary, or my authorized legal representative.

- 17) **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 Jumpstart Savings 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 Jumpstart Savings Act or to otherwise comply with applicable federal and state tax laws and reporting requirements.
- 18) I understand that by accepting my Program Application 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 the Booklet.
- 19) I acknowledge and agree to the fees, charges, or penalties applicable to my Jumpstart Savings Account as described in the Booklet and understand that they may change in the future.
- 20) I understand that I may terminate my Account at any time by submitting a request to the Board, according to the procedures in the Booklet.
- 21) 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 Savings Account Manager, 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.
- 22) 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.

- 23) 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.
- 24) 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.
- 25) 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 Jumpstart Savings Act. I understand that any distribution from an Account may cause me to incur federal and state income tax liability according to applicable laws.
- 26) I understand that if I rollover funds from my current SMART529 account into a Jumpstart Savings Account or from my Jumpstart Savings Account into a WVABLE account, I may incur federal and state income tax liability according to applicable laws.
- 27) I agree that if I qualify for the Ignite Incentive Program, I will provide all necessary documentation of my Account's eligibility for the deposit, 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 deposit 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 deposit to my Account, pursuant to the Ignite Incentive Program, may result in federal and state income tax liability according to applicable laws.
- 28) 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 Savings Account Manager with my consent to transfer my Account to the successor owner for my Account that I have named (if any) upon my death.
- 29) I understand that changes in 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.
- 30) 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 Savings Account Manager.

- 31) 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.
- 32) 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 Jumpstart Savings Act.
- 33) I understand and agree that the Board and the Savings Account Manager 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 Jumpstart Savings Act, any rules, policies, and operating procedures adopted for the Program by the Board, any amendments to the Jumpstart Savings 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 Jumpstart Savings Account will be based upon the agreements, representations, and warranties set forth in this Agreement, in the Booklet, and in United Bank's Terms & Conditions. I agree to indemnify and hold harmless each of the State of West Virginia, the Board, and the Savings Account Manager of 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 United Bank's Terms & Conditions contains 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 Jumpstart Savings 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 Savings Account Manager 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.

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.

- 3) *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, the Booklet, 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.
- 4) *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.

EXHIBIT 6: INVESTMENT POLICY
WV BOARD OF TREASURY INVESTMENTS

WEST VIRGINIA

BOARD OF TREASURY INVESTMENTS

Investment Policy

As adopted by the Board

315 70th Street, SE

Charleston, WV 25304

West Virginia Board of Treasury Investments
Investment Policy Statement

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West Virginia Board of Treasury Investments
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West Virginia Board of Treasury Investments
Investment Policy Statement

I. STATEMENT OF PURPOSE

This is the official Investment Policy of the West Virginia Board of Treasury Investments (“BTI”). Deviation from this Policy is not permitted without prior, explicit, written permission from the West Virginia Board of Treasury Investments. No deviation may violate federal or State law, rules and regulations.

This Investment Policy (“Investment Policy” or “Policy”) is adopted pursuant to Article 6C of Chapter 12 of the West Virginia Code and specifically outlines the investment philosophy and practices of the West Virginia Board of Treasury Investments (the “Board”). It has been developed to provide a fiscal administration, investment, and management plan for the Assets entrusted to the Board. The Board believes it is crucial to adopt a plan by which these Assets will be maintained and enhanced by using prudent investment policies. The Board has adopted this Investment Policy to serve as that plan, and to provide:

- A clear direction to Investment Managers and Consultants, Staff, Participants, and any other Outside Service Provider as to the objectives, goals, and restrictions with regard to investment of Assets;
- A methodology which allows Assets to be structured and invested in a prudent manner; and
- A meaningful basis for the evaluation of Asset classes, Investment Managers and the strategies used to achieve the various investment objectives.

II. INVESTMENT PHILOSOPHY

The Board was established by the legislature to provide prudent fiscal administration, investment, and management for the Assets. It is the investment philosophy of the Board to invest Assets in a manner that strives for maximum safety, provides adequate liquidity to meet all operating requirements, and achieves the highest possible investment return consistent with the primary objectives of safety and liquidity. Due to the short-term nature of the Funds, the Board believes that it is imperative to review and adjust the Policy in reaction to interest rate market fluctuations/trends on a regular basis. In order to accomplish this, the Board has adopted the following formal review schedule:

<u>AGENDA ITEM</u>	<u>REVIEW SCHEDULE</u>
Investment Performance	Quarterly
Investment Manager Rebalancing	Quarterly
Investment Policy	Annually
Fee Schedule and Budget	Annually
Select Rating Agencies	Annually
Stress Testing of Portfolios	Monthly

When required, the Board may react to trends in the market more quickly by itself or through actions of its Investment Committee.

The Board will employ Investment Managers to implement this Policy. The Board shall monitor the performance of and supervise all Investment Managers. Depending on the Portfolio they manage, the Investment Managers performance will be evaluated on some or all of the following:

- Performance relative to an appropriate benchmark(s) or proxy group;
- Consistency of philosophy, style, firm, and key personnel assigned to the BTI Account;
- Ability to add incremental value after costs;
- Firm attributes;
- Growth in Assets;
- Personnel issues and client service; and
- Research, trading and Portfolio characteristics.

As Approved by the Board
January 25, 2024

West Virginia Board of Treasury Investments
Investment Policy Statement

In determining its philosophy towards risk, the Board considers its fiduciary obligations, statutory requirements, and current market conditions. Additionally, the Board will consider the Participants' purposes and characteristics, financial conditions, liquidity needs, sources and level of contributions, income and general business conditions. Based upon these many factors, the Board identifies when either a more conservative or more aggressive investment approach is warranted.

III. INVESTMENT OBJECTIVES

The Board's objective is to provide focused investment services for the Funds, reduce costs for, and increase returns to its Participants. Realizing the majority of the Funds are for operating expenses, the Policy is designed to address the short-term liquidity needs of the Participants and limit risk, but still permitting for a better rate of return than Participants may be able to obtain on their own.

The Board recognizes that risk (i.e., the uncertainty of future events), volatility (i.e., the potential for variability of asset values), and the possibility of loss in purchasing power (due to inflation) are present to some degree in all types of investments. Due to the short-term nature of the Funds, high levels of risk should be avoided, but the assumption of risk may be warranted if it is needed in order to allow the Investment Managers the opportunity to achieve satisfactory results consistent with the Policy and the Investment Guidelines for the Pool/Portfolio they manage.

