



# SMART529 WV DIRECT COLLEGE SAVINGS PLAN

Offering Statement  
Descriptions of The Underlying Funds  
Participation Agreement

September 1, 2022  
SERIES XV



Office of the West Virginia  
State Treasurer



SMART529 is a college savings plan offered by the Board of Trustees of the West Virginia College and Jumpstart Savings Programs and administered by Hartford Funds Management Company, LLC (“HFMC”).

Investments in SMART529 are not guaranteed or insured by the State of West Virginia, the Board of Trustees of the West Virginia College and Jumpstart Savings Programs, the West Virginia State Treasurer’s Office, HFMC, The Hartford Financial Services Group, Inc., the investment sub-advisers for the Underlying Funds or any depository institution. Investments in SMART529 are subject to investment risks, including the loss of the principal amount invested, and may not be appropriate for all investors.

“SMART529” is a registered trademark of the Board of Trustees of the West Virginia College and Jumpstart Savings Programs.

**SMART529 WV DIRECT COLLEGE SAVINGS PLAN**  
offered by  
the Board of Trustees of the West Virginia College and Jumpstart Savings Programs

**Supplement Dated December 12, 2023**

**to the Series XV Offering Statement, Descriptions of The Underlying Funds and Participation Agreement dated September 1, 2022, as supplemented December 5, 2022**

Terms used and not defined in this Supplement have the same meaning as in the Offering Statement.

**1. Federal Legislation Expands Use of 529 Plans**

The SECURE 2.0 Act of 2022 (the “SECURE 2.0 Act”) was signed into federal law in December 2022. In addition to a number of significant retirement savings related enhancements, the SECURE 2.0 Act revises Section 529 of the Internal Revenue Code. Beginning January 1, 2024, rollovers will be permitted from a 529 plan account to a Roth IRA without incurring federal income tax or penalties, subject to the following conditions:

- The 529 plan account must be open for 15 or more years.
- Contributions and associated earnings that you transfer to the Roth IRA must be in the 529 plan account for more than 5 years.
- A lifetime maximum amount of \$35,000 per Designated Beneficiary may be rolled over from 529 plan accounts to Roth IRAs.
- 529 plan assets can only be rolled over into a Roth IRA maintained for the benefit of the Designated Beneficiary on the 529 plan account.
- 529 plan assets must be sent directly to the Roth IRA.
- Roth IRA income limitations are waived for 529 plan rollovers to Roth IRAs.
- The Roth IRA contribution is subject to the Roth IRA contribution limit for the taxable year applicable to the Designated Beneficiary for all individual retirement plans maintained for the benefit of the Designated Beneficiary.

The IRS may issue additional guidance that may impact 529 plan account rollovers to Roth IRAs, including the above referenced conditions. West Virginia state income tax treatment of these rollovers will be consistent with Federal tax treatment.

Account Owners and Designated Beneficiaries should each consult a financial professional or tax advisor regarding the applicability of these rollovers to their personal situations. You are responsible for determining the eligibility of a 529 plan to Roth IRA rollover including tracking and documenting the length of time the 529 plan account has been opened, the amount of assets in your 529 plan account eligible to be rolled over into a Roth IRA and maintaining all appropriate records that may be required by the IRS. To request a rollover to a Roth IRA, please submit the appropriate form to the Plan. The Direct Rollover Out to Roth IRA Form will be available on the Plan's website after January 1, 2024.

The state income tax treatment of 529 assets rolled over into a Roth account will be determined by the state in which you pay income taxes.

**2. Federal Gift Tax Update**

Effective January 1, 2024, the federal gift tax and lifetime federal tax limits have increased as follows: (i) the annual gift tax exclusion will increase to \$18,000 (\$36,000 for married contributors electing to split gifts); (ii) the amount that may be gifted in a single year and applied against the annual exclusion equally over a five-year period will increase to \$90,000 (or \$180,000 for married couples); and (iii) estates of decedents who die during 2024 have a lifetime exclusion that will be applied to gifts in excess of the above will increase to \$13,610,000 (or \$27,220,000 for married couples).

Accordingly, all references to the federal gift tax limits in the Offering Statement are updated to reflect the above. Account Owners should consult with their own tax professional for more information.

**3. Updated Past Performance**

Each of the charts under the section “Past Performance – SMART529 WV Direct Age-Based Portfolios,” “Past Performance – SMART529 WV Direct Static Portfolios” and “Past Performance – SMART529 WV Direct Individual 529 Portfolio Options” on pages 14 through 16 of the Offering Statement are updated to reflect more current information. Information is as of September 30, 2023.

### SMART529 WV Direct Age-Based Portfolios

The following performance history for the SMART529 WV Direct Age-Based Portfolios includes the one-, three-, five-, ten-year and since inception annualized returns for each Investment Option for periods ending September 30, 2023. Performance information through November 16, 2018 represents certain prior age-bands as indicated below and prior Underlying Portfolio allocations and may not be indicative of future results. These performance numbers are net of applicable Asset-Based Fees. Assets invested in Age-Based Portfolios automatically transfer to another Age-Based Portfolio when the Designated Beneficiary reaches a specified age. Accordingly, your assets may not be invested in the Age-Based Portfolio for the period reported in the performance chart. As such, your personal performance may be different than the performance for a given Age-Based Portfolio. For the most current performance information visit [www.SMART529.com](http://www.SMART529.com).

SMART529 WV Direct Age-Based Portfolio Investment Options & Share Class	Average annual total returns For the period ended September 30, 2023					
	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
SMART529 WV Direct Age-Based Portfolio 0-3 D	18.76%	7.28%	N/A	N/A	8.59%	11/16/2018
SMART529 WV Direct Age-Based Portfolio 4-6 D <sup>(1)</sup>	16.78%	5.48%	6.22%	7.51%	7.01%	03/01/2002
SMART529 WV Direct Age-Based Portfolio 7-9 D	14.74%	4.08%	N/A	N/A	6.68%	11/16/2018
SMART529 WV Direct Age-Based Portfolio 10-11 D <sup>(2)</sup>	12.93%	3.39%	4.91%	6.20%	5.95%	03/01/2002
SMART529 WV Direct Age-Based Portfolio 12-13 D	11.08%	2.43%	N/A	N/A	5.25%	11/16/2018
SMART529 WV Direct Age-Based Portfolio 14-15 D	9.22%	2.10%	4.04%	5.12%	5.38%	03/01/2002
SMART529 WV Direct Age-Based Portfolio 16 D <sup>(3)</sup>	7.64%	2.61%	3.62%	3.77%	4.20%	07/26/2010
SMART529 WV Direct Age-Based Portfolio 17 D	5.89%	1.93%	N/A	N/A	3.26%	11/16/2018
SMART529 WV Direct Age-Based Portfolio 18+ D	4.04%	1.44%	2.29%	2.65%	2.95%	03/01/2002

- (1) Performance prior to November 16, 2018 reflects the performance of predecessor age-band 0-8.  
(2) Performance prior to November 16, 2018 reflects the performance of predecessor age-band 9-13.  
(3) Performance prior to November 16, 2018 reflects the performance of predecessor age-band 16-17.

**THE PERFORMANCE DATA SHOWN ABOVE REPRESENTS PAST PERFORMANCE. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURNS AND PRINCIPAL VALUE WILL FLUCTUATE SO THAT AN ACCOUNT OWNER'S UNITS WHEN SOLD, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA IN THE ABOVE CHART.**

### SMART529 WV Direct Static Portfolios

The following performance history for the SMART529 WV Direct Static Portfolios includes the one-, three-, five-, ten-year and since inception annualized returns for each Investment Option for periods ending September 30, 2023. These performance numbers are net of applicable Asset-Based Fees. Performance through November 16, 2018 includes different Underlying Fund allocations and may not be indicative of future results. For the most current performance information visit [www.SMART529.com](http://www.SMART529.com).

SMART529 WV Direct Static Portfolio Investment Options & Share Class	Average annual total returns For the period ended September 30, 2023					
	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
SMART529 WV Direct Aggressive Growth Portfolio D	18.80%	7.26%	6.86%	8.70%	7.34%	03/01/2002
SMART529 WV Direct Growth Portfolio D	16.82%	5.45%	6.18%	7.51%	6.78%	03/01/2002
SMART529 WV Direct Balanced Portfolio D	12.92%	3.35%	4.88%	6.18%	5.82%	03/01/2002
SMART529 WV Direct Conservative Balanced Portfolio D	7.67%	2.57%	3.77%	3.40%	3.45%	03/31/2004
SMART529 WV Direct Conservative Bond Portfolio D	1.72%	-0.14%	1.51%	1.60%	2.63%	03/31/2004

**THE PERFORMANCE DATA SHOWN ABOVE REPRESENTS PAST PERFORMANCE. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURNS AND PRINCIPAL VALUE WILL FLUCTUATE SO THAT AN ACCOUNT OWNER'S UNITS WHEN SOLD, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA IN THE ABOVE CHART.**

## SMART529 WV Direct Individual 529 Portfolio Options

The following performance history for the SMART529 WV Direct Individual 529 Portfolio Options includes the one-, three-, five-, ten-year and since inception annualized returns for each Investment Option for periods ending September 30, 2023. These performance numbers are net of applicable Asset-Based Fees. For the most current performance information visit [www.SMART529.com](http://www.SMART529.com).

WV Direct Individual 529 Portfolio Investment Options & Share Class	Average annual total returns For the period ended September 30, 2023					
	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
SMART529 500 Index Portfolio D	21.50%	10.03%	9.80%	11.74%	9.00%	11/15/2007
SMART529 Stable Value Portfolio D	2.10%	1.66%	1.87%	1.75%	2.55%	09/16/2002

**THE PERFORMANCE DATA SHOWN ABOVE REPRESENTS PAST PERFORMANCE. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURNS AND PRINCIPAL VALUE WILL FLUCTUATE SO THAT AN ACCOUNT OWNER'S UNITS WHEN SOLD, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA IN THE ABOVE CHART.**

### 4. Updated Fees, Charges and Expenses

- a. The "Class D Fee Structure" chart under the section "Fees, Charges and Expenses" on page 17 of the Offering Statement is updated to reflect more current information. Information is as of October 31, 2023.

#### Class D Fee Structure

Specific fees and expenses applicable to the SMART529 WV Direct Class D Fee Structure are outlined in the table below.

SMART529 WV Direct Class D Fee Structure				
SMART529 WV Direct Investment Options	Estimated Underlying Fund Expenses*	Annual Program Manager Fee	State Fee	Total Annual Asset-Based Fees**
SMART529 WV Direct Age-Based Portfolio 0-3	0.04%	0.08%	0.00%	0.12%
SMART529 WV Direct Age-Based Portfolio 4-6	0.04%	0.08%	0.00%	0.12%
SMART529 WV Direct Age-Based Portfolio 7-9	0.04%	0.08%	0.00%	0.12%
SMART529 WV Direct Age-Based Portfolio 10-11	0.05%	0.08%	0.00%	0.13%
SMART529 WV Direct Age-Based Portfolio 12-13	0.05%	0.08%	0.00%	0.13%
SMART529 WV Direct Age-Based Portfolio 14-15	0.06%	0.08%	0.00%	0.14%
SMART529 WV Direct Age-Based Portfolio 16	0.08%	0.08%	0.00%	0.16%
SMART529 WV Direct Age-Based Portfolio 17	0.09%	0.08%	0.00%	0.17%
SMART529 WV Direct Age-Based Portfolio 18+	0.10%	0.08%	0.00%	0.18%
SMART529 WV Direct Aggressive Growth Portfolio	0.04%	0.08%	0.00%	0.12%
SMART529 WV Direct Growth Portfolio	0.04%	0.08%	0.00%	0.12%
SMART529 WV Direct Balanced Portfolio	0.05%	0.08%	0.00%	0.13%
SMART529 WV Direct Conservative Balanced Portfolio	0.08%	0.08%	0.00%	0.16%
SMART529 WV Direct Conservative Bond Portfolio	0.10%	0.08%	0.00%	0.18%
SMART529 500 Index Portfolio	0.04%	0.08%	0.00%	0.12%
SMART529 Stable Value Portfolio	0.13%	0.08%	0.00%	0.21%

\* For all portfolios other than the SMART529 Stable Value Portfolio, the *Estimated Underlying Fund Expenses* are based on the Underlying Funds' most recent prospectus that is publicly available as of the date of this Supplement and reflect any waivers and/or expense reimbursements of the Underlying Funds. For the SMART529 Stable Value Portfolio, this fee represents the investment management related expense and other fees for The SMART529 Stable Value Portfolio, but does not include wrap fees.

\*\* Certain other fees may also be assessed. Please refer the section "Fees, Charges and Expenses - Other Fees and Charges" as disclosed in the Offering Statement.

- b. The introduction paragraph and chart under the section "Fees, Charges and Expenses - Investment Cost Example" on page 18 of the Offering Statement are updated to reflect more current information. Information is as of October 31, 2023.

#### Investment Cost Example

The following example compares the approximate cost of investing in the different Investment Options within SMART529 over different periods of time. Your actual cost may be higher or lower. The table is based on the following assumptions:

- A \$10,000 investment invested for the time periods shown
- A 5% annually compounded rate of return on the net amount invested throughout the period (it is unlikely that the SMART529 Stable Value Portfolio will achieve this level of return)
- All units are redeemed at the end of the period shown for Qualified Higher Education Expenses (the table does not consider the impact of any potential state or federal taxes on the redemption)
- Total annual asset-based fees remain the same as those shown in the "Class D Fee Structure" table above.

<b>SMART529 WV Direct Investment Options</b>	<b>One Year</b>	<b>Three Years</b>	<b>Five Years</b>	<b>Ten Years</b>
SMART529 WV Direct Age-Based Portfolio 0-3	\$12	\$38	\$66	\$151
SMART529 WV Direct Age-Based Portfolio 4-6	\$12	\$38	\$67	\$152
SMART529 WV Direct Age-Based Portfolio 7-9	\$12	\$38	\$67	\$152
SMART529 WV Direct Age-Based Portfolio 10-11	\$13	\$40	\$71	\$161
SMART529 WV Direct Age-Based Portfolio 12-13	\$13	\$42	\$73	\$165
SMART529 WV Direct Age-Based Portfolio 14-15	\$14	\$45	\$79	\$180
SMART529 WV Direct Age-Based Portfolio 16	\$17	\$53	\$93	\$210
SMART529 WV Direct Age-Based Portfolio 17	\$18	\$56	\$98	\$222
SMART529 WV Direct Age-Based Portfolio 18+	\$19	\$59	\$103	\$233
SMART529 WV Direct Aggressive Growth Portfolio	\$12	\$38	\$66	\$151
SMART529 WV Direct Growth Portfolio	\$12	\$38	\$67	\$152
SMART529 WV Direct Balanced Portfolio	\$13	\$40	\$71	\$161
SMART529 WV Direct Conservative Balanced Portfolio	\$17	\$53	\$93	\$210
SMART529 WV Direct Conservative Bond Portfolio	\$19	\$58	\$102	\$232
SMART529 500 Index Portfolio	\$12	\$37	\$65	\$147
SMART529 Stable Value Portfolio*	\$22	\$68	\$118	\$268

\* This represents the investment management related expense and other fees for The SMART529 Stable Value Portfolio, but does not include wrap fees.

**This Supplement should be retained with the Offering Statement for future reference.**

**SMART529 WV DIRECT COLLEGE SAVINGS PLAN**  
offered by  
the Board of Trustees of the West Virginia College and Jumpstart Savings Programs

**Supplement Dated December 5, 2022**

**to the Series XV Offering Statement, Descriptions of The Underlying Funds and Participation Agreement dated September 1, 2022**

Terms used and not defined in this Supplement have the same meaning as in the Offering Statement.

**Federal Gift Tax Update.** Effective January 1, 2023, the federal gift tax and lifetime federal tax limits have increased as follows: (i) the annual gift tax exclusion will increase to \$17,000 (\$34,000 for married contributors electing to split gifts); (ii) the amount that may be gifted in a single year and applied against the annual exclusion equally over a five-year period will increase to \$85,000 (or \$170,000 for married couples); and (iii) the lifetime exemption that will be applied to gifts in excess of the above will increase to \$12,920,000 (or \$25,840,000 for married couples).