All available Funds shall be invested with the following objectives and priorities:

- Safety of principal. Investments shall be undertaken in a manner that seeks preservation of capital with reasonable investment risk, in the overall portfolio.
- Liquidity requirements of anticipated and unanticipated expenditures.
- Maximization of the yield allocated to Participant investments consistent with all investment objectives.
- Recognition of differing objectives and needs of various Participants.
- Conformance with State law and other pertinent legal restrictions.
- Diversification of Assets by investment in various Securities classifications and the use of various Investment managers in order to smooth the volatility of returns.

IV. INVESTMENT/ADMINISTRATIVE RESPONSIBILITIES

The Board is responsible for the prudent investment and administration of the Funds and, in order to perform those responsibilities, has established complex operational requirements. In order to properly carry out the Policy, the Board will rely on Staff and Outside Service Providers. Due to the number of parties involved in implementing this Policy, their roles as fiduciaries must be clearly identified to ensure operational efficiency, clear lines of communication, and accountability in all aspects of operations. The following describes the various parties and the roles they assume as fiduciaries of the Assets:

A. BOARD OF DIRECTORS

The Board has the responsibility of establishing and maintaining the Policy and determining the objectives for all aspects of BTI operations.

The Board shall adopt By-laws and delegate the implementation of the Policy to the Investment Committee and Staff. The Board shall focus on important policy level issues maintaining the proper fiduciary perspective and time horizon for analysis of the progress of the Policy and the investment returns on the Funds, and develop, adopt, review or modify the Investment Policy, Fee Schedule, and Budget for the Funds at least annually.

As Approved by the Board
January 25, 2024

West Virginia Board of Treasury Investments
Investment Policy Statement

The Board may establish committees of its members as required to effectively implement the Policy. Currently, the Board has established the Investment, Audit, and Personnel and Governance Committees. Committees shall be briefed as required on any topic or issue pertinent to the Board's operations and shall make reports regarding those topics to the Board at its meetings.

B. INVESTMENT COMMITTEE

The primary objective of the Investment Committee is to implement this Policy and to do so effectively, prudently, and in a cost efficient manner, in full compliance with all applicable laws, rules, and regulations.

The Investment Committee shall have the following specific responsibilities to be performed with the advice and assistance of Staff and the Consultant and shall make recommendations to the Board for action as necessary regarding:

- Policies for preservation of capital, risk tolerance, credit standards diversification, rate of return, stability and turnover, liquidity, reasonable costs and fees, permissible investments, maturity ranges, internal controls, safekeeping and custody, valuation methodologies, and calculation of earnings and yields;
- Evaluation, selection, and termination of the Investment Managers and Investment Consultant;
- Regular review of and revisions to the Policy;
- Investigate any reported investment problems or non-compliance;
- Evaluation of investment results to ensure compliance with the Policy and to determine success of investment activities; and
- Other investment related issues as necessary for the prudent and cost effective investment of the Funds.

The Investment Committee shall meet as needed, but at a minimum, prior to any regular meeting of the Board to address overall investment activities. The Investment Committee shall make a report of its activities at each Board meeting.

C. INVESTMENT CONSULTANT

The Investment Consultant will be selected by and serve at the will and pleasure of the Board based upon recommendations from the Investment Committee. The Consultant must have and assign an employee to work directly with the BTI who has a Chartered Financial Analyst or a Certified Treasury Professional designation. The Consultant works with the Board and Staff to implement this Policy. This requires regular meetings with Staff, the Investment Committee, and/or the Board to provide an independent perspective on various issues and make recommendations as appropriate.

Qualifications and evaluation criteria for the Investment Consultant are specified in the Outside Service Provider Qualifications Policy.

D. INVESTMENT MANAGERS

Investment Managers (the "Managers") will be selected by and serve at the will and pleasure of the Board based upon recommendations from the Investment Committee. The Managers will have demonstrated expertise with the type of Portfolio in their charge. The Managers will be provided

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explicit written instructions detailing their particular assignment and will construct and manage the Portfolio consistent with this Policy.

Qualifications and evaluation criteria for Investment Managers are specified in the Outside Service Providers Qualifications Policy.

E. CUSTODIAN

The Custodian holds directly, through its agents, its sub-custodians, or designated clearing systems, Securities held as investments by the Board. The Custodian is accountable for registration of those Securities in good delivery form, collection of income generated, and any corporate action notification. The Custodian is responsible for delivery, receipt, tracking, and reporting of Securities transactions. The Board may opt to delegate other duties to the Custodian. Qualifications and evaluation criteria for the Custodian are specified in the Outside Service Providers Qualifications Policy.

F. INTERNAL AUDITOR

The Board shall retain an Internal Auditor to report directly to the Board and shall fix his/her compensation. As minimum qualifications, the Internal Auditor shall be a certified public accountant with at least three years' experience as an auditor. The Internal Auditor shall develop an internal audit plan, with Board approval, for the testing of procedures, internal controls and security of transactions.

G. EXTERNAL AUDITOR

The BTI shall be audited annually by an independent certified public accounting firm selected by the Board. The certified public accounting firm must have a minimum staff of ten certified public accountants, be a member of the American Institute of Certified Public Accountants and, if doing business in West Virginia, a member of the West Virginia Society of Certified Public Accountants. The Board shall have financial and compliance audits of the Board's books, accounts and records with respect to its receipts, disbursements, investments, contracts and all other matters relating to its financial operations. Qualifications and evaluation criteria for the External Auditor are specified in the Outside Service Providers Qualifications Policy.

H. NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION

The BTI shall annually select Nationally Recognized Statistical Rating Organizations (NRSRO) whom it deems suitable to rely upon for credit ratings. Currently the BTI has selected the following NRSRO's:

- Moody's Investor Services
- Standard & Poor's
- Fitch Ratings
- Dominion Bond Rating Service, Ltd.

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V. STANDARD OF CARE

Any investment made pursuant to this Policy shall be made in accordance with the “Uniform Prudent Investor Act,” and shall be further subject to the following:

- The Directors shall diversify the investment of the Funds so as to minimize the risk of large losses unless, under the circumstances, it is clearly prudent not to do so;
- The Directors shall defray reasonable expenses of investing and managing the Funds by charging fees; and
- The Directors shall discharge their duties in accordance with documents and instruments consistent with the Code.

The duties of the Directors apply only with respect to the Assets held by the Board.

VI. GENERAL INVESTMENT GUIDELINES

The Board recognizes that risk (i.e., the uncertainty of future events), volatility (i.e., the potential for variability of asset values), and the possibility of loss in purchasing power (due to inflation) are present to some degree in all types of investments. Due to the short-term nature of the Funds, high levels of risk should be avoided, but the assumption of risk may be warranted if it is needed in order to allow the Investment Managers the opportunity to achieve satisfactory results consistent with the Policy and the Investment Guidelines for the Pool/Portfolio they manage.

All Securities must have a readily attainable market value, and must be readily marketable. Securities included in the Investment Guidelines must be drawn from the list of securities contained in APPENDIX A - Permissible Investments. In no event may a Security be included in the Investment Guidelines if it is not also included in the Permissible Investments Policy. Managers may only purchase Securities of types that are specifically permitted by the Investment Guidelines. Investment Guidelines for each Pool and Account are contained in APPENDIX C – Investment Guidelines.

VII. CONFLICT OF INTEREST AND ETHICS

The Directors, Staff, and any Outside Service Provider shall refrain from those circumstances that could be considered a conflict of interest with BTI operations and transactions. A conflict of interest is a circumstance that creates an actual conflict with any fiduciary duty owed and a personal or business activity that could conflict with, could give the appearance of a conflict with, or could impair the ability to make impartial decisions in matters affecting BTI operations and transactions.

Additionally, the Directors and Staff shall maintain knowledge of, and shall comply with, all applicable laws, rules and regulations of any governmental or regulatory entity governing the management of the Funds and shall not knowingly participate in, assist or fail to report to the BTI any acts in violation of those laws, rules and regulations. This requirement includes, but is not limited to, compliance with the “West Virginia Governmental Ethics Act” in the Code. The West Virginia Governmental Ethics Act is hereby incorporated by reference. Any actual or perceived violation of the Ethics Act shall be reported in writing to the Personnel and Governance Committee of the Board for action.

VIII. AUDITOR ACCESS TO RECORDS

Any Investment Manager or Custodian which holds Securities for the account of, in trust for, or pledged to the BTI, shall be required to allow the BTI or its agents to conduct an audit with respect to such Securities or Securities transactions for a period of two (2) years after date of any trade executed on behalf of the BTI.

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IX. OTHER BTI POLICIES

The Policy incorporates policies that govern the day-to-day practices of the BTI. Policies that are hereby incorporated by reference include:

- Pricing Policy
- Net Asset Value Monitoring Policy
- Dividend Reinvestments Policy
- Record Retention Policy
- Outside Service Provider Qualifications Policy
- Repurchase Agreement Policy
- Securities Lending Program Policy
- Bank Account Collateral Policy
- Investment Manager Due Diligence and Watch List Policy
- Securities Litigation Policy

X. MISCELLANEOUS PROVISIONS

A. AMENDMENTS

Any modification or amendment of this Policy may be made by an action adopted at any duly constituted Board meeting; provided, however, that no such modification or amendment shall abrogate the rights and duties of then existing BTI contracts with Outside Service Providers, unless required by operation of law or agreed to by the Outside Service Providers.

B. NO RECOURSE

No provision in this Policy shall be the basis for any claim against any Director or Staff, in his individual or official capacity, or against the BTI itself.

C. EFFECT UPON EXISTING CONTRACT

This Policy shall not abrogate the rights and duties of the BTI under contracts with Outside Service Providers executed prior to the effective date of this Policy, unless required by operation of law or agreed to by the Outside Service Providers.

D. EFFECT OF FAILURE TO COMPLY AS TO INVESTMENTS

Failure to comply with this Policy shall not invalidate any investment or affect the validity of the authorization of the Board, or their designee, to make such investments, unless required by the Board.

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APPENDIX A:
PERMISSIBLE SECURITIES

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APPENDIX A: PERMISSIBLE SECURITIES

West Virginia Code §12-6C-9(d) states that no security may be purchased by the Board unless the type of security is on a list approved at a board meeting. The Code also provides permissible security types that may be included in the list. The Permissible Investments Policy contains the list of security types authorized by the Board for purchase in the individual investment Pools and Accounts. The Investment Guidelines for specific Pools and Accounts may be more restrictive as to security type, credit quality, maturity and/or minimum or maximum percentage.

PERMISSIBLE INVESTMENT TYPES

The following list represents security types from which Pools or Accounts may select for inclusion in their individual Investment Guidelines. Certain security types have minimum credit rating restrictions. Securities must be rated by at least one nationally recognized statistical rating organizations (“NRSRO”) approved by the BTI. Individual Pools or Accounts may impose additional ratings requirements to conform to requirements imposed by a NRSRO rating the Pool or Account or as required by financial accounting and reporting standards. Throughout, references to NRSRO ratings are presented in the format of Standard & Poor’s/Moody’s/Fitch.

- **U. S. TREASURY OBLIGATIONS:** Bills, bonds, and notes issued by the U.S. Treasury.
- **U. S. GOVERNMENT AGENCY OBLIGATIONS:** Any obligation of, or obligation that is insured as to principal and interest by, the United States of America or any agency or corporation thereof, and any obligation and security of the United States sponsored enterprises, including, without limitation:
 - Export-Import Bank of the United States;
 - Farmers Home Administration;
 - Federal Farm Credit Banks;
 - Federal Home Loan Banks;
 - Federal Home Loan Mortgage Corporation;
 - Federal Land Banks;
 - Government National Mortgage Association;
 - Merchant Marine Bonds;
 - Tennessee Valley Authority Obligations; and
 - Federal National Mortgage Association
- **SUPRANATIONAL ORGANIZATIONS OR INTERNATIONAL AGENCIES:** Any obligation issued by a supranational organization or international agency denominated in U.S. dollars under U.S. securities law for sale in the United States as well as globally and rated AA/Aa2/AA or better by a NRSRO. Supranational organizations include, but are not limited to:
 - World Bank
 - Asian Development Bank
 - Inter-American Development Bank
 - International Bank for Reconstruction and Development
 - International Finance Corporation
 - Agency for International Development
- **COMMERCIAL PAPER:** Any commercial paper rated A-1/P-1/F-1 or better by a NRSRO. For pools and accounts with a weighted average maturity or duration not to exceed three years, any commercial paper rated A-2/P-2/F-2 or better.
- **ASSET BACKED COMMERCIAL PAPER:** Any asset backed commercial paper rated A-1/P-1/F1 or better by a NRSRO. For pools and accounts with a weighted average maturity or duration not to exceed three years, any asset-backed commercial paper rated A-2/P-2/F-2 or better.