Accordingly, all references to the federal gift tax limits in the Offering Statement are updated to reflect the above. Account Owners should consult with their own tax professional for more information.

**This supplement should be retained with the Offering Statement for future reference.**

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# PART ONE

## SMART529<sup>®</sup> WV Direct COLLEGE SAVINGS PLAN OFFERING STATEMENT

The **SMART529 College Savings Program** is a qualified tuition program offered by the Board of Trustees of the West Virginia College and Jumpstart Savings Programs, which is an entity of the State of West Virginia. While the West Virginia College Savings Program (the “College Savings Program”) encompasses multiple plans and options, **only the SMART529 WV Direct Plan (the “Plan” or “SMART529 WV Direct”) is described in this Offering Statement. The other plans in the College Savings Program (which includes The Hartford SMART529 plan and the SMART529 Select plan) may offer different investment options and may have different fees and/or be structured differently than the SMART529 WV Direct Plan. You can find more information about these other plans by calling 866-574-3542, visiting the College Savings pages of [www.hartfordfunds.com](http://www.hartfordfunds.com) for The Hartford SMART529 plan, and by visiting [www.SMART529select.com](http://www.SMART529select.com) for the SMART529 Select plan. In order to invest in the SMART529 WV Direct Plan, account owners must be West Virginia residents or have a West Virginia resident as a Designated Beneficiary.**

Congress created this type of tax-advantaged program, sometimes referred to as a “Section 529 Plan” or “529 Plan”, in 1996 under Section 529 of the Internal Revenue Code (the “Code”). As a “529 Plan,” **SMART529 WV Direct** offers the advantages of tax-free growth and withdrawals, provided that withdrawals from the Plan are used for the payment of “Qualified Higher Education Expenses,” as defined in Section 529 of the Code. For details on what type of education-related expenses are treated as “Qualified Higher Education Expenses”, please see “Withdrawing Money From A SMART529 WV Direct Account — Qualified Distributions.”

## Important Points for Your Consideration

### Please Retain this Offering Statement

This Offering Statement contains information about the SMART529 WV Direct Plan. It describes the risks associated with, and the terms and conditions of, investing in the Plan. It should be read carefully and retained for your future reference. Investing is an important decision. The information contained in this Offering Statement is authorized by the Board of Trustees of the West

Virginia College and Jumpstart Savings Programs. The Board of Trustees of the West Virginia College and Jumpstart Savings Programs may from time to time make changes to the investment options available within the Plan.

Investing is an important decision. This Offering Statement supersedes any prior offering statements. Please read this Offering Statement in its entirety before making an investment decision. You should periodically assess, and if appropriate, adjust your investment choices to your time horizon, risk tolerance and investment objectives in mind. There are many ways to save for Qualified Higher Education Expenses; SMART529 WV Direct is only one. It may not be appropriate for all investors’ needs. If you do not understand the terms, conditions, risks and limitations stated in this Offering Statement, or if you are not comfortable making your own investment decisions, you should seek investor education or advice from a qualified financial planning professional before opening an account or sending money.

### Investments Are Not Guaranteed or Insured

Investments in the Plan are not guaranteed or insured by the State of West Virginia, the Board of Trustees of the West Virginia College and Jumpstart Savings Programs, the West Virginia State Treasurer’s Office, Hartford Funds Management Company, LLC (“HFMC” or the “Program Manager”), affiliates of HFMC, the investment advisers or sub-advisers for the Underlying Funds, or any depository institution and are subject to investment risks, including the loss of the principal amount invested. This means that your Account may lose value.

### West Virginia Tax Information

The Plan is an educational savings plan available to residents of West Virginia (or to non-residents where the Designated Beneficiary is a resident). West Virginia offers special state tax and other benefits for West Virginia taxpayers that invest in SMART529 WV Direct. For purposes of this Offering Statement only, a West Virginia resident means any Account Owner or Designated Beneficiary who, at the time the SMART529 WV Direct Account is opened, has a West Virginia mailing address or is a West Virginia resident on active duty in the United States armed forces.

### State Benefits Disclaimer

If you reside in or have taxable income in a state other than West Virginia, you should consider whether that state has a qualified tuition program that offers favorable state income tax or other benefits such as financial aid, scholarship funds, and protection from creditors that are only available if you invest in that state’s plan.

Those benefits, if any, should be one of the many appropriately weighted factors you consider before making a decision to invest in SMART529 WV Direct. You should consult with a qualified advisor or review the offering document for that state's 529 Plan to find out more about any such benefits (including any applicable limitations) and to learn how they may apply to your specific circumstances.

only to save for Qualified Higher Education Expenses. These Section 529 Qualified Tuition Programs are not intended to be used, nor should they be used, by any taxpayer for the purpose of evading federal or state taxes or tax penalties. This Offering Statement is not intended to and does not constitute legal or tax advice. Taxpayers may wish to seek advice from an independent tax advisor based on their own particular circumstances.

## Tax Disclaimer

Section 529 Qualified Tuition Programs, such as the SMART529 WV Direct Plan, are intended to be used

## Summary of Key Features

SMART529 WV Direct is designed to be flexible and provide a wide range of Investment Options that help you customize it to the way you like to invest. Below is intended to provide a summary of some of the key features. Before investing you should read and understand the complete detailed information contained in this Offering Statement and Participation Agreement. For additional information regarding SMART529 WV Direct, please see the [www.SMART529.com](http://www.SMART529.com) page.

Feature	Description	Additional Information
<b>State Administrator</b>	The Board of Trustees of the West Virginia College and Jumpstart Savings Programs (the "Board" or the "Board of Trustees") administers and issues the College Savings Program, with assistance from the West Virginia State Treasurer's Office.	<i>Program Administration, page 4.</i>
<b>Program Manager</b>	Hartford Funds Management Company, LLC ("HFMC") serves as the Program Manager pursuant to an agreement with the Board that expires October 2028, unless renewed.	<i>Program Administration, page 4.</i>
<b>Eligible Account Owner</b>	An Account Owner must either be a West Virginia resident or have a West Virginia resident as a Designated Beneficiary. Account Owners must also be U.S. citizens or resident aliens. If a minor is an Account Owner, an adult must act on that minor's behalf until he or she reaches the age of majority. Certain types of entities with a valid taxpayer identification number may also open an Account (additional restrictions may apply to such Accounts).	<i>Opening an Account, page 4.</i>
<b>Account Owner Control</b>	Except in the case of UGMA/UTMA accounts, the Account Owner generally retains control of the Account even after the Designated Beneficiary reaches the age of majority.	<i>Opening an Account, page 4.</i>
<b>Eligible Beneficiary</b>	Any U.S. citizen or resident alien with a valid Social Security number or taxpayer identification number may be a Designated Beneficiary. However, if the Account Owner is not a West Virginia resident, then the Designated Beneficiary must be a West Virginia resident. There is no age restriction on the Designated Beneficiary.	<i>Opening an Account, page 4.</i>
<b>The SMART529 Bright Babies Program</b>	If your Designated Beneficiary is a West Virginia resident and your Account is opened within the first year of the Designated Beneficiary's birth or adoption, your Account may be eligible to receive an incentive contribution from the SMART529 Bright Babies Program.	<i>The SMART529 Bright Babies Program, page 9.</i>
<b>Minimum Contribution</b>	There is no minimum amount required for initial or subsequent contributions.	<i>Making Contributions, page 6.</i>
<b>Current Maximum Account Limit</b>	The maximum account balance limit is currently \$550,000 for all accounts in the College Savings Program for a Designated Beneficiary.	<i>Making Contributions, page 6.</i>
<b>Qualified Distributions</b>	Qualified Distributions are withdrawals from an Account used to pay for the Qualified Higher Education Expenses of the Designated Beneficiary. These withdrawals are federal and West Virginia income tax free.	<i>Withdrawing Money From A SMART529 WV Direct Account, page 18.</i>

<b>Feature</b>	<b>Description</b>	<b>Additional Information</b>
<b>Qualified Higher Education Expenses</b>	<p>Qualified Higher Education Expenses generally include the costs of tuition, fees, books, supplies, and equipment required for enrollment or attendance at an Eligible Educational Institution; certain computers, peripheral equipment, software, internet access and related services; certain room and board expenses; and expenses for special needs services incurred in connection with enrollment or attendance at an Eligible Educational Institution.</p> <p>The term “Qualified Higher Education Expenses” as used in this Offering Statement includes K-12 Tuition Expenses, Apprenticeship Expenses and Qualified Education Loan Expenses, unless otherwise indicated.</p>	<i>Withdrawing Money From A SMART529 WV Direct Account</i> , page 18.
<b>K-12 Tuition Expenses</b>	K-12 Tuition Expenses include tuition in connection with enrollment or attendance of a Designated Beneficiary at an elementary or secondary (i.e., middle or high school) public, private, or religious school up to a maximum of \$10,000 of distributions for such tuition expenses per taxable year per Designated Beneficiary from all 529 Plans. Such expenses may be treated as Qualified Higher Education Expenses. If you are subject to state income tax in a state other than West Virginia, the state tax treatment of withdrawals used to pay K-12 Tuition Expenses may differ.	<i>Withdrawing Money From A SMART529 WV Direct Account</i> , page 18.
<b>Qualified Education Loan Expenses</b>	Qualified Education Loan Expenses include amounts paid as principal or interest on any qualified education loan of either the Designated Beneficiary or a sibling of a Designated Beneficiary, up to a lifetime limit of \$10,000. Distributions treated as Qualified Education Loan Expenses with respect to the loans of a sibling of a Designated Beneficiary will count towards the lifetime limit of the sibling, not the Designated Beneficiary. Such loan repayments may impact student loan interest deductibility.	<i>Withdrawing Money From A SMART529 WV Direct Account</i> , page 18.
<b>Apprenticeship Expenses</b>	Apprenticeship Expenses include fees, books, supplies and equipment required for the participation of the Designated Beneficiary in an apprenticeship program registered and certified with the Secretary of Labor under the National Apprenticeship Act. Effective for distributions after December 31, 2018, such expenses may be treated as Qualified Higher Education Expenses. The state tax treatment of withdrawals used to pay Apprenticeship Expenses varies by state.	<i>Withdrawing Money From A SMART529 WV Direct Account</i> , page 18.
<b>Investment Options and Past Performance</b>	The Plan offers age-based portfolios designed for investing for college and tailored to the length of time until the Designated Beneficiary reaches college age; static portfolios that allow investing in fixed allocations of underlying investments; and individual 529 portfolio options that invest directly into underlying mutual funds and a separate account.	<i>Investment Options</i> , page 10. For information about performance, see <i>Past Performance</i> , page 14.
<b>Changing Investment Strategy for Amounts Previously Contributed</b>	Once you have contributed to your Account and selected an Investment Option in which to invest your contribution, you may move these amounts to a different Investment Option twice per calendar year, or if you change the Designated Beneficiary on your Account to a Member of the Family of the previous Designated Beneficiary.	<i>Investment Options</i> , page 10.
<b>Federal Tax Benefits</b>	<ul style="list-style-type: none"> <li>• Earnings accrue free of federal income tax.</li> <li>• Qualified Distributions are not subject to federal income tax or the Additional Tax.</li> <li>• No federal gift tax on contributions of up to \$80,000 (single filer) and \$160,000 (married couple electing to split gifts) if prorated over 5 years.</li> <li>• Contributions are generally considered completed gifts to the Designated Beneficiary for federal gift and estate tax purposes.</li> </ul>	<i>Tax Treatment</i> , page 20.
<b>West Virginia Tax Benefits</b>	If you are a West Virginia taxpayer, you may deduct all of the year’s contributions to SMART529 WV Direct from your federal adjusted gross income on your West Virginia personal income tax return, and Qualified Distributions for Qualified Higher Education Expenses are generally free of any West Virginia personal income tax. The West Virginia state deduction is subject to recapture for Non-Qualified Distributions.	<i>Tax Treatment</i> , page 20.
<b>Fees, Charges and Expenses</b>	Certain direct fees will be charged against the assets of your Account and will reduce the value of your Account as they are incurred. These fees provide for the costs associated with the offering, management and administration of Accounts.	<i>Fees, Charges and Expenses</i> , page 16.

<b>Feature</b>	<b>Description</b>	<b>Additional Information</b>
<b>Risks of Investing in the Plan</b>	<ul style="list-style-type: none"> <li>• Assets in an Account are not guaranteed or insured.</li> <li>• The value of your Account may decrease. You could lose money, including amounts you contributed.</li> <li>• Federal or State tax law changes, as well as other legislative changes, could negatively affect the Plan.</li> <li>• Fees could increase.</li> <li>• The Board may terminate, add or merge Investment Portfolios, change the investments in which an Investment Portfolio invests, or change allocations to those investments.</li> <li>• Contributions to an Account may adversely affect the Designated Beneficiary's eligibility for financial aid or other benefits.</li> <li>• Each Investment Option carries particular investment-related risks.</li> </ul>	<i>Description of Risks of the Investment Options and Your Account</i> , page 13.
<b>Restrictions</b>	Section 529 or SMART529 WV Direct imposes certain restrictions on transfers among investment options, withdrawals and contributions.	<i>Opening an Account</i> , page 4; <i>Making Contributions</i> , page 6; <i>Investment Options</i> , page 10; <i>Withdrawing Money From A SMART529 WV Direct Account</i> , page 18.

## Program Administration

The West Virginia Legislature first enacted the West Virginia College Prepaid Tuition and Savings Program Act (the "Act") on April 12, 2001 to provide for the offering of college education savings plans under Section 529 of the Code. The West Virginia Legislature passed amendments to the Act on January 24, 2022, reflecting the closure of the Prepaid Tuition Plan and the addition of the Jumpstart Savings Program, a separate program not covered in this Offering Statement. The amendments passed on January 24, 2022 also provided that the College Savings Program and Jumpstart Savings Program would be governed by one combined Board of Trustees. As a result, the College Savings Program is administered by the Board of Trustees of the West Virginia College and Jumpstart Savings Programs (the "Board of Trustees"). The Board of Trustees consists of eleven voting members as follows: the West Virginia State Treasurer (the "Treasurer"), the State Superintendent of Schools, one representative of the Higher Education Policy Commission, one representative of the Council for Community and Technical College Education, and seven members appointed by the Governor of West Virginia with the advice and consent of the Senate. The Treasurer is the chairman and presiding officer of the Board of Trustees. The Board of Trustees has established SMART529 WV Direct as a savings plan in its associated West Virginia Savings Plan Trust (the "Trust").

In 2018, the Board of Trustees selected Hartford Funds Management Company, LLC ("HFMC") to serve as program manager of the College Savings Program. HFMC, or an affiliate, has served as Program Manager of the Plan since the Plan's inception in 2002. HFMC performs many aspects of administering the College Savings Program (the "Program Manager"). HFMC's corporate parent is The Hartford Financial Services Group, Inc. ("The Hartford"). The Hartford has provided insurance and other financial management services for its clients since 1810.

HFMC, or an affiliate, will provide the services described in this Offering Statement according to the terms and conditions of an agreement between HFMC and the Board of Trustees executed October 2018 (the "Hartford Management Agreement") with a ten year term. The Board of Trustees and HFMC may from time to time agree to further extend the term of the Hartford Management Agreement, and each has the right to terminate the Hartford Management Agreement prior to its expiration date under certain circumstances. If the Hartford Management Agreement were terminated, the Board of Trustees could continue to provide SMART529 WV Direct on its own or through other third party administrators. Termination of the Hartford Management Agreement would not terminate the operation of the College Savings Program.

HFMC has entered into an agreement with Ascensus College Savings Recordkeeping Services, LLC ("Ascensus") to provide certain administrative services to the Accounts within the College Savings Program. HFMC has also entered into an agreement with State Street Bank and Trust Company to provide certain services with respect to the Investment Options (as defined herein) within the College Savings Program.