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- **CORPORATE DEBT:** For pools and accounts with a weighted average maturity or duration not to exceed three years, any corporate debt rated BBB-/Baa3/BBB- by a NRSRO. Provided, that if the weighted average duration or maturity of the Pool or Account is less than three hundred sixty-six days, corporate debt must be rated A/A2/A or better by a NRSRO.
- **STATE AND LOCAL GOVERNMENT OBLIGATIONS:** Debt of a state or local government, or any instrumentality or agency thereof, with a maturity or duration not to exceed three years that is rated A/A2/A by a NRSRO.
- **REPURCHASE AGREEMENTS:** Any repurchase agreement involving the purchase of U.S. Treasury Obligations and repurchase agreements fully collateralized by U.S. Treasury Obligations or U.S. Government Agency Obligations. Repurchase agreements must be in compliance with the Repurchase Agreement Policy.
- **REVERSE REPURCHASE AGREEMENTS:** Any reverse repurchase agreement involving the purchase of U.S. Treasury Obligations and reverse repurchase agreements fully collateralized by U.S. Treasury Obligations or U.S. Government Agency Obligations. Repurchase agreements must be in compliance with the Repurchase Agreement Policy.
- **ASSET-BACKED SECURITIES:** Securities backed by loans, leases, credit card receivables, installment contracts, or other assets that are rated AAA/Aaa/AAA by a NRSRO.
- **MORTGAGE-BACKED SECURITIES:** Securities backed by groups or pools of commercial or residential mortgages rated AAA/Aaa/AAA by a NRSRO.
- **CERTIFICATES OF DEPOSIT:** Any certificate of deposit fully insured by the FDIC, issued by a bank rated A-1/P-1/F1 or better by a NRSRO, or made pursuant to the program to purchase certificates of deposits from West Virginia financial institutions.
- **GOVERNMENT MONEY MARKET FUNDS:** Any money market fund which invests in U.S. Treasury Obligations and/or U.S. Government Agency Obligations, or other investment vehicles backed by U.S. Treasury and/or U.S. Government Agency Obligations. Government money market funds must be approved in advance by the Board.
- **MONEY MARKET FUNDS:** Any money market fund which invests in U.S. Treasury Obligations, U.S. Government Agency Obligations, and/or Corporate Debt or other investment vehicles backed by the same. Money market funds must be approved in advance by the Board.
- **FIXED INCOME FUNDS:** Fixed income funds that are fully in compliance with this Policy and WV State Code. Fixed income funds must be approved in advance by the Board.
- **DEPOSITORY ACCOUNTS:** Funds held in a bank or other depository account, either fully insured by the FDIC or collateralized in accordance with the Bank Account Collateral Policy.
- **OTHER INVESTMENTS:** Investments in accordance with the Linked Deposit Program, a program using financial institutions in West Virginia to obtain certificates of deposit, loans approved by the Legislature and any other program investments authorized by the Legislature.

DOWNGRADES, DEFAULTS AND OTHER EVENTS

Upon occurrence of a downgrade, default or other event that causes a security to fall out of compliance with the Investment Policy or West Virginia Code, the investment manager holding the security shall notify the BTI of the

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event in writing. The written notification shall include the manager's recommendation regarding the disposition of the security. Securities purchased in compliance with the Policy that become non-compliant may be retained upon recommendation of the Investment Manager of the security and the Investment Consultant.

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APPENDIX B:
DEFINITION OF TERMS

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APPENDIX B: DEFINITION OF TERMS

For the purposes of this Investment Policy, the terms listed below shall have the following meanings:

ACT: The West Virginia Code of 1931, as amended §12-6C-1 et seq.

ASSETS: Moneys entrusted to the BTI for investment.

BOARD: The governing body for the West Virginia Board of Treasury Investments and any reference elsewhere in this Policy to Board of Treasury Investments or BTI means the Board as defined herein.

BTI: The West Virginia Board of Treasury Investments.

CODE: The West Virginia Code of 1931, as amended.

CUSTODIAN: Financial institution that maintains custody of the Assets.

DAILY LIQUID ASSETS: Daily Liquid Assets means:

- Cash, including demand deposits and certificates of deposit that mature within one business day
- Direct obligations of the U.S. Government;
- Securities that have a final maturity within one business day or are subject to a demand feature that is exercisable and payable within one business day; or
- Amounts receivable and due unconditionally within one business day on pending sales of portfolio securities.

DIRECTOR: Any member serving on the Board.

FIRST TIER SECURITY: An eligible security that is a rated security that has received a short-term rating from the NRSROs in the highest short-term rating category for debt obligations.

FUNDS: The collective investments managed by the Board, of those monies currently needed to fund State government operations, Local Government Funds, or those moneys that are required by the Code to be invested in the Consolidated Fund (as defined by the Act).

INVESTMENT CONSULTANT OR CONSULTANT: An individual or entity retained by the Board to provide investment consulting services.

INVESTMENT GUIDELINES: A specific set of restrictions/guidelines governing the investment of Assets in a specific Pool/Portfolio.

INVESTMENT MANAGER: A firm retained by the Board to invest Assets and manage a Portfolio.

LOCAL GOVERNMENT FUNDS: The moneys of a Political Subdivision, including without limitations policemen's and firemen's pension and relief funds, and volunteer fire department funds, transferred to the Board for investment.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS ("NRSRO"): A credit rating agency that issues credit ratings that the U.S. Securities and Exchange Commission permits other financial firms to use for certain regulatory purposes.

OUTSIDE SERVICE PROVIDER: Outside firms retained by the Board to provide investment services, advice, and banking services required by the Board to implement the Policy.

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PARTICIPANT: Any State government spending unit or Political Subdivision which transfers moneys to the Board for investment.

PARTICIPANT DIRECTED ACCOUNTS: Certain Pools maintained for individual State agencies with specific investment needs. Each agency has 100 percent ownership of the underlying investments in its Pool and is solely responsible for the investment decisions in accordance with the legal restrictions applicable to those Assets. **The Board serves in a custodial capacity and has no discretion over the investment policy and decisions for these Pools.**

POLITICAL SUBDIVISIONS: A county, municipality or any agency, authority, board, county board of education, commission or instrumentality of a county or municipality and regional councils created pursuant to the provisions of §5-25-8 of the Code.

POLICY OR INVESTMENT POLICY: This investment policy statement.

POOL: An individual accumulation of Assets with its own investment characteristics, requirements, and objectives.

PORTFOLIO: The individual Assets managed by an Investment Manager who is responsible for implementing the Board's investment philosophy and objectives, and performing the day-to-day trading of those Assets.

REBALANCING: In order to ensure proper diversification of Assets, Pools that have multiple Investment Managers shall establish target allocations and ranges for each Investment Manager. Periodic rebalancing shall take place when the Investment Manager allocations fall outside of established ranges.

SECURITIES: All bonds, notes, debentures or other evidences of indebtedness and other lawful investment instruments, as defined under the Act. The list of Permitted Securities is provided as APPENDIX A.

STAFF: Any BTI employee, or employee of the Treasurer's office doing work on behalf of the BTI.

U.S. GOVERNMENT SECURITY: Any security issued or guaranteed as to principal or interest by the United States, or by a person controlled or supervised by and acting as an instrumentality of the Government of the United States pursuant to authority granted by the Congress of the United States.

WEEKLY LIQUID ASSETS: Weekly Liquid Assets means:

- Cash, including demand deposits and certificates of deposit that mature within five business days;
- Direct obligations of the U.S. Government;
- U.S. Government Securities that are issued at a discount to the principal amount to be repaid at maturity and have a remaining maturity date of 60 days or less;
- Securities that have a final maturity within five business days or are subject to a demand feature that is exercisable and payable within five business days; or
- Amounts receivable and due unconditionally within five business days on pending sales of portfolio securities.

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APPENDIX C-1:

**INVESTMENT GUIDELINES
WEST VIRGINIA MONEY MARKET POOL**

West Virginia Board of Treasury Investments
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OBJECTIVES

The West Virginia Money Market Pool was created to invest Participant operating funds. The objective of the Pool is to maintain sufficient liquidity to meet the daily disbursements of Participants while striving to earn a return above inflation. The Pool is structured as a money market fund with the goal of preservation of principal. The Pool risk factor is low, and managed through numerous maturity restrictions, diversification guidelines, and credit limits.

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 immediately notified for development of an action plan.

REBALANCING

Allocation to each Investment Manager is expected to remain stable over most market cycles. Since capital appreciation (depreciation) and trading activity in each individually managed portfolio can result in a deviation from the overall target allocation, the West Virginia Money Market Pool may require rebalancing on a periodic basis. Staff, in the normal course of Pool operations, will allocate contributions and redemptions in accordance with established internal policies.

Investment Manager	Target Allocation	Permissible Range
Investment Manager 1	50%	+/-5%
Investment Manager 2	50%	+/-5%

To achieve the rebalancing of the WV Money Market Pool, Staff may re-direct contributions and redemptions to individual managers, as appropriate, in order to maintain Investment Manager allocations within established ranges. If the re-direction of contributions and redemptions is not sufficient to maintain the allocations within the permissible ranges, then the Consultant and Staff will recommend transferring assets from one manager to another. The Board must be advised and approve any significant rebalancing activity.

BENCHMARKS

The performance of the West Virginia Money Market Pool (net of external Investment Manager fees) will be measured against:

- iMoneyNet First Tier Retail Average

ASSET ALLOCATION
PERMISSIBLE SECURITIES

DIVERSIFICATION -
MAXIMUM % OF POOL

U.S. Treasury Obligations	100
U.S. Government Agency Obligations & FDIC Guaranteed Obligations	100
Repurchase Agreements	100
Commercial Paper, Asset Backed Commercial Paper, Corporate Debt and Supranational Debt (Combined)	100
Certificates of Deposit	100
Money Market Funds	30
Asset-Backed and Mortgage-Backed Securities	20
Municipal Securities	15
U.S. Dollar Denominated Euro Commercial Paper, Euro Certificates of Deposit and Euro Time Deposits	15
Depository Accounts	5

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MATURITY RESTRICTIONS, DIVERSIFICATION GUIDELINES AND CREDIT LIMITS

All restrictions are based upon total dollar percentages of Pool holdings using an amortized cost basis. Securities that fall out of compliance may be held to maturity based upon recommendation of the Investment Manager and Investment Consultant. The Board may require the Investment Manager to sell non-compliant Securities. Where noted, the date of purchase shall mean the settlement date.

- Weighted average maturity of the West Virginia Money Market Pool shall not exceed 60 days.
- Weighted average final maturity of the Pool shall not exceed 90 days.
- Maximum maturity of individual Securities cannot exceed 397 days from the date of purchase except for certain variable rate and floating rate U.S. Government Securities.
- Variable rate and floating rate securities shall be based on a money market index and shall not have a final maturity longer than 762 days if they are U.S. Government Securities, or 397 days if they are not U.S. Government Securities
- Repurchase agreements must comply with the requirements of the Repurchase Agreement Policy
- Money Market Funds utilized by the Pool must be approved in advance by the Board.
- Maximum 5% of the Pool may be invested in any one corporate name.
- Maximum 5% of the Pool may be invested in any one supranational name.
- Maximum exposure in Money Market Funds is limited to 10% in any individual rated fund at the pool level. The aggregate exposure at the pool level may not exceed 30%.
- Maximum 75% of the Pool may be invested in notes with floating rates.
- All corporate securities must be rated A+ or higher (or its equivalent) if long term and A-1 or higher (or its equivalent) if short term.
- All supranational securities must be rated AA or higher (or its equivalent) if long term and A-1 or higher (or its equivalent) if short term.
- Maximum of 15% of the Pool may be invested in U.S. dollar denominated Euro Commercial Paper, Euro Certificates of Deposit, and Euro Time Deposits. Investments in U.S. dollar denominated Euro securities are subject to other policy requirements applicable to the specific investment type (e.g. minimum credit ratings, maximum issuer concentration, etc.).
- Maximum of 20% of the Pool may be invested in Asset-Backed and Mortgage-Backed securities. Asset-backed commercial paper is not considered an Asset-Backed security under this limitation.
- Asset-backed and mortgage-backed securities must be rated AAA (or its equivalent)
- Asset-backed commercial paper programs that are eligible for purchase should be fully or partially supported programs that provide adequate diversification by asset type (trade receivables, credit card receivables, auto loans, etc.)
- The Pool may not hold inverse floaters
- The Pool may not be leveraged in any manner.
- The Pool may not hold unregistered Securities or private placements with the exception of Securities issued pursuant to the SEC Rule 144A or Commercial Paper issued pursuant to rule 4(2) of the Securities Act of 1933.
- The Pool shall not acquire any Illiquid Security if, after acquisition, more than 5% of the Pool would be invested in Illiquid Securities.
- The Pool shall not acquire any other security other than Daily Liquid Assets if the fund would have less than 10% of its total assets in daily liquid assets.
- The Pool shall not acquire any other security other than Weekly Liquid Assets if the fund would have less than 30% of its total assets in weekly liquid assets.
- For securities that are rated by more than one NRSRO, a majority of the ratings assigned to the security must meet the minimum ratings guidelines for the pool.
- If the Pool is rated by a Nationally Recognized Statistical Rating Organization (“NRSRO”), each Investment Manager is required to comply with any additional maturity, concentration, credit or other restrictions or requirements of the NRSRO for maintenance of the rating.