Other educational savings plans are offered under the College Savings Program that are not described in this Offering Statement, including some savings plans that are available exclusively through investment professionals who receive a commission for selling the savings plans and others sold directly from the SMART529 Program. If you are interested in learning about these other plans, call a SMART529 customer service representative toll-free at 866-574-3542.

## Opening an Account

To open an Account, you may enroll online at [www.SMART529.com](http://www.SMART529.com) or by completing an Account Application and name an Account Owner and

Designated Beneficiary. Unless you are enrolling in Recurring Contributions, an initial contribution is required with your Account Application, as further described in the subsequent section entitled “Making Contributions.”

## Account Owner

To open an Account, either the Account Owner or Designated Beneficiary must be a West Virginia resident at the time the Account is opened. SMART529 WV Direct has no age or income requirements. However, if a minor is going to be the Account Owner, he or she must have an adult willing to act as Account Owner (“Qualified Adult”) until the minor reaches the age of majority and becomes the Account Owner. The Account Owner and any other person may make contributions to the SMART529 WV Direct Account.

SMART529 WV Direct is also available to state and local governments, government agencies and not-for-profit organizations to help fund scholarship programs. Businesses can also open Accounts to help their employees pay for educational expenses.

As Account Owner, you can make contributions, take withdrawals and change Investment Option allocations in accordance with the participation agreement. However, you cannot borrow money from your Account and the Account cannot be used as collateral for a loan.

Unless otherwise authorized, access to information on any SMART529 WV Direct account is limited to the Account Owner. The Account Owner may designate an individual who will be authorized to access information or perform certain transactions on the Account. The Account Owner may withdraw or change this authorization by contacting SMART529 WV Direct in writing.

## Successor Account Owner and Change of Account Ownership

When you open an Account, you may designate a Successor Account Owner on the Account Application. A Successor Account Owner is the person you designate to assume ownership in the event the Account Owner dies while there is still money in the Account. The easiest way to add a Successor Account Owner is on the Account Application. You may also add or change a Successor Account Owner by calling a SMART529 customer service representative at 866-574-3542, completing the Account Information Change Form available on [www.SMART529.com](http://www.SMART529.com), or by logging into your Account online.

If the Account Owner dies, ownership of the Account will be changed when we receive a certified copy of the death certificate. Depending on how your Account is set up, one of the following will apply: if there is a Successor Account Owner designated in writing, then the Successor Account Owner becomes the Account Owner;

if there is no Successor Account Owner, then the Designated Beneficiary will become the Account Owner. If the Designated Beneficiary is a minor, a Qualified Adult must be named for the Account. (See the definition of “Qualified Adult” in “PART THREE - SMART529 WV DIRECT COLLEGE SAVINGS PLAN PARTICIPATION AGREEMENT”). Since a change of Account Owner could have adverse tax consequences, you may want to consult with a qualified tax advisor.

Separately, you can also change the Account Owner at any time by transferring ownership of the account to another eligible Account Owner. If the change is due to divorce, the Account Owner will be changed based on signed instructions from the Account Owner or information contained in the final divorce decree.

## Designated Beneficiary

As Account Owner, you also name the person on whose behalf the payments from the Account will be made, called the “Designated Beneficiary.” The Designated Beneficiary can be anyone who is a U.S. citizen or a resident alien and can be any age; however, if you are not a West Virginia resident, the Designated Beneficiary must be a West Virginia resident. You can even name yourself as the Designated Beneficiary. Among other information, we will require a valid Social Security number for the Designated Beneficiary when you open your SMART529 WV Direct Account.

After you open an Account, you may change your Designated Beneficiary to a “Member of the Family” of the former Designated Beneficiary without adverse federal income tax consequences. Otherwise, the change may be subject to the federal and possibly state and/or local income tax consequences discussed below. You should consult with a qualified professional regarding the possible tax and legal consequences of changing the Designated Beneficiary on your Account.

The following family members of the existing Designated Beneficiary are considered a “Member of the Family”:

- ▶ child, or descendant of a child;
- ▶ brother, sister, stepbrother or stepsister;
- ▶ stepfather or stepmother;
- ▶ father, mother or ancestor of either;
- ▶ son or daughter of a brother or sister;
- ▶ brother or sister of father or mother;
- ▶ son-in-law, daughter-in-law, father-in-law, mother-in-law, sister-in-law or brother-in-law;
- ▶ spouse or spouse of any family member listed above; or
- ▶ first cousin.

For this purpose, a child includes a legally adopted child, a stepchild, and a foster child, and a brother or sister includes a half-brother or half-sister.

If you name someone other than a Member of the Family of the prior Designated Beneficiary as the new Designated Beneficiary, the transaction will be treated as a Non-Qualified Distribution and you may be subject to federal and possibly state and/or local income tax, including an additional 10% federal income tax (“Additional Tax”) on the earnings portion of the distribution. A change of Designated Beneficiary or a roll-over to the account of a new Designated Beneficiary potentially may be subject to federal gift tax. In addition, if the new Designated Beneficiary is in a generation younger than the generation of the prior Designated Beneficiary, the transfer may be subject to federal generation-skipping transfer tax. Each taxpayer has a federal generation-skipping transfer tax exemption which may be allocated during life or at death. This federal generation-skipping transfer tax exemption is adjusted for inflation and subject to other changes and, as of the date of this Offering Statement, is \$12,060,000 (or \$24,120,000 for married couples). Please check with a qualified tax advisor.

Please contact us for any instructions or forms needed to change the Designated Beneficiary, the Account Owner or to name a Successor Account Owner. You can also get this information by visiting our website, [www.SMART529.com](http://www.SMART529.com).

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT.** In order to fight 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. What this means for you: When you open a SMART529 WV Direct Account, you will be asked to provide your name, address, date of birth, and other information that identifies you such as a Social Security number or a tax identification number. You may also be asked to provide a copy of your driver’s license or other identifying documents.

For some legal entity accounts, you will be asked to provide identifying information for one natural person that controls the entity, and for each natural person that beneficially owns 25% or more of the legal entity. Information about how we protect your privacy can be found in “PART FOUR — PRIVACY NOTICES”.

## Trusted Contact

You may designate someone you trust who is at least 18 years of age (a “Trusted Contact”) to act as a person we can contact if we lose contact with you or believe you and/or your assets are at risk. By electing to provide information about a Trusted Contact, you authorize us to contact this person and disclose information about your Account to that person in the following

circumstances: to address possible financial exploitation; to confirm the specifics of your current contact information, your health status, or the identity of any legal guardian, executor, trustee or holder of a power of attorney; or as otherwise permitted by FINRA Rule 2165 (Financial Exploitation of Specified Adults). Designating a Trusted Contact does not mean you are authorizing him or her to act on your Account. Instead, he or she can be a safeguard to protect your Account from suspected fraud or if you are unable to speak for yourself. To designate or change a Trusted Contact, please call a SMART529 customer service representative toll-free at 866-574-3542.

## Making Contributions

You may contribute to your Account as often as you would like. Other persons also may make contributions to your Account. However, federal income tax laws require that a limit be placed on the total amount that can be contributed for the benefit of a Designated Beneficiary. Currently, the total market value limit for any amounts invested for the same Designated Beneficiary in all plans within the College Savings Program, including amounts in the SMART529 WV Direct Plan, is \$550,000.

You can make contributions to your Account using any of the following methods:

- ▶ **Check** — You can open an Account by check. There is no minimum initial investment amount. Additional investments can be made by check, with no minimum amount required. All of your contributions must be made in U.S. dollars and checks must be drawn on U.S. banks, made payable to SMART529, with your Account number on the check, and mailed to: SMART529 WV Direct P.O. Box 55362, Boston, MA 02205-5362. Confirmations will be sent for contributions made by check.
- ▶ **Electronic Fund Transfers through Automated Clearing House (“ACH”) Program** — You can initiate a contribution from your bank account to your SMART529 Account using the ACH network. To authorize an ACH, you must be the Account Owner on the bank account and provide certain information about the Account on the Account Application. Updating or changing bank account information on an existing account can be completed using the Account Features Form or online at [www.SMART529.com](http://www.SMART529.com). Once you have provided that information, you may request an ACH from the designated bank account to your Account, online at [www.SMART529.com](http://www.SMART529.com) or by phone at 866-574-3542.

There is no charge for requesting an ACH. If your ACH cannot be processed because the bank account on which it is drawn contains insufficient funds or because of incomplete or inaccurate information, or

if the transaction would violate processing restrictions, we reserve the right to suspend processing of future ACH contributions.

As of the date of this Offering Statement, there is a maximum contribution through a one-time ACH of \$160,000. Contributions in excess of such limit will be rejected or returned.

- ▶ **Recurring Contributions (also may be known as Automatic Investment Program or AIP)** — You can contribute to your Account on a regular basis through automatic contributions from your savings or checking account. If you elect Recurring Contributions when you open your Account and no initial contribution is made at that time, the first contribution under Recurring Contributions must be received within 45 days of the date you opened the Account. These automatic investments will be confirmed on your Account's quarterly statement. You may also increase your Recurring Contributions automatically on an annual basis. Please provide specific instructions on your Account Application and enclose a preprinted voided check. You should allow up to 45 days for the first automatic contribution to occur. If you would like to change the amount of your automatic investment, change your savings or checking account information on file, or to start automatic investing if your Account is already open, please call a SMART529 customer service representative toll-free at 866-574-3542 for appropriate forms or visit our website at [www.SMART529.com](http://www.SMART529.com).
- ▶ **Payroll Direct Deposit Program** — You can contribute to your Account directly through Payroll Direct Deposit. You must contact your employer's payroll office to verify that you can participate. Payroll Direct Deposit contributions will not be made to your Account until you have received a Payroll Direct Deposit Confirmation Form from SMART529 WV Direct, provided your signature and Social Security number or taxpayer identification number on the form, and submitted the form to your employer's payroll office. A plan of regular investment cannot assure a profit or protect against a loss in a declining market.
- ▶ **Upromise Reward Service** — Account Owners may contribute to their SMART529 WV Direct Account by participating in Upromise, a rewards service that allows members to receive as a 529 contribution a percentage of their qualified spending with hundreds of America's leading companies. Once Account Owners enroll in SMART529 WV Direct, Account Owners may link their Upromise rewards service account and their SMART529 Account so that all or a portion of their rewards may be automatically transferred to their SMART529 WV Direct Account on a periodic basis, subject to a minimum transfer amount. Please visit

[www.upromise.com](http://www.upromise.com) for information on transfer minimums and for more information about Upromise.

The Upromise rewards service is an optional service offered by Upromise, Inc. The service is separate from the SMART529 College Savings Program and is not affiliated with the State of West Virginia, HFMC or Ascensus. This Offering Statement is not intended to provide information concerning the Upromise rewards service. The Upromise rewards services is administered in accordance with the terms and procedures set forth in the Upromise Member Agreement (as may be amended from time to time). Specific terms and conditions apply. Participating companies, contribution levels, terms and conditions are subject to change without notice. More information about the rewards service is available at [www.upromise.com](http://www.upromise.com). Consult your tax advisor regarding any potential tax implications arising from the Upromise rewards service.

- ▶ **Gifting service options** — You may invite family and friends to contribute to your Account through services that provide gifting options which are unaffiliated with the Program Manager. For more information on these services, please visit [www.SMART529.com](http://www.SMART529.com).
- ▶ **Systematic Exchange Program** — The Systematic Exchange Program allows you to transfer a minimum of \$50 per Account on a periodic basis. The establishment of the Systematic Exchange Program on an existing Account or starting, stopping or modifying the Systematic Exchange Program (including changes to the date, frequency or amount of the reallocation) will be considered one of the two allowable investment changes for that Designated Beneficiary for the calendar year.
- ▶ **Rolling over an account from another 529 Plan** — You may be able to roll over the value of an account you own that is currently in another qualified tuition program ("529 Plan") to a SMART529 WV Direct Account. You must complete an Incoming Rollover/Transfer Form. Rollovers that satisfy the following conditions are not be subject to federal income tax, including the Additional Tax:
  - ✓ The rollover occurs within 60 days of distribution from the other 529 plan;
  - ✓ You keep the same beneficiary or name a Member of the Family of the other qualified tuition program's beneficiary as the Designated Beneficiary on the SMART529 WV Direct Account. In order for federal gift and generation-skipping transfer taxes not to apply to a rollover to the account of a new Designated Beneficiary, the new Designated Beneficiary must be a Member of the Family of the beneficiary of the

other 529 Plan and be of the same (or higher) generation as the beneficiary of the other 529 Plan; and

- ✓ You do not make a rollover for the benefit of the same Designated Beneficiary within twelve months from the date of a previous rollover to a 529 Plan account for the benefit of the Designated Beneficiary.

Other rollovers may be subject to federal and possibly state and/or local income tax, including the Additional Tax. The check provided to the Plan must be payable to SMART529 and must include both the name of the Account Owner and the name of the Designated Beneficiary. A rollover contribution must be accompanied by a basis and earnings statement from the distributing plan that shows the earnings portion of the contribution. If such a statement is not provided, the entire amount of your contribution will be treated as earnings.

If you are rolling over an account from another SMART529 plan to a SMART529 WV Direct Account, we will waive the Rollover Charge.

- ▶ **Rollover to Jumpstart Savings Program** — You may transfer all or part of a distribution from your Account to an account of the Jumpstart Savings Program, which is a West Virginia savings program established under the Jumpstart Savings Act, 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. The Jumpstart Savings Program is not a college savings plan pursuant to Section 529 of the IRS Code. The transfer from your Account to the Jumpstart Savings Program must be completed within thirty days of receiving the SMART529 distribution and generally provides that the rollover is exempt from West Virginia tax only. For purposes of federal taxes, the rollover currently would not be deemed a Qualified Distribution. There is no fee for this type of rollover. For more information, please see the West Virginia Jumpstart Savings Program Account Disclosure Statement & Informational Booklet.
- ▶ **Coordination with Qualified United States Savings Bonds** — If you redeem certain qualified United States Savings Bonds as described in Section 135 of the Code (“United States Savings Bonds”), you may use those funds to make a contribution to your SMART529 WV Direct Account. You must complete an Incoming Rollover/Transfer Form. You must also provide an account statement or Form 1099-INT issued by the financial institution that redeemed the United States Savings Bonds that shows the interest from the redemption of the United States Savings Bonds, otherwise the entire amount of the contribution will be treated as earnings. Modified adjusted gross income limitations must not be

exceeded for the rollover of the redeemed amount to be federal income tax free. You must also meet certain other qualifications such as certain age, ownership and income limitations. Please contact your tax consultant for more information.

- ▶ **Rolling over a Coverdell Education Savings Account** — You may roll over (transfer) the redemption of part or all of your existing Coverdell Education Savings Account and invest it as a contribution to your SMART529 WV Direct Account. You must complete an Incoming Rollover/Transfer Form. You must also provide an account statement or Form 1099-Q issued by the financial institution that redeemed the account that shows the earnings portion of the redemption of the account, otherwise the entire amount of the contribution will be treated as earnings. For the rollover to be federal income tax free, the beneficiary of the Coverdell Education Savings Account must be the Designated Beneficiary.

You should consult your tax advisor regarding the tax implications of liquidating any investment to make a contribution to your SMART529 WV Direct Account.

- ▶ **General Account Information** — Your initial contribution will be invested within two business days of our receipt of a properly completed application and the contribution. If we receive your subsequent contribution before the close of the New York Stock Exchange (“NYSE”), it will be invested on that same day. If we receive your subsequent contribution after the close of the NYSE (generally 4:00 p.m. Eastern Standard Time), it will be invested on the next day of trading on the NYSE. If we receive your subsequent contribution on a day that the NYSE is not open for trading, the amount will be invested on the next day of trading. For purposes of this section, “receipt” means receipt of the application and/or contribution, in good order, at the offices of Ascensus, the administrative services provider for SMART529 WV Direct.

Contributions will be credited to your SMART529 WV Direct Account only if the documentation received from you is complete and in good order. If the documentation accompanying the contribution is incomplete when received, we will hold the money for up to five business days while we try to obtain complete information. If we cannot obtain the information within five business days, we will either return the contribution and explain why the contribution could not be processed or keep the contribution if you authorize us to keep it until you provide the necessary information.