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APPENDIX C-2:

INVESTMENT GUIDELINES
WEST VIRGINIA GOVERNMENT MONEY MARKET
POOL

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OBJECTIVES

The West Virginia Government Money Market Pool was created to invest restricted moneys of Participants in U.S. Treasury and U.S. Government Agency Obligations. The investment objective of the Pool is to preserve capital, maintain sufficient liquidity to meet the daily disbursements of Participants, while earning a return above inflation. The Pool is structured as a money market fund with an emphasis of maintaining a stable dollar value. The risk factor on this Pool is low and managed through maturity restrictions. The default risk is minimal due to the types of Securities invested in.

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 immediately notified for development of an action plan.

BENCHMARKS

The performance of the West Virginia Government Money Market Pool (net of external Investment Manager fees) will be measured against:

- iMoneyNet Government & Agency Institutional Average

ASSET ALLOCATION
PERMISSIBLE SECURITIES

DIVERSIFICATION -
MAXIMUM % OF POOL

U.S. Treasury Obligations	100
U.S. Government Agency Obligations & FDIC Guaranteed Obligations	100
Repurchase Agreements	100
Government Money Market Funds	30
Depository Accounts	5

MATURITY RESTRICTIONS, DIVERSIFICATION GUIDELINES AND CREDIT LIMITS

All restrictions are based upon total dollar percentages of the Pool holdings using an amortized cost basis. Securities that fall out of compliance may be held to maturity based upon recommendation of the Investment Manager and Investment Consultant. The Board may require the Investment Manager to sell non-compliant Securities. Where noted, the date of purchase shall mean the settlement date.

- Weighted average maturity of the Pool shall not exceed 60 days.
- Weighted average final maturity of the Pool shall not exceed 120 days.
- Maximum maturity of individual Securities held cannot exceed 397 days from the date of purchase except for certain variable rate and floating rate U.S. Government Securities.
- Variable rate and floating rate U.S. Government securities shall be based on a money market index and shall not have a final maturity longer than 762 days
- Repurchase agreements must comply with the requirements of the Repurchase Agreement Policy
- Money Market Funds utilized by the Pool must be approved in advance by the Board.
- Maximum exposure in Government Money Market Funds is limited to 10% in any individual rated fund at the pool level. The aggregate exposure may not exceed 30%.
- The Pool may not hold private placements, or inverse floaters, or be leveraged in any manner.
- The Pool shall not acquire any Illiquid Security if, after acquisition, more than 5% of the Pool would be invested in Illiquid Securities.
- The Pool shall not acquire any other security other than daily liquid assets if the fund would have less than 10% of its total assets in daily liquid assets.
- The Pool shall not acquire any other security other than weekly liquid assets if the fund would have less than 30% of its total assets in weekly liquid assets.

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- If the Pool is rated by a Nationally Recognized Statistical Rating Organization (“NRSRO”), the Investment Manager is required to comply with any additional maturity, concentration, credit or other restrictions or requirements of the NRSRO for maintenance of the rating.

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APPENDIX C-3:

**INVESTMENT GUIDELINES
WEST VIRGINIA SHORT TERM BOND POOL**

West Virginia Board of Treasury Investments
Investment Policy Statement

OBJECTIVES

The West Virginia Short Term Bond Pool was created to invest restricted moneys of the State which have a longer term investment horizon. The goal of the Pool is to earn an incremental return over the West Virginia Money Market Pool with an objective of Asset growth rather than current income. The Pool is structured as a mutual fund and is limited to monthly withdrawals and deposits by Participants. The risk factor on this Pool is higher than the West Virginia Money Market Pool.

Net investment income and realized gains and losses are declared as dividends on the last day of the month and distributed to the Participants in the Pool on the first day of the following month. Gains and losses (realized and unrealized) are reflected in the net asset value calculated each month.

BENCHMARKS

The performance of the West Virginia Short Term Bond Pool (net of external Investment Manager fees) will be measured against:

- ICE BofAML 1-3 Year US Corporate & Government Index +10 basis points.

<u>ASSET ALLOCATION</u> <u>PERMISSIBLE SECURITIES</u>	<u>DIVERSIFICATION -</u> <u>MAXIMUM % OF POOL</u>
U.S. Treasury Obligations	100
U.S. Government Agency Obligations & FDIC Guaranteed Obligations	100
Repurchase Agreements	100
Commercial Paper, Asset Backed Commercial Paper, Corporate Debt and Supranational Debt (Combined)	100
Asset-backed and Mortgage-backed Securities	65
Certificates of Deposit	65
Money Market and Fixed Income Funds	30
Municipal Securities	15
U.S. Dollar Denominated Euro Commercial Paper, Euro Certificates of Deposit and Euro Time Deposits	15
Depository Accounts	5

MATURITY RESTRICTIONS, DIVERSIFICATION GUIDELINES AND CREDIT LIMITS

All restrictions are based upon percentage of the Pool holdings on a market value basis at the time of the Securities purchase. Securities that fall out of compliance may be held to maturity based upon recommendation of the Investment Manager and Investment Consultant. The Board may require an Investment Manager to sell non-compliant Securities. Where noted, the date of purchase shall mean the settlement date.