- ▶ **Pricing of Investment Option Units** — When you contribute to the Plan, your money will be invested in Units (defined below) of the Plan’s Investment Options (also known as “Portfolios”). The Unit Value of each Portfolio is calculated each business day after



the NYSE's close of trading. The Unit Value is determined by dividing the dollar value of the Portfolio's net assets (i.e., total Portfolio assets minus total Portfolio liabilities) by the number of Portfolio Units outstanding. On holidays or on other days when the NYSE is closed, the Portfolio's Unit Value is not calculated, and the Plan does not transact purchase, exchange, transfer, or redemption requests.

When you purchase, redeem, or exchange Units of a Portfolio, you will do so at the Unit Value of the Portfolio's Units on the trade date. The trade date for the Portfolio's purchase of the Underlying Fund's shares typically will be one business day after the trade date for your purchase of Portfolio Units. In the event of Force Majeure, we may experience processing delays, which may affect your trade date. In those instances, your actual trade date may be after the trade date you would have received, which may negatively affect the value of your SMART529 WV Direct Account. (See "Market Uncertainties and Other Events" in the Section entitled "Description of Risks of the Investment Options and Your Account" for the definition of "Force Majeure").

- ▶ **Account Statements and Confirmations** — You will receive confirmations for any activity in the Account, except for Recurring Contribution transactions and Account assets that are automatically moved to a more conservative Age-Based Option as a Designated Beneficiary ages, all of which will be confirmed on a quarterly basis.

You will receive quarterly account statements to reflect financial transactions only if you have made any of the following financial transactions within the quarter: (1) contributions; (2) withdrawals; (3) investment exchanges; (4) changes to contribution percentages among selected Investment Options; and (5) adjustments to more conservative Age-Based Portfolios. The total value of your Account at the end of the quarter will also be included in your quarterly account statement. You can view your quarterly statements online at [www.SMART529.com](http://www.SMART529.com) at any time.

You will receive an annual Account statement even if you have made no financial transactions within the year. We periodically match and update the addresses of record for each Account against a change-of-address database maintained by the U.S. Postal Service to reduce the possibility that items sent by first-class mail, such as Account statements, will be undeliverable. You can securely access your Account information, including quarterly statements and transaction confirmations, 24 hours a day at [www.SMART529.com](http://www.SMART529.com), by obtaining an online username, password, and security image. If you enroll online, you will be required to select a user name and password.

You can also choose to receive all of your Account statements and transaction confirmations electronically. You are expected to regularly and promptly review all transaction confirmations, Account statements and any email or paper correspondence sent by the WV SMART529 Direct Plan. Contact us immediately if you believe someone has obtained unauthorized access to your Account or if you believe there is a discrepancy between a transaction you requested and your confirmation statement.

- ▶ **Uncashed Checks of Withdrawals** — The Program Manager reserves the right to reinvest any distribution amounts that you have elected to receive by check should your check remain uncashed for more than 180 days. No interest will accrue on amounts represented by uncashed checks. Your check will be reinvested into your current "future allocation instructions" at the NAV on the day of the reinvestment. When reinvested, those amounts are subject to the risk of loss like any investment.

## The SMART529 Bright Babies Program

The SMART529 Bright Babies Program is available to certain Account Owners and certain Designated Beneficiaries to promote education savings by providing an incentive contribution.

**Eligibility Requirements:** To qualify for the SMART529 Bright Babies Program, your Account must meet the following eligibility requirements:

**Age of the Designated Beneficiary:** The Designated Beneficiary must have been born on or after January 1, 2015 (or if your Designated Beneficiary was legally adopted, the adoption must have been finalized on or after January 1, 2015).

**Residency:** The Designated Beneficiary must be a West Virginia resident.

**Family Income:** There are no income requirements associated with the SMART529 Bright Babies Program.

**Account Opening:** In order to be eligible to participate in the SMART529 Bright Babies Program, you must open your Account within one year of the Designated Beneficiary's birth (or adoption date).

**Only One Incentive Contribution per Designated Beneficiary:** If your Designated Beneficiary has received a SMART529 Bright Babies Program incentive contribution in another account in the SMART529 College Savings Program, your Account is not eligible to participate in the SMART529 Bright Babies Program.

**Incentive Amount:** If your Account is eligible to participate in the SMART529 Bright Babies Program, a one-time incentive contribution of \$100 will be deposited by the West Virginia SMART529 Bright

Babies fund into your Account within approximately 90 days of the receipt and approval of your Application that includes the appropriate box selected for the SMART529 Bright Babies Program. The SMART529 Bright Babies Program incentive amount can be changed at any time.

**How to Apply:** If you believe your Account is eligible to participate in the SMART529 Bright Babies Program, please mark the appropriate box to select the SMART529 Bright Babies Program on the Application. If your SMART529 Bright Babies Program selection on the Application is rejected for any reason, you will be notified.

**Additional Information about the SMART529 Bright Babies Program:** Any incentive contribution deposited into your Account will be invested in the same investment options you have chosen for your Account and are therefore subject to investment risk, including the loss of the principal amount invested.

The SMART529 Bright Babies Program can be changed or discontinued at any time.

**Tax Considerations:** You should consult with a qualified tax advisor regarding the tax treatment of any incentive contribution received through the SMART529 Bright Babies Program.

## Investment Options

At the time of enrollment, you must select an allocation of your contributions. This selection will serve as the standing investment allocation for your future contributions (“Standing Allocation”). We will invest all subsequent contributions according to the Standing Allocation, unless you provide us with a different Standing Allocation and that subsequent choice of investments among different Investment Options is permissible at the time. You can reallocate current assets to different Investment Options only twice per calendar year (also known as an investment exchange), and if you make a permissible change in the Designated Beneficiary to a Member of the Family of the current Designated Beneficiary. You may view or change your Standing Allocation at any time at our website, [www.SMART529.com](http://www.SMART529.com), by submitting the appropriate form by mail, or by calling 866-574-3542.

Your contributions purchase interests or “Units” in Investment Options that are municipal fund securities. With the exception of the SMART529 WV Direct Stable Value Portfolio (“SMART529 Stable Value Portfolio”), all of the Investment Options including the SMART529 WV Direct 500 Index Portfolio (“SMART529 500 Index Portfolio”), purchase shares of underlying mutual funds sponsored by The Vanguard Group, Inc. (“Vanguard”). With the exception of the SMART529 Stable Value Portfolio, the Investment Options invest in the Institutional share class of the underlying Vanguard mutual funds,

except that with respect to the Vanguard Total Stock Market Index Fund the share class is the Institutional Plus share class. The underlying portfolio that the SMART529 Stable Value Portfolio invests in is not a mutual fund but is an investment portfolio that earns a composite rate of return and is separately managed by Invesco Advisers, Inc. (“Invesco”).

The performance of each Investment Option depends on the performance of the underlying mutual funds, or in the case of the SMART529 Stable Value Portfolio, the underlying investments. Collectively, the underlying mutual funds and underlying investments are the “Underlying Funds.” The value of each Investment Option will vary from day-to-day due to fluctuations in the value of the Underlying Funds. As a result, your Account may be worth more or less than the amount of your contributions.

More information about the Underlying Funds is found in “PART TWO — DESCRIPTION OF THE UNDERLYING FUNDS” of the Offering Statement.

The Investment Options are not mutual funds and have not been registered with the U.S. Securities and Exchange Commission or with any state securities commissions. They are exempt from registration because they are obligations issued by a public instrumentality of a state. You may request prospectuses or disclosure documents for the Underlying Funds held by the Investment Options by calling a SMART529 customer service representative toll-free at 866-574-3542.

SMART529 WV Direct offers several different Investment Options to allow you to choose how best to meet your financial objectives and risk tolerance. You should consult your investment professional if you are uncertain which Investment Options might be right for your situation. Before you decide which of the Investment Options are the best investments for your needs, you should read “PART TWO — DESCRIPTION OF THE UNDERLYING FUNDS” herein and, as stated above, you may call a SMART529 customer service representative at 866-574-3542 for an Underlying Fund prospectus or disclosure document. Each of the Underlying Fund prospectuses or disclosure documents will have more complete information about those such Underlying Funds.

Other than selecting the Investment Options desired for your Account, you will have no authority to direct the investments made by the College Savings Program. Account Owners do not purchase and have no interest in shares of the Underlying Funds. Account Owners have no voting rights in either the municipal fund security or the Underlying Funds. The Board of Trustees monitors the Underlying Funds for investment performance and costs associated with the investments and may, at any time, without prior notice to Account Owners, change, merge, liquidate or close Investment Options, the Underlying Funds, or the allocation of

assets among the Underlying Funds. New Investment Options may be added from time to time. Account Owners have no right to consent or object to such changes or any rights or legal interest in any investment made with contributions received for SMART529 WV Direct.

Account Owners who intend to use the Account to pay expenses in connection with elementary or secondary schools are responsible for selecting an Investment Option that is appropriate for the shorter time period during which the assets will be invested. Age-Based Portfolios were designed for saving for college education. Age-Based Portfolios were not designed for the purpose of paying expenses in connection with elementary or secondary schools.

You currently may select from one or more of the following Investment Options:

## Age-Based Portfolios

Age-Based Portfolios are designed for Account Owners who are saving for the college education of the Designated Beneficiary. When you invest in the "Age-Based Portfolio," your contributions and any earnings on those contributions are allocated among a combination of the Underlying Funds according to the investment guidelines designed by the Board of Trustees and based on

the age of the Designated Beneficiary. The younger the Designated Beneficiary, the more equity-based Underlying Funds will be used. The older the Designated Beneficiary the more fixed income and stable value Underlying Funds will be used.

The age bands for the Age-Based Portfolios consist of:

Age-Based Portfolios	Age of the Designated Beneficiary
SMART529 WV Direct Age-Based Portfolio 0-3	0-3 years of age
SMART529 WV Direct Age-Based Portfolio 4-6	4-6 years of age
SMART529 WV Direct Age-Based Portfolio 7-9	7-9 years of age
SMART529 WV Direct Age-Based Portfolio 10-11	10-11 years of age
SMART529 WV Direct Age-Based Portfolio 12-13	12-13 years of age
SMART529 WV Direct Age-Based Portfolio 14-15	14-15 years of age
SMART529 WV Direct Age-Based Portfolio 16	16 years of age
SMART529 WV Direct Age-Based Portfolio 17	17 years of age
SMART529 WV Direct Age-Based Portfolio 18+	18+ years of age

Below reflects the targeted allocation of the Underlying Funds for the SMART529 WV Direct Age-Based Portfolios.

Target Allocations of the Underlying Funds	SMART529 WV Direct Age-Based Portfolios*								
	Age-Based Portfolio 0-3	Age-Based Portfolio 4-6	Age-Based Portfolio 7-9	Age-Based Portfolio 10-11	Age-Based Portfolio 12-13	Age-Based Portfolio 14-15	Age-Based Portfolio 16	Age-Based Portfolio 17	Age-Based Portfolio 18+
Vanguard Total Stock Market Index Fund	62.75%	56.00%	49.00%	42.25%	35.50%	28.50%	21.75%	15.00%	8.25%
Vanguard Total International Stock Index Fund	29.25%	26.00%	23.00%	19.75%	16.50%	13.50%	10.25%	7.00%	3.75%
Vanguard Total Bond Market II Index Fund	8.00%	12.50%	19.00%	20.50%	24.50%	22.50%	11.00%	11.00%	11.00%
Vanguard Inflation-Protected Securities Fund	0.00%	5.50%	9.00%	9.50%	11.50%	10.50%	7.00%	7.00%	7.00%
The SMART529 Stable Value Portfolio	0.00%	0.00%	0.00%	8.00%	12.00%	25.00%	50.00%	60.00%	70.00%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* The actual asset allocations of the Age-Based Portfolios among their Underlying Funds will fluctuate as a result of changes in the value of the Underlying Funds. The Age-Based Portfolios may be periodically rebalanced to maintain the target allocation percentages shown above.

Below reflects the targeted asset class allocations for the SMART529 WV Direct Age-Based Portfolios.

	SMART529 WV Direct Age-Based Portfolios*								
	Age-Based Portfolio 0-3	Age-Based Portfolio 4-6	Age-Based Portfolio 7-9	Age-Based Portfolio 10-11	Age-Based Portfolio 12-13	Age-Based Portfolio 14-15	Age-Based Portfolio 16	Age-Based Portfolio 17	Age-Based Portfolio 18+
% in Equity	92%	82%	72%	62%	52%	42%	32%	22%	12%
% in Fixed Income	8%	18%	28%	30%	36%	33%	18%	18%	18%
% in Stable Value**	0%	0%	0%	8%	12%	25%	50%	60%	70%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* The asset class breakout that is shown is an estimate that is subject to change as a result of the changes in the holdings of the Underlying Funds in the Age-Based Portfolios.

\*\* Stable Value is a fixed income strategy designed to seek current income while preserving principal and reducing return volatility.

If you elect to invest your contributions in the Age-Based Portfolio, your Account will be invested in the particular age corresponding to the Designated Beneficiary's age until the Designated Beneficiary attains the oldest age limit available for that particular age band. Within 45 days of the Designated Beneficiary exceeding the age limit available for that age band, your Account value will be automatically invested in the next age band of the Age-Based Portfolio.

## Static Portfolios

There are five risk-based Investment Options using a combination of Underlying Funds that are based on the risk and return potential of each Investment Option ("Static Portfolio"). The main difference between each Static Portfolio is the allocation between the equity and fixed income Underlying Funds. The classification of Static Portfolios is not intended to be a precise indicator of future risk or return levels. The degree of risk can vary significantly. **Unlike the Age-Based Portfolios, each of the Static Portfolios is designed to have a relatively constant risk level and does not adjust its risk level as the Designated Beneficiary approaches college age. As a result, you will need to choose a Static Portfolio based on factors like your child's age, your tolerance for risk, and your overall financial plan. If you choose to invest Static Portfolios that have a significant weighting to equity investments, you may want to consider changing over to a more conservative Static Portfolio as your Designated Beneficiary approaches college.**

**The SMART529 WV Direct Aggressive Growth Portfolio** — The Aggressive Growth Portfolio might be selected by those investing for a young Designated Beneficiary or those who are willing to take more risk for volatility for the potential for higher returns. The Aggressive Growth Portfolio generally provides a significant majority of its investment exposure to Underlying Funds invested primarily in equity securities.

**The SMART529 WV Direct Growth Portfolio** — The Growth Portfolio might be selected by those who want a high degree of growth potential, but do not want the risks associated with the Aggressive Growth Portfolio.

**The SMART529 WV Direct Balanced Portfolio** — The Balanced Portfolio might be selected by those with a shorter time horizon or who are only willing to take moderate investment risk.

**The SMART529 WV Direct Conservative Balanced Portfolio** — The Conservative Balanced Portfolio might be selected by those with a shorter time horizon or who want potentially less risk in return for potentially less volatile returns. The Conservative Balanced Portfolio is more heavily weighted in Underlying Funds that invest in fixed income instruments rather than equities.

**The SMART529 WV Direct Conservative Bond Portfolio** — The Conservative Bond Portfolio might be selected by those investing for a Designated Beneficiary who is near college age, or those who are uncomfortable with the risk of investing in equities. The Conservative Bond Portfolio consists entirely of Underlying Funds that invest primarily in fixed income.

Below reflects the targeted allocation of the Underlying Funds for the SMART529 WV Direct Static Portfolios.

SMART529 WV Direct Static Portfolios*					
Target Allocations of the Underlying Funds	Aggressive Growth Portfolio	Growth Portfolio	Balanced Portfolio	Conservative Balanced Portfolio	Conservative Bond Portfolio
Vanguard Total Stock Market Index Fund	62.75%	56.00%	42.25%	21.75%	0.00%
Vanguard Total International Stock Index Fund	29.25%	26.00%	19.75%	10.25%	0.00%
Vanguard Total Bond Market II Index Fund	8.00%	12.50%	20.50%	11.00%	21.00%
Vanguard Inflation-Protected Securities Fund	0.00%	5.50%	9.50%	7.00%	9.00%
The SMART529 Stable Value Portfolio	0.00%	0.00%	8.00%	50.00%	70.00%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* The actual asset allocations of the Static Portfolios among their Underlying Funds will fluctuate as a result of changes in the value of the Underlying Funds. The Static Portfolios may be periodically rebalanced to maintain the target allocation percentages shown above.