- Effective duration of the West Virginia Short Term Bond Pool shall not deviate from the effective duration of the benchmark index by more than +/- 30 percent.
- Effective duration of Securities cannot exceed five years (1,827 days).
- Effective duration of commercial paper or asset-backed commercial paper will not exceed 397 days.
- Maximum 5% of the Pool may be invested in any one corporate name or one corporate issue.
- Maximum 5% of the Pool may be invested in any one supranational name.
- All long-term corporate securities must be rated BBB- or higher (or its equivalent), provided that no more than 30% may be invested in securities rated A-2 or BBB- to BBB+ (or equivalent).
- All long-term supranational securities must be rated AA or higher (or its equivalent).
- Commercial paper or asset-backed commercial paper must be rated A-2 or higher (or its equivalent). Commercial paper or asset-backed commercial paper rated A-2 shall be included in the 20% limit for investment in securities rated BBB- to BBB+.

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- Short-term corporate securities other than commercial paper and asset-backed commercial paper must be rated A-1 or higher (or its equivalent).
- Asset-backed and mortgage-backed securities must be rated AAA (or its equivalent).
- Maximum 75% of the Pool may be invested in floating rate notes.
- Floating rate notes shall be based on money market index and shall not have an effective duration longer than five years.
- Maximum of 50% of the Pool may be invested in asset-backed and mortgage-backed securities. Asset-backed commercial paper is not considered an Asset-Backed security under this limitation.
- Asset-backed commercial paper programs that are eligible for purchase should be fully or partially supported programs that provide adequate diversification by asset type (trade receivables, credit card receivables, auto loans, etc.).
- Maximum of 15% of the Pool may be invested in U.S. dollar denominated Euro Commercial Paper, Euro Certificates of Deposit, and Euro Time Deposits. Investments in U.S. dollar denominated Euro securities are subject to other policy requirements applicable to the specific investment type (e.g. minimum credit ratings, maximum issuer concentration, etc.).
- The Pool may not hold unregistered securities or private placements with the exception of securities issued pursuant to the SEC Rule 144A, public or municipal securities exempt from registration under Section 3(a)(4) of the Securities Act of 1933, or commercial paper issued pursuant to rule 4(2) of the Securities Act of 1933.
- The Pool may not invest in inverse floaters or be leveraged in any manner.
- For securities that are rated by more than one NRSRO, a median of three ratings and a minimum of two ratings assigned to the security must meet the minimum ratings guidelines for the pool.
- Money Market and Fixed Income Funds utilized by the Pool must be approved in advance by the Board.
- Repurchase agreements must comply with the requirements of the Repurchase Agreement Policy
- If the Pool is rated by a Nationally Recognized Statistical Rating Organization (“NRSRO”), the Investment Manager is required to comply with any additional maturity, concentration, credit or other restrictions or requirements of the NRSRO for maintenance of the rating.

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*As Approved by the Board
January 25, 2024*

APPENDIX C-4:
INVESTMENT GUIDELINES
STATE LOAN POOL

West Virginia Board of Treasury Investments
Investment Policy Statement

OBJECTIVES

The State Loan Pool is composed of loans made to the West Virginia Economic Development Authority (EDA) and the West Virginia Department of Transportation (DOT). The State is the sole participant in this Pool. The Directors of the BTI shall bear no fiduciary responsibility with regard to any of the loans contemplated under West Virginia Code §12-6C-11a and West Virginia Code §12-6C-11b.

Under the Code, the BTI is required to make available, subject to a liquidity determination, the following:

- A Nonrecourse Revolving Loan to the EDA up to \$80,000,000 to provide loan insurance for debt instruments to expand broadband within West Virginia, and
- A Revolving Loan to the DOT up to \$200,000,000 to provide funding for the Infrastructure Investment Reimbursement Fund.

Net investment income is declared as dividends and distributed on the last day of the month. If the pool incurs a loss resulting in negative income, the loss will be distributed to the participant on the last day of the month.

BENCHMARKS

None

<u>ASSET ALLOCATION</u> <u>PERMISSIBLE SECURITIES</u>	<u>DIVERSIFICATION -</u> <u>MAXIMUM % OF POOL</u>
Other Investments	100
Money Market Funds	100
Depository Accounts	5

MATURITY RESTRICTIONS, DIVERSIFICATION GUIDELINES AND CREDIT LIMITS

None

BTI ROLE

- Receive and post loan payments.
- Open an account on behalf of the State Loan Pool.
- Develop Investment Guidelines.
- Prohibit commingling of funds with any other account in the Consolidated Fund.
- Provide cash flow information regarding Loans and Securities held by the Pool.
- Record contributions and withdrawals.
- Provide monthly statements regarding Loan Pool activity.
- Calculate monthly net income and net asset value.
- Prepare monthly a Statement of Net Assets, Statement of Operations, Statement of Changes in Net Assets, and a detailed list of Loans and Securities.

BTI ROLE FOR WVEDA BROADBAND DEBT GUARANTEE REVOLVING LOAN

- To provide EDA with the quarterly interest rate to be charged on the loan.
- Facilitate the transfer of funds to EDA via the State Treasurer's Office.
- Invoice the EDA on a quarterly basis for interest and principal due on outstanding loan balances

As Approved by the Board
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West Virginia Board of Treasury Investments
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BTI ROLE FOR WVDOT INFRASTRUCTURE INVESTMENT REVOLVING LOAN

- Facilitate the transfer of funds to DOT via the State Treasurer's Office.
- Collect periodic repayments of principal from DOT

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West Virginia Board of Treasury Investments
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APPENDIX C-5:
INVESTMENT GUIDELINES
SCHOOL FUND

West Virginia Board of Treasury Investments
Investment Policy Statement

OBJECTIVES

To maintain irreducible \$1 Million principal as defined in West Virginia Code §18-9A-16.

BENCHMARKS

None

PERMISSIBLE SECURITIES

Interest bearing Securities of the United States or of West Virginia.

MATURITY RESTRICTIONS, DIVERSIFICATION GUIDELINES AND CREDIT LIMITS

None.

BTI ROLE

- Open an account on behalf of the School Fund Board.
- Develop Investment Guidelines.
- Prohibit commingling of funds with any other account in the Consolidated Fund.
- Provide monthly statements regarding School Fund activity.
- Calculate monthly net income and net asset value.
- Prepare monthly a Statement of Net Assets, Statement of Operations, Statement of Changes in Net Assets and a detailed list of Securities.

As Approved by the Board
January 25, 2024

APPENDIX C-6:

**INVESTMENT GUIDELINES
MUNICIPAL BOND COMMISSION FEE ACCOUNT**

West Virginia Board of Treasury Investments
Investment Policy Statement

OBJECTIVES

The Municipal Bond Commission (the “Commission”) is governed by West Virginia Code §13-3-7 as it relates to Permissible Securities, limitations on purchase, sale or exchange of Securities, interest, and custody of Securities.

BENCHMARKS

None

PERMISSIBLE SECURITIES

- Securities of the United States or any agency thereof which are guaranteed by or for which full faith and credit of the United States is pledged for the payment of the principal and interest.
- General obligations of this State or any of its agencies, boards or commission; or any county, municipality or school district in this State.
- Repurchase agreements or similar banking arrangements with a member bank of banks of the federal reserve system or a bank, the deposits of which are insured by the federal deposit insurance corporation, or its successor: Provided, That such investments shall only be made to the extent insured by the federal deposit insurance corporation or to the extent that the principal amount thereof shall be fully collateralized by direct obligations of or obligations guaranteed by the United States of America.

MATURITY RESTRICTIONS, DIVERSIFICATION GUIDELINES AND CREDIT LIMITS

- No Security shall be purchased, sold or exchanged without the concurrence or ratification of a majority of all members of the Commission.
- No Security shall be purchased at a price above, nor sold or exchanged at a price below, its prevailing fair market value.
- No Security shall be purchased, sold or exchanged for the purpose of aiding any individual, firm or corporation by the payment of brokerage commissions or fees thereto.
- No Security purchased, sold or exchanged shall benefit any member or employee of the Commission.

BTI ROLE

- Open an account on behalf of the Commission.
- Develop Investment Guidelines.
- Prohibit commingling of funds with any other account in the Consolidated Fund.
- Provide cash flow information regarding Securities held by the Pool.
- Provide Security information to the custodian.
- Review signature authorization from the Commission on trade activity.
- Record contributions and withdrawals based upon Commission authorization.
- Provide detailed fee invoice.
- Charge fees for management of Pool.
- Calculate monthly net income and net asset value.
- Prepare monthly a statement of Net Assets, Statement of Operations, Statement of Changes in Net Assets, and a detailed list of Securities.

As Approved by the Board
January 25, 2024

APPENDIX C-7:

**INVESTMENT GUIDELINES
ECONOMIC DEVELOPMENT AUTHORITY –
AMERICAN WOODMARK ACCOUNT**

West Virginia Board of Treasury Investments
Investment Policy Statement

OBJECTIVES

In accordance with West Virginia Code §31-15-23, the EDA AW Pool invests excess funds received by appropriation or other funds which the Economic Development Authority (“EDA”) directs to be invested. The EDA AW Pool is established as a single participant pool.

BENCHMARKS

None

PERMISSIBLE SECURITIES

- This Pool holds a U.S. Treasury Obligation that matures on August 15, 2023. The EDA Board approved this investment by resolution dated March 18, 2004.
- Money Market Funds

MATURITY RESTRICTIONS, DIVERSIFICATION GUIDELINES AND CREDIT LIMITS

None

BTI ROLE

- Open an account on behalf of the EDA.
- Develop Investment Guidelines.
- Prohibit commingling of funds with any other account in the Consolidated Fund.
- Provide cash flow information regarding Securities held by the Pool.
- Invest earned interest not withdrawn by EDA.
- Review signature authorization from EDA on trade activity.
- Record contributions and withdrawals based upon EDA authorization.
- Provide monthly statements regarding EDA activity.
- Charge fees for management of Pool.
- Calculate monthly net income and net asset value.
- Prepare monthly a Statement of Net Assets, Statement of Operations, Statement of Changes in Net Assets and a detailed list of Securities.

As Approved by the Board
January 25, 2024

APPENDIX C-8:

**INVESTMENT GUIDELINES
WEST VIRGINIA TERM DEPOSIT ACCOUNT**

West Virginia Board of Treasury Investments
Investment Policy Statement

OBJECTIVES

Under West Virginia Code § 12-1-13, the WV Board of Treasury Investments, at the request of the State Treasurer, may establish within the Consolidated Fund an investment pool which will generate sufficient income to pay for all banking services and goods and services ancillary to the banking services provided to the state. This account is a part of a diversified portfolio of investments managed by the State Treasurer to generate income to pay for banking services and goods and services ancillary to the banking services provided to the state. The State Treasurer is the sole participant in this account.

BENCHMARKS

None

ASSET ALLOCATION
PERMISSIBLE SECURITIES

DIVERSIFICATION -
MAXIMUM % OF POOL

Depository Accounts	100
Money Market Funds	100

RESTRICTIONS AND GUIDELINES

- Only financial institutions that are a Designated State Depository are eligible to participate in auctions and receive deposits. The State Treasurer, under West Virginia Code § 12-1-5 is responsible for designating State Depositories.
- Deposits in excess of insurance coverage provided by an agency of the federal government must be collateralized in accordance with the West Virginia Code. The State Treasurer is the sole authority for determining acceptable collateral, collateralization methods, and collateralization levels.
- Funds shall be placed at Designated State Depositories through a competitive auction.
- The Board shall establish rules and guidelines for the competitive bidding process. Such rules shall be made available to all interested, qualified financial institutions prior to participation. Qualified, interested financial institutions must agree to the rules and guidelines to participate.
- The rules and guidelines for auctions shall specify the applicable base rate, minimum spread for bids, minimum total rate, minimum bid amount, minimum bid increment and maximum amount that can be awarded per parent organization.

BTI ROLE

- Open an account on behalf of the State Treasurer.
- Develop Investment Guidelines.
- In conjunction with the State Treasurer’s Office staff, develop and maintain procedures and guidelines for competitive auctions.
- Prohibit commingling of funds with any other account in the Consolidated Fund.
- Provide cash flow information regarding Securities held by the Account.
- Record contributions and withdrawals based upon State Treasurer’s Office authorization.
- Charge fees for management of Account.
- Invoice State Treasurer’s Office periodically for fees charged for management of the Account.
- Calculate monthly net income and net asset value.

As Approved by the Board
January 25, 2024