Below reflects the targeted asset class allocations for the SMART529 WV Direct Static Portfolios.

SMART529 WV Direct Static Portfolios*					
	Aggressive Growth Portfolio	Growth Portfolio	Balanced Portfolio	Conservative Balanced Portfolio	Conservative Bond Portfolio
% in Equity	92%	82%	62%	32%	0%
% in Fixed Income	8%	18%	30%	18%	30%
% in Stable Value**	0%	0%	8%	50%	70%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* The asset class breakout that is shown in the table above is an estimate that is subject to change as a result of the changes in the holdings of the Underlying Funds.

\*\* Stable Value is a fixed income strategy designed to seek current income while preserving principal and reducing return volatility.

## Individual 529 Portfolio Options

You may also invest your contributions in Investment Options that invest all account values in one of the following Underlying Funds (the “Individual 529 Portfolio Options”).

Individual 529 Portfolio Options	Underlying Fund
SMART529 500 Index Portfolio SMART529 Stable Value Portfolio	Vanguard Institutional Index Fund The SMART529 Stable Value Portfolio*

\* Separate Account

### Managers of the Underlying Funds

The Vanguard Group, Inc. (“Vanguard”), through its Equity Investment Group and Fixed Income Group, serves as the investment adviser to all of the Underlying Funds, except for The SMART529 Stable Value Portfolio. Vanguard, headquartered in Malvern, Pennsylvania, began its operations in 1975, is one of the nation’s largest asset management firms. As of June 30, 2022, Vanguard served as an advisor for approximately \$7.1 trillion in assets.

The SMART529 Stable Value Portfolio is managed by Invesco Advisers, Inc. (“Invesco”). Invesco is a registered investment adviser headquartered in Atlanta, Georgia, with its stable value management office in Louisville, Kentucky. Invesco is a unit of the Invesco Ltd. Global investment management organization. As of June 30, 2022, Invesco Ltd. manages over \$1,390.4 billion in assets (foreign and domestic) for corporate, public and jointly trustee retirement plans, foundations, endowments, 529 plans, and a host of other institutional and individual clients. Invesco’s Fixed Income group manages over \$392 billion in fixed income and cash investments for institutions and individuals world-wide, as of June 30, 2022. The Invesco stable value group was established in 1985 and had approximately \$75.4 billion in stable value assets under management, as of June 30, 2022, and is an industry leader in managing stable value funds for retirement, 529 and other plans. The SMART529 Stable Value Portfolio is not publicly traded.

### Description of Risks of the Investment Options and Your Account

The Age-Based and Static Portfolios are constructed by selecting varying allocations to the Underlying Funds in the pursuit of different investment goals. By allocating across a variety of Underlying Funds, most of the Investment Options seek to achieve some of the benefits produced by diversification among asset classes. Although diversification may help reduce overall risk, the Age-Based and Static Portfolios are still exposed to certain principal risks as described below. There are also risks associated with investing in Individual 529 Portfolio Options which are also described below.

The different types of securities, investments, and investment techniques used by each Underlying Fund all have

attendant risks of varying degrees. For example, with respect to equity securities, there can be no assurance of capital appreciation and an investment in any stock is subject to, among other risks, the risk that the stock market as a whole may decline; thereby depressing the stock’s price (market risk), or the risk that the price of a particular issuer’s stock may decline due to its financial results (financial risk). With respect to debt securities, there exists, among other risks, the risk that the issuer of a security may not be able to meet its obligations on interest or principal payments at the time required by the debt instrument (credit risk, a type of financial risk). In addition, the value of debt instruments and other income-bearing securities generally rises and falls inversely with prevailing current interest rates (interest rate risk, a type of market risk).

**Market Uncertainties and Other Events.** In addition to the risks associated with the holdings in the Underlying Funds, your SMART529 WV Direct Account may also be subject to other risks. Due to market uncertainties, the overall market value of your SMART529 WV Direct Account may exhibit volatility and could be subject to wide fluctuations in response to factors, including but not limited to: regulatory or legislative changes, worldwide political uncertainties, and general economic conditions (including inflation and unemployment rates), acts of God, natural disasters or events, fires, floods, suspensions of trading, epidemics, pandemics, public health crises, quarantines, wars, acts of war (whether war is declared or not), terrorism, threats of terrorism, insurrections, cyber-attacks, disruptions of supply chains, civil unrest, revolutions, power or other mechanical failures, loss or malfunction of utilities or communications services, delays or stoppage of postal or courier services, delays in or stoppages of transportation, and any other events or circumstances beyond our reasonable control whether similar or dissimilar to any of the foregoing (all enumerated and described events in this section individually and collectively, “Force Majeure”). All of these factors may cause the value of your SMART529 WV Direct Account to decrease in value.

**Cybersecurity Risk.** The Plan relies significantly on the computer systems of its service providers. As a result, the Plan could be susceptible to operational and information security risks resulting from cyber threats and cyber-attacks which may adversely affect your

Account and cause it to lose value. For instance, cyber threats and cyber-attacks may interfere with your ability to access your Account, make contributions or exchanges, request and receive distributions; they may also impact the ability to calculate net asset values and/or impede trading. Cybersecurity risks include security or privacy incidents, such as human error, unauthorized release, theft, misuse, corruption, and destruction of account data maintained online or digitally by the Plan. Cybersecurity risks also include denial of service, viruses, malware, hacking, bugs, security vulnerabilities in soft-

ware, attacks on technology operations, and other disruptions that could impede the Plan's ability to maintain routine operations. Although the Plan's service providers undertake efforts to protect its computer systems from cyber threats and cyber-attacks, including internal processes and technological defenses that are preventative in nature, and other controls designed to provide a multi-layered security posture, there are no guarantees that the Plan or your Account will avoid losses due to cyber-attacks or cyber threats.

**PRINCIPAL RISKS.** The principal risks of investing in the Investment Options are listed below and reflect the risks of the Underlying Funds. A description of the below risks is found in "PART TWO — DESCRIPTION OF THE UNDERLYING FUNDS" of this Offering Statement. When you take a withdrawal, the value of your Account may be worth more or less than the total value of your contributions. An investment in the Plan is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

The following chart lists the principal risks that affect each Investment Option.

	Aggressive Growth			Balanced			Conservative			Conservative Bond Portfolio	SMART529 500 Index Portfolio	SMART529 Stable Value Portfolio
	Portfolio / Age-Based Portfolio 0-3	Portfolio / Age-Based Portfolio 4-6	Portfolio / Age-Based Portfolio 7-9	Portfolio / Age-Based Portfolio 10-11	Portfolio / Age-Based Portfolio 12-13	Portfolio / Age-Based Portfolio 14-15	Portfolio / Age-Based Portfolio 16	Portfolio / Age-Based Portfolio 17	Portfolio / Age-Based Portfolio 18+			
Active Trading Risk				✓	✓	✓	✓	✓	✓	✓		✓
Call Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Country/Regional Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Crediting Rate Risk				✓	✓	✓	✓	✓	✓	✓		✓
Credit Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Currency Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Derivatives Risk		✓	✓	✓	✓	✓	✓	✓	✓	✓		
Emerging Markets Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Event Risk				✓	✓	✓	✓	✓	✓	✓		✓
Extension Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Foreign Investments Risk				✓	✓	✓	✓	✓	✓	✓		✓
Income Fluctuations		✓	✓	✓	✓	✓	✓	✓	✓	✓		
Income Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Index Sampling Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Inflation-Protected Securities Risk				✓	✓	✓	✓	✓	✓	✓		✓
Interest Rate Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Investment Strategy Risk				✓	✓	✓	✓	✓	✓	✓		✓
Investment Style Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Liquidity Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Manager Risk		✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Market Risk				✓	✓	✓	✓	✓	✓	✓		✓
Mortgage-Backed and Asset-Backed Securities Risk				✓	✓	✓	✓	✓	✓	✓		✓
Prepayment Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
Sovereign Debt Risk				✓	✓	✓	✓	✓	✓	✓		✓
Stock Market Risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
U.S. Government Securities Risk				✓	✓	✓	✓	✓	✓	✓		✓
Wrap Contract Risk				✓	✓	✓	✓	✓	✓	✓		✓
Yield Risk				✓	✓	✓	✓	✓	✓	✓		✓

## Past Performance

The charts below show the average annual total returns after deducting ongoing Portfolio fees for each Portfolio as of July 31, 2022. The performance of the Portfolios will differ from the performance of the Underlying Funds. If you are invested in an Age-Based Portfolio, the assets in the Age-Based Portfolio in which you are currently invested will automatically transfer to other Age-Based Portfolios as the Designated Beneficiary ages. Accordingly, the assets in your current Age-Based Portfolio may be held for only a portion of the period reported in the past performance tables as show below. As such, your personal performance may be different than the performance for a given Age-Based Portfolio.

With the exception of the SMART529 500 Index Portfolio and the SMART529 Stable Value Portfolio, effective October 26, 2012, all of the Underlying Funds were replaced by Vanguard sponsored Underlying Funds. As a result, performance prior to October 26, 2012 represents the performance of the predecessor underlying funds. In addition, the below performance information reflects changes to the Age-Based Portfolios that were made on November 16, 2018. Both of the above changes were significant for the Investment Options, and had these changes been in effect during all the performance periods shown below, the performance numbers would have differed.

### **SMART529 WV Direct Age-Based Portfolios**

The following performance history for the SMART529 WV Direct Age-Based Portfolios includes the one-, three-, five-, ten-year and since inception annualized returns for each Investment Option for periods ending July 31, 2022. Performance information through November 16, 2018 represents certain prior age-bands as indicated below and prior Underlying Portfolio allocations and may not be indicative of future results. These performance numbers are net of applicable Asset-Based Fees. Assets invested in Age-Based Portfolios automatically transfer to another Age-Based Portfolio when the Designated Beneficiary reaches a specified age. Accordingly, your assets may not be invested in the Age-Based Portfolio for the period reported in the performance chart. As such, your personal performance may be different than the performance for a given Age-Based Portfolio. For the most current performance information visit [www.SMART529.com](http://www.SMART529.com).

<b>SMART529 WV Direct Age-Based Portfolio Investment Options &amp; Share Class</b>	<b>Average annual total returns For the period ended July 31, 2022</b>					
	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>	<b>Since Inception</b>	<b>Inception Date</b>
SMART529 WV Direct Age-Based Portfolio 0-3 D	-9.84%	9.71%	N/A	N/A	10.30%	11/16/2018
SMART529 WV Direct Age-Based Portfolio 4-6 D <sup>(1)</sup>	-9.36%	8.51%	8.10%	9.26%	7.29%	03/01/2002
SMART529 WV Direct Age-Based Portfolio 7-9 D	-9.04%	7.43%	N/A	N/A	8.42%	11/16/2018
SMART529 WV Direct Age-Based Portfolio 10-11 D <sup>(2)</sup>	-8.19%	6.71%	6.65%	7.69%	6.24%	03/01/2002
SMART529 WV Direct Age-Based Portfolio 12-13 D	-7.47%	5.75%	N/A	N/A	6.80%	11/16/2018
SMART529 WV Direct Age-Based Portfolio 14-15 D	-6.13%	5.26%	5.47%	6.26%	5.66%	03/01/2002
SMART529 WV Direct Age-Based Portfolio 16 D <sup>(3)</sup>	-3.49%	4.43%	4.31%	4.36%	4.46%	07/26/2010
SMART529 WV Direct Age-Based Portfolio 17 D	-2.54%	3.47%	N/A	N/A	3.89%	11/16/2018
SMART529 WV Direct Age-Based Portfolio 18+ D	-1.43%	2.67%	2.84%	3.06%	3.06%	03/01/2002

<sup>(1)</sup> Performance prior to November 16, 2018 reflects the performance of predecessor age-band 0-8.

<sup>(2)</sup> Performance prior to November 16, 2018 reflects the performance of predecessor age-band 9-13.

<sup>(3)</sup> Performance prior to November 16, 2018 reflects the performance of predecessor age-band 16-17.

**THE PERFORMANCE DATA SHOWN ABOVE REPRESENTS PAST PERFORMANCE. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURNS AND PRINCIPAL VALUE WILL FLUCTUATE SO THAT AN ACCOUNT OWNER'S UNITS WHEN SOLD, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA IN THE ABOVE CHART.**

### **SMART529 WV Direct Static Portfolios**

The following performance history for the SMART529 WV Direct Static Portfolios includes the one-, three-, five-, ten-year and since inception annualized returns for each Investment Option for periods ending July 31, 2022. These performance numbers are net of applicable Asset-Based Fees. Performance through November 16, 2018 includes different Underlying Fund allocations and may not be indicative of future results. For the most current performance information visit [www.SMART529.com](http://www.SMART529.com).

<b>SMART529 WV Direct Static Portfolio Investment Options &amp; Share Class</b>	<b>Average annual total returns For the period ended July 31, 2022</b>					
	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>	<b>Since Inception</b>	<b>Inception Date</b>
SMART529 WV Direct Aggressive Growth Portfolio D	-9.93%	9.68%	9.15%	10.91%	7.57%	03/01/2002
SMART529 WV Direct Growth Portfolio D	-9.50%	8.44%	8.06%	9.24%	7.03%	03/01/2002
SMART529 WV Direct Balanced Portfolio D	-8.27%	6.68%	6.63%	7.67%	6.09%	03/01/2002
SMART529 WV Direct Conservative Balanced Portfolio D	-3.65%	4.41%	4.19%	3.74%	3.57%	03/31/2004
SMART529 WV Direct Conservative Bond Portfolio D	-1.42%	1.53%	1.89%	1.73%	2.82%	03/31/2004

THE PERFORMANCE DATA SHOWN ABOVE REPRESENTS PAST PERFORMANCE. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURNS AND PRINCIPAL VALUE WILL FLUCTUATE SO THAT AN ACCOUNT OWNER'S UNITS WHEN SOLD, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA IN THE ABOVE CHART.

### **SMART529 WV Direct Individual 529 Portfolio Options**

The following performance history for the SMART529 WV Direct Individual 529 Portfolio Options includes the one-, three-, five-, ten-year and since inception annualized returns for each Investment Option for periods ending July 31, 2022. These performance numbers are net of applicable Asset-Based Fees. For the most current performance information visit [www.SMART529.com](http://www.SMART529.com).

<b>WV Direct Individual 529 Portfolio Investment Options &amp; Share Class</b>	<b>Average annual total returns For the period ended July 31, 2022</b>					<b>Since Inception</b>	<b>Inception Date</b>
	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>			
SMART529 500 Index Portfolio D	-4.74%	13.25%	12.73%	13.61%	9.33%	11/15/2007	
SMART529 Stable Value Portfolio D	1.34%	1.68%	1.83%	1.73%	2.58%	09/16/2002	

THE PERFORMANCE DATA SHOWN ABOVE REPRESENTS PAST PERFORMANCE. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. INVESTMENT RETURNS AND PRINCIPAL VALUE WILL FLUCTUATE SO THAT AN ACCOUNT OWNER'S UNITS WHEN SOLD, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA IN THE ABOVE CHART.

## **Fees, Charges and Expenses**

### **Definitions of Fees and Charges**

**ESTIMATED UNDERLYING FUND EXPENSES:** The Estimated Underlying Fund Expenses are based on the expense ratios of the Underlying Fund(s) in which an Investment Option invests. The amounts are calculated using the expense ratio reported in each Underlying Fund's most recent prospectus (or other offering document) available prior to the date of this Offering Statement, weighted according to the Investment Option's allocation among the Underlying Funds in which it invests. Although these expenses are not deducted from an Investment Option's assets, each Investment Option indirectly bears its pro rata share of the expenses of the Underlying Funds in which it invests as these expenses reduce such Underlying Fund's return. The Estimated Underlying Fund Expenses for these Investment Options for any given day may be more or less than the fee listed.

**ANNUAL PROGRAM MANAGER FEE:** The Annual Program Manager Fee is used by the Program Manager to cover expenses related to the servicing and administration of Accounts. The Annual Program Manager Fee is accrued daily and is factored into the pricing of each Investment Option's Unit.

**STATE FEE:** Currently, there is no State Fee for participants of the SMART529 WV Direct Plan.

**TOTAL ANNUAL ASSET-BASED FEES:** The Total Annual Asset-Based Fees is the total of the applicable

Estimated Underlying Fund Expenses and Program Manager Fee for each applicable Investment Option.

**INDIRECT COMPENSATION:** Ascensus may receive indirect compensation for the custodial services related to your Account. This compensation, known as "float income," is paid by the financial organization at which clearing accounts are maintained on behalf of the Plan. Float income may arise from interest that is earned on Account contributions or distributions during the time that these assets are held in clearing accounts but are not invested in an Investment Option.

### **Other Fees and Charges**

**ACCOUNT CANCELLATION CHARGE:** An Account Cancellation Charge of \$50 is assessed to any Non-Qualified Distribution that totally depletes an Account, other than an UGMA/UTMA Account. Although it would remain a Non-Qualified Distribution, we waive this charge in the event of the death of the Designated Beneficiary. The Account Cancellation Charge will not apply if the Account Owner indicates that the distribution is for the Qualified Higher Education Expenses of the Designated Beneficiary.

In the event a Non-Qualified Distribution causes your Account balance to fall below \$100, the Program Manager may close your Account and assess the \$50 Account Cancellation Charge.



**ROLLOVER CHARGE:** A \$50 Rollover Charge will be assessed per rollover if you roll over your SMART529 WV Direct Account into another 529 Plan that is not part of the SMART529 Program.

**POSTAGE OR WIRE FEE:** If a withdrawal is processed by a wire transfer or priority mail, the Program Manager may charge a fee of up to \$20 for this wire transfer or priority mail service. This fee may be deducted from the withdrawal proceeds. Alternatively, this fee may be added to the amount requested to be withdrawn from an Account. If you request delivery of distribution proceeds by priority delivery service, outgoing wire or, if

**OTHER TRANSACTION ACCOUNT FEES:** There may be other transaction account fees that you incur. The following fees are examples of the types of fees that may be charged to accounts for each applicable transaction.

Transaction	Fee
Returned Check*	\$30
Rejected Recurring Contributions or Electronic Banking Transaction Contribution*	\$30
Reissue of Disbursement Checks*	\$15
Electronic Payment to Schools (where available)	\$10**
Request for a Historical Statement (request for a historical statement is also available at no cost online at: <a href="http://www.SMART529.com">www.SMART529.com</a> )	\$10 per yearly statement, maximum \$30 per household

\* Fees may be waived for the first occurrence.

\*\* Electronic Payment to Schools may vary depending upon the third party payment service that is selected.

**FEE ARRANGEMENTS WITH CERTAIN UNDERLYING FUNDS:** The Program Manager may receive and retain varying administrative service payments from certain Underlying Funds or related parties. Such fee arrangements are designed to help offset the Program Manager's expenses associated with maintaining an investment

in the Underlying Fund. The Program Manager considers these administrative service payments among a number of factors when deciding to add or keep an Underlying Fund as an Investment Option. The Program Manager expects to make a profit on these administrative service payments.

## Class D Fee Structure

Specific fees and expenses applicable to the SMART529 WV Direct Class D Fee Structure are outlined in the table below.

**SMART529 WV Direct Class D Fee Structure**

SMART529 WV Direct Investment Options	Estimated Underlying Fund Expenses*	Annual Program Manager Fee	State Fee	Total Annual Asset-Based Fees**
SMART529 WV Direct Age-Based Portfolio 0-3	0.04%	0.08%	0%	0.12%
SMART529 WV Direct Age-Based Portfolio 4-6	0.04%	0.08%	0%	0.12%
SMART529 WV Direct Age-Based Portfolio 7-9	0.04%	0.08%	0%	0.12%
SMART529 WV Direct Age-Based Portfolio 10-11	0.05%	0.08%	0%	0.13%
SMART529 WV Direct Age-Based Portfolio 12-13	0.05%	0.08%	0%	0.13%
SMART529 WV Direct Age-Based Portfolio 14-15	0.06%	0.08%	0%	0.14%
SMART529 WV Direct Age-Based Portfolio 16	0.08%	0.08%	0%	0.16%
SMART529 WV Direct Age-Based Portfolio 17	0.09%	0.08%	0%	0.17%
SMART529 WV Direct Age-Based Portfolio 18+	0.10%	0.08%	0%	0.18%
SMART529 WV Direct Aggressive Growth Portfolio	0.04%	0.08%	0%	0.12%
SMART529 WV Direct Growth Portfolio	0.04%	0.08%	0%	0.12%
SMART529 WV Direct Balanced Portfolio	0.05%	0.08%	0%	0.13%
SMART529 WV Direct Conservative Balanced Portfolio	0.08%	0.08%	0%	0.16%
SMART529 WV Direct Conservative Bond Portfolio	0.10%	0.08%	0%	0.18%
SMART529 500 Index Portfolio	0.04%	0.08%	0%	0.12%
SMART529 Stable Value Portfolio	0.13%	0.08%	0%	0.21%

\* For all portfolios other than the SMART529 Stable Value Portfolio, the *Estimated Underlying Fund Expenses* are based on the Underlying Funds' most recent prospectus as of the date of this Offering Statement and reflect any waivers and/or expense reimbursements of the Underlying Funds. For the SMART529 Stable Value Portfolio, this fee represents the investment management related expense and other fees for The SMART529 Stable Value Portfolio, but does not include wrap fees.

\*\* Certain other fees may also be assessed. Please refer the section "Fees, Charges and Expenses — Other Fees and Charges" as disclosed above.

## Investment Cost Example

The following example compares the approximate cost of investing in the different Investment Options within SMART529 over different periods of time. Your actual cost may be higher or lower. The table is based on the following assumptions:

- A \$10,000 investment invested for the time periods shown
- A 5% annually compounded rate of return on the net amount invested throughout the period (it is unlikely that the SMART529 Stable Value Portfolio will achieve this level of return)
- All units are redeemed at the end of the period shown for Qualified Higher Education Expenses (the table does not consider the impact of any potential state or federal taxes on the redemption)
- Total annual asset-based fees remain the same as those shown in the Fee Structure table above.

<b>SMART529 WV Direct Investment Options</b>	<b>One Year</b>	<b>Three Years</b>	<b>Five Years</b>	<b>Ten Years</b>
SMART529 WV Direct Age-Based Portfolio 0-3	\$12	\$38	\$ 66	\$151
SMART529 WV Direct Age-Based Portfolio 4-6	\$12	\$38	\$ 67	\$152
SMART529 WV Direct Age-Based Portfolio 7-9	\$12	\$38	\$ 67	\$152
SMART529 WV Direct Age-Based Portfolio 10-11	\$13	\$40	\$ 71	\$161
SMART529 WV Direct Age-Based Portfolio 12-13	\$13	\$42	\$ 73	\$165
SMART529 WV Direct Age-Based Portfolio 14-15	\$14	\$45	\$ 79	\$180
SMART529 WV Direct Age-Based Portfolio 16	\$17	\$53	\$ 93	\$210
SMART529 WV Direct Age-Based Portfolio 17	\$18	\$56	\$ 98	\$222
SMART529 WV Direct Age-Based Portfolio 18+	\$19	\$59	\$103	\$233
SMART529 WV Direct Aggressive Growth Portfolio	\$12	\$38	\$ 66	\$151
SMART529 WV Direct Growth Portfolio	\$12	\$38	\$ 67	\$152
SMART529 WV Direct Balanced Portfolio	\$13	\$40	\$ 71	\$161
SMART529 WV Direct Conservative Balanced Portfolio	\$17	\$53	\$ 93	\$210
SMART529 WV Direct Conservative Bond Portfolio	\$19	\$58	\$102	\$232
SMART529 500 Index Portfolio	\$12	\$37	\$ 65	\$147
SMART529 Stable Value Portfolio*	\$22	\$68	\$118	\$268

\* This represents the investment management related expense and other fees for The SMART529 Stable Value Portfolio, but does not include wrap fees.

## Withdrawing Money From A SMART529 WV Direct Account

Only the Account Owner can withdraw money from the Account. A minimum withdrawal amount of \$50 may apply. Each withdrawal (also known as a distribution) from your Account will consist of a portion of your contributions and a portion of your Account's earnings. Distribution requests will be paid by check, ACH or wire transfer, and we will send a confirmation of the distribution. You may request a withdrawal from your Account at any time online at [www.SMART529.com](http://www.SMART529.com), by mailing the appropriate form, or by calling 866-574-3542. You can get the appropriate forms by calling us at 866-574-3542 or by visiting our website at [www.SMART529.com](http://www.SMART529.com). Unless accelerated mailing services are requested, our standard delivery method is via first class United States Postal Service. An additional Postage Fee or Wire Fee may apply if accelerated delivery method is requested.

When you request a distribution that includes a contribution amount not yet collected, the request will be executed upon receipt of a withdrawal request that is in good order, but the distribution will not be released

until your contribution clears. This may take up to ten (10) business days after the contribution is received.

Section 529 of the Code distinguishes between two types of distributions:

### Qualified Distributions

This type of distribution is used to pay for the Designated Beneficiary's Qualified Higher Education Expenses. A Qualified Higher Education Expense is defined by federal law and includes:

- ▶ Tuition, fees, the cost of books, supplies and equipment required for enrollment or attendance of a Designated Beneficiary at an Eligible Educational Institution as well as certain computers, peripheral equipment and certain software, internet access and related services. To be treated as Qualified Higher Education Expenses, computers, peripheral equipment, software, and internet access and related services must be used primarily by the Designated Beneficiary while enrolled at an Eligible Educational Institution. Qualified Higher Education Expenses do not include expenses for computer software designed for sports, games, or hobbies unless the software is predominantly educational in nature.

- ▶ Expenses for special needs services that are incurred in connection with the enrollment or attendance of a special needs Designated Beneficiary at an Eligible Educational Institution.
- ▶ The cost of room and board for a Designated Beneficiary enrolled at least half-time at an Eligible Educational Institution. Half-time is defined as half of a full-time academic workload for the course of study that the Designated Beneficiary is pursuing based on the standard at the Designated Beneficiary's Eligible Educational Institution. In general, reasonable room and board should not exceed:
  - The allowance for room and board included in the cost of attendance by the Eligible Educational Institution; or
  - If greater, the actual amount the Designated Beneficiary residing in housing owned or operated by the Eligible Educational Institution is charged for room and board.

K-12 Tuition Expenses may also be treated as Qualified Higher Education Expenses. Such expenses include tuition in connection with enrollment or attendance of a Designated Beneficiary at an elementary or secondary (i.e., middle or high school) public, private, or religious school up to a maximum of \$10,000 of distributions for such tuition expenses per taxable year per Designated Beneficiary from all 529 Plans. If you are subject to state income tax in a state other than West Virginia, the state tax treatment of withdrawals used to pay K-12 tuition expenses may differ.

Effective for distributions after December 31, 2018, Apprenticeship Expenses and Qualified Education Loan Expenses may also be treated as Qualified Higher Education Expenses. Apprenticeship Expenses include fees, books, supplies and equipment required for the participation of the Designated Beneficiary in an apprenticeship program registered and certified with the Secretary of Labor under the National Apprenticeship Act. Qualified Education Loan Expenses include amounts paid as principal or interest on any qualified education loan of either the Designated Beneficiary or a sibling of a Designated Beneficiary, up to a lifetime limit of \$10,000. Distributions treated as Qualified Education Loan Expenses with respect to the loans of a sibling of a Designated Beneficiary will count towards the lifetime limit of the sibling, not the Designated Beneficiary. Such loan repayments may impact student loan interest deductibility. The state tax treatment of withdrawals used to pay Apprenticeship Expenses and Qualified Education Loan Expenses depends on the state. As of the date of this Offering Statement, the West Virginia state code provides that distributions for qualified education loans as described above is treated as a Qualified Distribution.

**REFUNDED DISTRIBUTIONS:** The distribution check will be made payable to the Designated Beneficiary, the Account Owner or an Eligible Educational Institution. If an Eligible Educational Institution refunds any portion of an amount previously withdrawn from an Account and treated as a Qualified Distribution, unless you contribute such amount to a qualified tuition program for the same Beneficiary not later than 60 days after the date of the refund, you may be required to treat the amount of the refund as a Non-Qualified Distribution for federal income tax purposes. Different treatment may apply if the refund is used to pay other Qualified Higher Education Expenses of the Designated Beneficiary. For tax purposes, please maintain proper documentation evidencing the refund from the Eligible Educational Institution.

You may also sign-up for the systematic withdrawal program for Qualified Distributions only. Please see the "Account Features Form" at [www.SMART529.com](http://www.SMART529.com) for more information.

## Non-Qualified Distributions

A Non-Qualified Distribution is any distribution that is not a Qualified Distribution or a rollover (described below). You may request a Non-Qualified Distribution at any time. The earnings portion of a Non-Qualified Distribution is subject to federal and possibly state and/or local income tax, potentially including the Additional Tax. The proportion of contributions and earnings for each withdrawal is determined by the Plan based on the relative portions of earnings and contributions as of the withdrawal date for the Account from which the withdrawal was made. That amount is taxable to the individual who receives the payment, either the Account Owner or the Designated Beneficiary. If the payment is not made to the Designated Beneficiary or to an Eligible Educational Institution for the benefit of the Designated Beneficiary, it will be deemed to have been made to the Account Owner.

A Non-Qualified Distribution is not subject to the Additional Tax if it is (1) paid to a beneficiary of, or the estate of, the Designated Beneficiary on or after the Designated Beneficiary's death; (2) attributable to the permanent disability of the Designated Beneficiary; (3) made on account of receipt by the Designated Beneficiary of a scholarship award or veterans' or other nontaxable educational assistance (other than gifts or inheritances), but only to the extent of such scholarship or assistance; or (4) made on account of the Designated Beneficiary's attendance at a military academy, but only to the extent of the costs of education attributable to such attendance. In addition, the amount of the Designated Beneficiary's relevant Qualified Higher Education Expenses that is taken into account in determining the Designated Beneficiary's Hope Scholarship/American Opportunity Credit or Lifetime Learning Credit is not subject to the Additional Tax.

If you are a West Virginia taxpayer and you previously deducted a contribution on your West Virginia personal income tax return, you must recapture the contribution portion of any Non-Qualified Distribution on your West Virginia personal income tax return by adding it to income in the year of the distribution. Please consult with a qualified tax advisor for more information. You should consult a qualified tax advisor to ensure that these distributions are properly characterized on your income tax returns.

## Rollovers

You may also take money out of your Account with no income tax due by rolling your Account to another 529 Plan (or to an Account in the College Savings Program for a new Designated Beneficiary) within sixty (60) days of the distribution. Generally, the following conditions must be met:

- ▶ You keep the same Designated Beneficiary or name a Member of the Family of the prior Designated Beneficiary as the new Designated Beneficiary on the new Plan account; and
- ▶ You do not make a rollover for the benefit of the same Designated Beneficiary within twelve (12) months from the date of a previous rollover to a 529 account for the benefit of the Designated Beneficiary.
- ▶ The check is made payable to the new qualified tuition program for the benefit of the Designated Beneficiary or Member of the Family of the prior Designated Beneficiary.

In addition, effective December 23, 2017 rollovers that are made to an ABLE account for the same Designated Beneficiary, or a Member of the Family thereof, will not be subject to federal income tax, subject to applicable ABLE contribution limits. Distributions from an Account in connection with any such rollover must occur before January 1, 2026. Taxpayers who reside or have income in other states should consult with a qualified tax advisor regarding tax treatment of rollovers to ABLE accounts.

There is a \$50 Rollover Charge to roll over your SMART529 WV Direct Account into another 529 Plan. This charge is waived when rolling from SMART529 WV Direct to another SMART529 Plan, sponsored by the Board of Trustees. Please contact us for additional information about rolling a SMART529 WV Direct Account over to another qualified tuition program.

## Tax and Planning Considerations

SMART529 WV Direct is intended to comply with Section 529 of the Code. There may be changes to the Code in the future that will require changes to

SMART529 WV Direct. Regulatory or administrative guidance or court decisions may be issued that could affect the tax treatment described in this Offering Statement.

The federal tax rules applicable to the Plan are complex. Their application to any particular person may vary according to facts and circumstances specific to that person. We have summarized some of the tax benefits and financial planning opportunities offered through SMART529 WV Direct. However, you should consult a qualified tax advisor in regard to how these rules apply to your circumstances. The tax information in this Offering Statement is based on the information that is currently available.

All information in these materials concerning the tax consequences of participating in SMART529 WV Direct is general in nature. It does not take into account individual circumstances that may affect the tax treatment for an individual taxpayer. Accordingly, these materials are not intended to provide tax, accounting or legal advice. The SMART529 WV Direct and its Program Manager cannot provide tax, accounting or legal advice. The information in these materials cannot be used or relied upon for the purpose of avoiding IRS penalties.

## Tax Treatment

### *Federal Tax Treatment:*

**Contributions** — Under federal law, contributions to an Account are not considered taxable income to the Designated Beneficiary. Contributions are not deductible for federal income tax purposes, but the income grows free from federal income tax.

**Distributions** — The earnings in your Account will grow on a tax-deferred basis until withdrawn. Qualified Distributions are not subject to federal income tax. You should retain receipts, invoices and other documents and information adequate to substantiate the amount of your Qualified Higher Education Expenses. The earnings portion of all Non-Qualified Distributions will be taxable to either the Account Owner or the Designated Beneficiary, depending on who receives the payment, and may be subject to the Additional Tax.

Consult IRS Publication 970 “Tax Benefits for Education” for more information. It can be ordered free of charge from the IRS or accessed by visiting [www.irs.gov](http://www.irs.gov).

**State Tax Treatment: SMART529 WV Direct is a qualified tuition program available to West Virginia residents. If you reside in or have taxable income in a state other than West Virginia, before investing, you should consider whether the Account Owner’s or Designated Beneficiary’s home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state’s qualified tuition program.** Taxpayers and residents of other states who are

interested in exploring such tax consequences should consult with a qualified tax advisor.

**West Virginia Taxpayers** — Each year, if you are a West Virginia taxpayer, you may deduct all of that year's total contributions to your SMART529 Accounts from the federal adjusted gross income on your West Virginia Personal Income Tax return. You are allowed the deduction for contributions you make for each Designated Beneficiary and may carry the amount forward for up to five years. To take a deduction for your contribution, it must be postmarked by December 31 of the year for which the deduction is taken. The West Virginia state deduction is subject to recapture for Non-Qualified Distributions. The contribution portion of a Non-Qualified Distribution must be added to income on your West Virginia personal income tax return in the year of the distribution to the extent you have previously deducted contributions for West Virginia income tax purposes. No portion of a Qualified Distribution is subject to West Virginia income tax.

**Coverdell Education Savings Account** — You may contribute to a Coverdell Education Savings Account and a qualified tuition program for the same beneficiary in the same year. You may elect to take a distribution of part or all of your existing Coverdell Education Savings Account and invest it as a contribution to your Account for the same Designated Beneficiary. That distribution should be considered a qualifying Coverdell Education Savings Account distribution that is not subject to federal income tax. The available tax benefits under several provisions of the Code for education-related investments or expenditure, including under section 529 of the Code, Coverdell Education Savings Accounts, Hope Scholarship/American Opportunity Credits, Lifetime Learning Credits, and qualified United States Savings Bonds described in section 135 of the Code, must be coordinated in order to avoid the duplication of benefits. Account Owners should consult a qualified tax advisor regarding the interaction of these education-related benefits available under the Code.

**UGMA/UTMA Accounts** — If you are the custodian of a Uniform Gifts to Minors Act ("UGMA") or Uniform Transfers to Minors Act ("UTMA") Account, you may be able to transfer all or part of the UGMA/UTMA account to a SMART529 WV Direct Account. The transfer may be a taxable transaction that would need to be reported by the minor and/or the minor's parent, but future earnings would grow tax-free or tax-deferred in the SMART529 WV Direct Account. Please contact a tax professional to determine how to transfer UGMA/UTMA custodial assets, and to find out the tax implications of such a transfer for your specific situation.

UGMA/UTMA custodians should consider the following:

- ▶ The custodian may make withdrawals only as permitted under UGMA/UTMA regulations and the Plan;

- ▶ The custodian may not change the Designated Beneficiary of the account (directly or by means of a rollover distribution), except as permitted under UGMA/UTMA;
- ▶ The custodian should not change the Account Owner to anyone other than a successor custodian during the term of the custodial account under UGMA/UTMA;
- ▶ When the custodianship terminates, the Designated Beneficiary is legally entitled to take control of the account and may become the Account Owner subject to the provisions of the Plan; and
- ▶ Additional contributions not previously gifted to the Designated Beneficiary under UGMA/UTMA should be made to a separate and noncustodial 529 plan account.

Neither the College Savings Program nor any of its service providers will be liable for any consequences related to a custodian's improper use, transfer or characterization of custodial assets.

The custodian must notify the Plan when the custodianship terminates. Also, custodians or Designated Beneficiaries will be required to complete certain forms at that time to document the termination of the custodianship; if the custodian fails to direct the Plan to transfer ownership of the Account when the Designated Beneficiary is legally entitled to take control of the Account assets, the Plan may freeze the Account and/or refuse to allow the custodian to transact on the Account. Some UGMA/UTMA laws allow for more than one age at which to terminate the custodianship terminates ("Age of Termination"). The Plan may freeze the Account based on the youngest allowable Age of Termination of the custodianship according to the UGMA/UTMA laws where the custodianship account was established, based on the Plan's records. The custodian may be required to provide documentation to the Plan if the Age of Termination of the custodianship account is other than the youngest allowable age under the applicable UGMA/UTMA law or if the applicable UGMA/UTMA law differs from Plan records. Any tax consequences of a distribution from an Account will be imposed on the Designated Beneficiary.

An UGMA/UTMA custodian may be required by the Program Manager to provide documentation evidencing compliance with the applicable UGMA/UTMA law.

## Estate Planning Advantages

**Federal Gift Tax** — Contributions to an Account are treated as completed gifts of a present interest for federal gift tax purposes and, therefore, are potentially subject to federal gift tax. Generally, contributions during a taxable year will not be subject to federal gift tax if the contributions, together with any other gifts made to the Designated Beneficiary in that year, do not

exceed the annual exclusion of \$16,000 (\$32,000 for married contributors electing to split gifts). This annual exclusion amount is indexed for inflation in \$1,000 increments and may therefore increase in future years. In addition, you may not have to pay federal gift tax on your contributions of up to \$80,000 for each Designated Beneficiary (\$160,000 for married contributors electing to split gifts) in a single year. To qualify for this special tax treatment, you must file a gift tax return and elect to treat the gift as if it were made in equal payments over five years.

In addition, to the extent not previously used, each contributor has a \$12,060,000 (or \$24,120,000 for married couples) lifetime federal gift tax exemption that will be applied to gifts in excess of the annual exclusion amounts referred to above. This lifetime federal gift tax exemption is adjusted for inflation. Accordingly, while federal gift tax returns are required for gifts in excess of the annual exclusion amount referred to above (including gifts that the contributor elects to treat as having been made ratably over a five-year period), no federal gift tax will be due until the contributor's lifetime federal gift tax exemption has been used. Contributions to an Account that are considered completed gifts by you generally will not be included in your gross estate for federal estate tax purposes; however, if you elect to treat the gift as having been made over a five-year period and you die during the five-year period, the portion of the gift allocable to the period after your death would be included in your gross estate for federal estate tax purposes. As discussed above, if you give more than \$16,000 to a Designated Beneficiary in any single year, you will need to file IRS Form 709 to claim the use of your lifetime federal gift tax exemption or to pay federal gift tax. Consult a qualified tax advisor or see IRS Form 709 for more information and to learn if the dollar amounts provided above have been updated.

***Your Contributions to the Account are Removed From Your Taxable Estate*** — If you are the Account Owner, you maintain control of the Account, including how the money is used and who will be the Designated Beneficiary. If a third party is the Designated Beneficiary, the value of the Account will not be included in the donor's estate for federal estate tax purposes. As discussed above, the only exception occurs if you are spreading a gift over five years for federal gift tax purposes. If you die within that five-year period, the gifts properly allocable to the period before your death are not included in your estate. Gifts allocable to periods after your death are included in your estate. Contributions in an Account at the death of a Designated Beneficiary will be included in the Designated Beneficiary's gross estate for federal estate tax purposes to the extent such amount are distributed to a beneficiary of, or the estate of, the Designated Beneficiary. Each taxpayer has a federal estate tax exemption of \$12,060,000, indexed yearly for inflation, reduced by lifetime taxable gifts.

## Financial Aid

Financial aid may be available even if you are invested in the SMART529 Savings Plan. The U.S. Department of Education (USDOE) has issued a Student Guide about financial aid and how it may be affected by investments in 529 Plans. In most cases, if the Account Owner is the parent of the Designated Beneficiary, the SMART529 Account will be considered an asset of the parent when computing the Designated Beneficiary's financial aid needs. If the Account Owner is the Designated Beneficiary, the SMART529 Account is considered an asset of the Designated Beneficiary. You should consult with the USDOE Office of Postsecondary Education or the financial aid office of a college, university, trade school, adult vocational program, or other educational institution for more information.

## Tax Reporting

***IRS Form 709*** — This form is used to report gifts to another party or to pay the tax for generation-skipping transfers. If your annual gift to a Designated Beneficiary is more than the annual exclusion of \$16,000 for any reason, or if you are electing to split gifts with your spouse of any amount, you will need to complete IRS Form 709. You also will need to complete the form if you elect to treat a gift of up to \$80,000 (\$160,000 for married contributors electing to split gifts) as being made equally over a five-year period. In order for federal gift tax and generation-skipping transfer taxes not to apply to a change in beneficiaries or a rollover to the account of a new Designated Beneficiary, the new Designated Beneficiary must be a Member of the Family of the current Designated Beneficiary and be of the same (or higher) generation as the current Designated Beneficiary. You should consult a tax advisor to determine if you need to file this form.

***IRS Form 1099-Q*** — This form reflects the earnings portion of distributions taken from the Account. Each January following a year in which a distribution was made from your Account, we will send a Form 1099-Q reporting the earnings portion of any distribution to the Designated Beneficiary if the distribution was made to the Designated Beneficiary or to an Eligible Educational Institution for the benefit of the Designated Beneficiary. Otherwise, the Account Owner will receive the Form 1099-Q. We also provide the information on Form 1099-Q to the Internal Revenue Service. The Form 1099-Q recipient is responsible for determining whether the earnings portion of the distribution is taxable, for retaining appropriate documentation to support this determination and for appropriately reporting earnings on the recipient's income tax forms. Check with your tax advisor regarding any tax reporting required on your tax returns.

## Important Information

**Change of SMART529 WV Direct Guidelines or SMART529 WV Direct Program Manager** — The Board of Trustees maintains investment policies applicable to the College Savings Program. These investment policies can be changed from time to time by the Board of Trustees in consultation with HFMC, if investment conditions indicate that such changes would be beneficial to accomplish the purpose of the College Savings Program.

The Hartford Management Agreement expires October 2028, unless further extended. Either HFMC or the Board of Trustees may terminate the agreement prior to its expiration date.

If HFMC ceases to be the Program Manager, the Board of Trustees may hire a different program manager or, during any period that the Board of Trustees is unable to hire a program manager or decides not to do so, the Board of Trustees may manage the Program itself.

Any changes in the Board of Trustees' investment policies or in the program manager may affect the manner in which the assets in an Account are invested. The Investment Options and the Underlying Funds in which they invest are subject to change without the consent of the Account Owners. In addition, the Board of Trustees is not obligated to continue to invest in the Underlying Funds.

**Changes to SMART529 WV Direct Terms and Conditions** — The Board of Trustees may change the terms and conditions of SMART529 WV Direct without the consent of the Account Owners or Designated Beneficiaries to the extent required to achieve or preserve SMART529 WV Direct's status as a "qualified tuition program," or to the extent necessary to ensure the proper administration of SMART529 WV Direct. These changes, if required, may impose additional requirements on the Account Owner, limit the flexibility of SMART529 WV Direct or otherwise change the terms and conditions that the Account Owner considers important. In the event SMART529 WV Direct fails to qualify, or loses its qualification, as a "qualified tuition program," the income tax consequences or gift tax consequences of an investment may be substantially less favorable than those described in this Offering Statement.

**Changes to Federal or State Tax Laws** — Changes to federal or state tax laws could occur in the future that could have a significant impact on SMART529 WV Direct and your Account, or result in termination of the College Savings Program.

**Liability of Investment Risk** — The Account Owner assumes all investment risk, including the potential loss of contributions and earnings and may include the liability for taxes such as those levied for Non-Qualified Distributions. Contributions and earnings are not

insured or guaranteed by the State of West Virginia, the West Virginia State Treasurer, the Board of Trustees, HFMC or its affiliates, agents or employees. The State of West Virginia, the West Virginia State Treasurer, the Board of Trustees, HFMC or its affiliates, agents or employees have no obligation to any Account Owners, Designated Beneficiary or any other person as a result of investments made to an Account.

**Participation in SMART529 WV Direct** — Participation in SMART529 WV Direct neither guarantees that contributions and the investment return on such contributions, if any, will be adequate to cover future tuition and other Qualified Higher Education Expenses, nor guarantees that a Designated Beneficiary will be admitted to, or permitted to continue to attend, an educational institution.

**Agreements with Advisors to Underlying Funds** — HFMC has entered into agreements with the investment advisors, distributors or other service providers of the Underlying Funds. Under the terms of these agreements, HFMC provides administrative and distribution related services and the Underlying Funds may pay fees to HFMC that are usually based on an annual percentage of the average daily net assets of the Underlying Funds. These agreements may be different for each Underlying Fund or each Underlying Fund family and may include fees paid under a distribution and/or servicing plan adopted by an Underlying Fund pursuant to Rule 12b-1 under the Investment Company Act of 1940.

FINRA BrokerCheck provides investors with an easy, free way to learn about the professional background, business practices and conduct of FINRA registered firms and their investment professionals. To request a copy of FINRA's Investor Brochure which describes the information that is available through this program, visit FINRA's website at [www.finrabrokercheck.org](http://www.finrabrokercheck.org) or call 1-800-289-9999. Hartford Funds Distributors, LLC ("HFD"), an affiliate of HFMC and a registered broker-dealer, distributes interests or shares in SMART529 WV Direct. HFD is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board ("MSRB"). For more information about the MSRB, please visit [www.msrb.org](http://www.msrb.org). There is an MSRB Investor Brochure available on the MSRB website that describes the protections available under MSRB rules and how to file a complaint with an appropriate regulatory authority.

**Continuing Disclosure and Financial Audits:** Certain financial information and operating data relating to the Trust will be filed by or on behalf of the Trust in electronic form with the Electronic Municipal Market Access (EMMA) system. The MSRB, as the sole repository or the central filing of electronic municipal securities disclosure, maintains EMMA. Notices of certain enumerated events will be filed by or on behalf of the Trust with the MSRB. The Program Manager is responsible for preparing annual financial statements

for the Trust, which are audited by a nationally recognized firm of independent certified public accountants. The fiscal year for the Investment Options in SMART529 WV Direct runs from July 1 to June 30.

## Frequently Asked Questions

### Opening an Account

**Q.** How can I enroll in SMART529 WV Direct?

**A.** Qualifying West Virginia residents (or non-residents whose Designated Beneficiary is a West Virginia resident) may enroll online. In order to do this, please go to the Plan website at [www.SMART529.com](http://www.SMART529.com) and follow the prompts to “Open an Account.” In addition, it is anticipated that Account Owners will be able to open an Account through mobile application in the future. For more information, please see the website at [www.SMART529.com](http://www.SMART529.com).

You may also open an Account by filling out a SMART529 WV Direct Account Application. Be sure to read the Offering Statement before enrolling. During enrollment, please include a check, or if transferring money from an existing 529 Qualified Tuition Plan or Coverdell Education Savings Account (formerly called an Education IRA), please include the Incoming Roll-over/Transfer Form. For forms or for more information, please call a SMART529 customer service representative toll-free at 866-574-3542. You may obtain an Account Application and the Offering Statement at our website, [www.SMART529.com](http://www.SMART529.com).

**Q.** Are there any limitations as to who can be an Account Owner?

**A.** Yes, if an individual, the Account Owner must be a U.S. citizen or resident alien, and either the Account Owner or Designated Beneficiary must be a West Virginia resident. However, if a minor is to be the Account Owner, he or she must have an adult willing to act as Account Owner until the minor reaches the age of majority and becomes the Account Owner. It may be possible for businesses, government entities and not-for-profit organizations to own an Account, as well.

**Q.** Who can be a Designated Beneficiary?

**A.** Any individual who is a U.S. citizen or resident alien can be named. Account Owners can even open Accounts for themselves. The Designated Beneficiary does not have to be related to the Account Owner.

**Q.** Can there be joint Account Owners or multiple Designated Beneficiaries on an account?

**A.** No. There can be only one Account Owner and one Designated Beneficiary for each account. An individual can own more than one account, however, and there can be multiple accounts for any particular Designated Beneficiary. There is additional flexibility in that a Successor Account Owner can be named on each

account, who will become the Account Owner in the event of the current Account Owner’s death.

**Q.** Can the Designated Beneficiary be changed on an Account?

**A.** Yes. The Account Owner can change the Designated Beneficiary at any time. The new Designated Beneficiary must be a “Member of the Family” as defined in Section 529 of the Code to avoid subjecting the earnings portion of the account to federal and possibly state and/or local income tax, including the Additional Tax.

### Making Contributions

**Q.** What are the investment minimums and maximums?

**A.** There is no minimum investment to open an Account or to make a subsequent investment. Under SMART529, no more contributions are accepted once the cumulative account value for any Designated Beneficiary in all College Savings Program accounts equals or exceeds \$550,000.

**Q.** Can I invest in SMART529 WV Direct directly from my checking or savings account?

**A.** Yes, at any time at our website, [www.SMART529.com](http://www.SMART529.com), or by filling out the appropriate section on the Account Features Form and submitting it by mail, you can have money invested directly from your bank checking or savings account on a monthly basis.

**Q.** Will making contributions to SMART529 WV Direct affect my ability to invest in a Coverdell Education Savings Account?

**A.** No. You can invest in both a 529 plan (like SMART529 WV Direct) and a Coverdell Education Savings Account. Note that for determining the amount of distributions that will not be subject to federal income tax, amounts withdrawn from a 529 Plan account and a Coverdell Education Savings accounts cannot be used for the same qualified expense.

### Investment Options

**Q.** Are there any investment performance guarantees?

**A.** No. The Account value is based solely on the performance of the Underlying Funds in which the Investment Options invest. There are risks, including the possible loss of the principal amount invested. The contributions or earnings in SMART529 WV Direct are not guaranteed or insured by the State of West Virginia, the Board of Trustees of the West Virginia College and Jumpstart Savings Programs, the West Virginia State Treasurer’s Office, HFMC or its affiliates, or any depository institution.

**Q.** Can I change how money is invested in my Account?

**A.** Yes. The Account Owner can change the existing allocation of the Account twice per calendar year, or



any time if also changing the Designated Beneficiary on the Account. The allocation of future investments to your SMART529 WV Direct Account can be changed at any time.

### **Withdrawing Money From A SMART529 WV Direct Account**

**Q.** What happens when money is needed from the Account?

**A.** The Account Owner simply fills out the Distribution Request Form and returns it to the address listed on the form. Distributions can also be processed by phone and online. If the distribution will totally deplete the Account, a \$50 Account Cancellation Charge will apply unless the Account Owner indicates that the money will be used for a Qualified Higher Education Expense. A check or ACH authorized electronic transfer can be sent to the Designated Beneficiary, Account Owner, or to an Eligible Educational Institution, if requested.

**Q.** What expenses constitute a Qualified Distribution?

**A.** Federal income tax-free distributions can be taken for any Qualified Higher Education Expense of the Designated Beneficiary as defined in Section 529 of the Code, generally including: tuition, fees, books, supplies, and equipment required for enrollment or attendance of the Designated Beneficiary at an Eligible Educational Institution; certain computers, peripheral equipment, hardware, software, and internet access and related services; certain room and board expenses; and expenses for special needs services incurred in connection with enrollment or attendance at any Eligible Educational Institution.

Federal income tax-free distributions can also be taken for tuition in connection with enrollment or attendance of the Designated Beneficiary at an elementary or secondary (i.e., middle or high school) public, private, or religious school up to a maximum of \$10,000 of distributions for such tuition expenses per taxable year per designated beneficiary from all 529 Plans.

Effective after December 31, 2018, federal income-tax free distributions can be taken for expenses for fees, books, supplies and equipment required for the participation of a Designated Beneficiary in an apprenticeship program registered and certified with the Secretary of Labor under the National Apprenticeship Act as well as for amounts paid as principal or interest on any qualified education loan of either the Designated Beneficiary or a sibling of a Designated Beneficiary, up to a lifetime limit of \$10,000. Distributions with respect to the loans of a sibling of a Designated Beneficiary will count towards the lifetime limit of the sibling, not the Designated Beneficiary. Such loan repayments may impact student loan interest deductibility.

State tax treatment may differ, please consult your tax advisor.

**Q.** Where can the Account be used to pay for expenses?

**A.** The funds in an Account can generally be used for expenses at any Eligible Educational Institution. An Eligible Educational Institution is any college, university, vocational school, or other postsecondary educational institution eligible to participate in a student aid program administered by the Department of Education. It includes virtually all accredited, public, nonprofit, and proprietary (privately owned profit-making) postsecondary institutions. The educational institution should be able to tell you if it is an Eligible Educational Institution.

Certain educational institutions located outside the United States also participate in the U.S. Department of Education's Federal Student Aid ("FSA") programs. To check institution eligibility, call the Federal Student Aid Information Center at 800-433-3243.

If using the funds in an Account to pay for elementary or secondary school tuition, subject to the limits described herein, funds can generally be used at any public, private, or religious elementary or secondary school.

**Q.** How long does the Designated Beneficiary have to use the benefits?

**A.** There is no set time limit by which the Designated Beneficiary needs to use the funds in an Account.

**Q.** What happens if the Designated Beneficiary does not attend an Eligible Educational Institution or other school?

**A.** In that scenario, the Account Owner has three options: (1) leave the money in the Account, in the event that the Designated Beneficiary decides to attend school at a later date, (2) change the Designated Beneficiary on the Account (the change must be to another Member of the Family of the Beneficiary to avoid the earnings portion of the account being subject to federal and possibly state and/or local income tax, potentially including the Additional Tax), or (3) withdraw the Account value, which may be subject to federal and possibly state and/or local income tax, including the Additional Tax, on the earnings portion of the distribution, a \$50 Account Cancellation Charge and recapture of any West Virginia personal income tax deduction if previously taken.

**Q.** What if the Designated Beneficiary receives a scholarship?

**A.** If the Designated Beneficiary receives a grant or scholarship for Qualified Higher Education Expenses, that amount can be withdrawn from the Account without incurring the Additional Tax. The earnings portion of the distribution will be subject to federal and possibly state and/or local income tax (not including the Additional Tax) if it is not used for Qualified Higher Education Expenses. Proper documentation of the grant or

scholarship must be provided if requested by SMART529 WV Direct. The Account Owner can also change the Designated Beneficiary as discussed above.

**Q.** What if the Designated Beneficiary dies or becomes disabled and does not attend an Eligible Educational Institution or other school?

**A.** If the Designated Beneficiary dies or becomes disabled and does not attend an Eligible Educational Institution or other school, the Account Owner has two options: (1) to change the Designated Beneficiary on the Account to another Member of the Family, or (2) to withdraw the Account value, which may be subject to federal and possibly state and/or local income tax (not including the Additional Tax) on the earnings portion of the distribution. If the Designated Beneficiary becomes disabled, you may consider a Rollover to an ABL account. Please consult your financial and tax advisors in such a situation.

### **Tax and Planning Considerations**

We have summarized some of the tax benefits and financial planning opportunities offered through SMART529 WV Direct. However, you should consult a qualified tax advisor in your state for more information.

**Q.** What are the federal income tax benefits of SMART529 WV Direct?

**A.** Because SMART529 WV Direct operates as a “Qualified Tuition Program” under Section 529 of the Code, any growth in account value accumulates federal income tax free or tax-deferred. If used for Qualified Higher Education Expenses, distributions are not subject to federal income tax, including the Additional Tax.

**Q.** What are the state income tax benefits?

**A.** Each year, if you are a West Virginia taxpayer, you may deduct that year’s total contributions to your SMART529 WV Direct from the federal adjusted gross income on your West Virginia Personal Income Tax return. The amount of any income tax deduction must be recaptured if a distribution from the Account is not used for Qualified Higher Education Expenses under

West Virginia law. If you are not a West Virginia Taxpayer, you should check with your investment professional to determine whether another 529 Plan has any other tax benefits.

**Q.** How are contributions treated for federal gift tax purposes?

**A.** Contributions to an Account for a Designated Beneficiary are treated as a completed gift of present value, so they are potentially subject to federal gift tax and eligible for the annual gift tax exclusion (\$16,000, or \$32,000 for married contributors electing to split gifts). This annual exclusion amount is indexed for inflation in \$1,000 amounts and may therefore increase in future years.

There is an additional exception made for 529 plans in that donors may elect to treat a lump-sum gift as being made in equal installments over a 5-year period by filing IRS Form 709. This allows up to \$80,000 to be invested for a Designated Beneficiary at a time (\$160,000 for married contributors electing to split gifts). No federal gift taxes would be owed if no other gifts were made to that same Designated Beneficiary within that five-year period.

**Q.** How are contributions treated for federal estate tax purposes?

**A.** Because money contributed to an Account is considered a completed gift, that amount is removed from the donor’s federal taxable estate. The exception is if the donor elected to treat a gift as made over a five-year period for federal gift tax purposes and the donor dies in the 5-year period. In that instance, the portion of the contribution allocable to periods after the donor’s death will be included in the donor’s estate for federal estate tax purposes. Contributions in an Account at the death of a Designated Beneficiary will be included in the Designated Beneficiary’s gross estate for federal estate tax purposes to the extent such amounts are distributed to a beneficiary of, or the estate of, the Designated Beneficiary. Each taxpayer has a federal estate tax exemption of \$12,060,000 (indexed annually for inflation) reduced by lifetime taxable gifts.

## PART TWO

# DESCRIPTION OF THE UNDERLYING FUNDS

Except for the SMART529 Stable Value Portfolio, all of the Investment Options in SMART529 WV Direct, invest exclusively in an Underlying Fund sponsored by Vanguard. The Age-Based and Static Portfolios invest in a combination of Underlying Funds. The Underlying Funds are described below. For more complete information about the Underlying Fund's investment strategies and risk factors, you may obtain a prospectus or disclosure document by calling a SMART529 representative at 866-574-3542.

**The Investment Options currently invest in one or more of the following Underlying Funds:**

## Equity Funds

### **Vanguard Total Stock Market Index Fund**

#### ***Investment Objective***

Vanguard Total Stock Market Index Fund seeks to track the performance of a benchmark index that measures the investment return of the overall stock market.

#### ***Principal Investment Strategy***

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

#### ***Principal Investment Risks***

The Fund is subject to the following risks: stock market risk and index sampling risk.

### **Vanguard Total International Stock Index Fund**

#### ***Investment Objective***

Vanguard Total International Stock Index Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in developed and emerging markets, excluding the United States.

#### **Description of The Underlying Funds**

### ***Principal Investment Strategy***

The Fund employs an indexing investment approach designed to track the performance of the FTSE Global All Cap ex US Index, a float-adjusted market-capitalization-weighted index designed to measure equity market performance of companies located in developed and emerging markets, excluding the United States. The Index includes approximately 7,562 stocks of companies located in 48 markets. As of June 30, 2022, the largest markets covered in the Index were Japan, the United Kingdom, China, Canada, France, and Switzerland (which made up approximately 15.09%, 10.08%, 9.73%, 7.74%, 6.03%, and 5.87%, respectively, of the Index's market capitalization). The Fund invests all, or substantially all, of its assets in the common stocks included in its target index.

### ***Principal Investment Risks***

The Fund is subject to the following risks: stock market risk, investment style risk, country/regional risk, currency risk, and emerging markets risk.

### **Vanguard Institutional Index Fund**

#### ***Investment Objective***

Vanguard Institutional Index Fund seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks.

#### ***Principal Investment Strategy***

The Fund employs an indexing investment approach designed to track the performance of the S&P 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index.

#### ***Principal Investment Risks***

The Fund is subject to the following risks: stock market risk and investment style risk.

## Fixed Income Funds

### **Vanguard Total Bond Market II Index Fund**

#### ***Investment Objective***

Vanguard Total Bond Market II Index Fund seeks to track the performance of a broad, market-weighted bond index.

## **Principal Investment Strategy**

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

The Fund invests by *sampling* the Index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full Index in terms of key risk factors and other characteristics. All of the Fund's investments will be selected through the sampling process and at least 80% of the Fund's assets will be invested in bonds held in the Index. The Fund seeks to maintain a dollar-weighted average maturity consistent with that of the Index. As of June 30, 2022, the dollar-weighted average maturity of the Index was 8.7 years.

## **Principal Investment Risks**

The Fund is subject to the following risks: interest rate risk, income risk, prepayment risk, extension risk, call risk, credit risk, index sampling risk and liquidity risk.

## **Vanguard Inflation-Protected Securities Fund**

### **Investment Objective**

Vanguard Inflation-Protected Securities Fund seeks to provide inflation protection and income consistent with investment in inflation-indexed securities.

## **Principal Investment Strategy**

The Fund invests at least 80% of its assets in inflation-indexed bonds issued by the U.S. government, its agencies and instrumentalities, and corporations. The Fund may invest in bonds of any maturity; however, its dollar-weighted average maturity is expected to be in the range of 7 to 20 years. At a minimum, all bonds purchased by the Fund will be rated investment-grade or, if unrated, will be considered by the advisor to be investment-grade.

## **Principal Investment Risks**

The Fund is subject to the following risks: interest rate risk, income fluctuations, manager risk, liquidity risk and derivatives risk.

### **Descriptions of the above principal investment risks of the underlying Vanguard Funds are as follows:**

**Call Risk** — Call risk is the chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupon rates or interest

rates before their maturity dates. The Fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Fund's income. Such redemptions and subsequent reinvestments would also increase the Fund's portfolio turnover rate. Call risk should be low for *Vanguard Total Bond Market II Index Fund* because it invests only a small portion of its assets in callable bonds.

**Country/Regional Risk** — Country/regional risk is the chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of securities issued by companies in foreign countries or regions. Because the Fund may invest a large portion of its assets in securities of companies located in any one country or region, the Fund's performance may be hurt disproportionately by the poor performance of its investments in that area. Country/regional risk is especially high in emerging markets.

**Currency Risk** — Currency risk is the chance that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates. Currency risk is especially high in emerging markets.

**Credit Risk** — Credit risk is the chance that a bond issuer will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline. Credit risk should be low for *Vanguard Total Bond Market II Index Fund* because it purchases only bonds that are of investment-grade quality.

**Derivatives Risk** — An Underlying Fund may invest in derivatives, which may involve risks different from, and possibly greater than, those of investments directly in the underlying securities or assets.

**Emerging Markets Risk** — Emerging markets risk is the chance that the stocks of companies located in emerging markets will be substantially more volatile, and substantially less liquid, than the stocks of companies located in more developed foreign markets because, among other factors, emerging markets can have greater custodial and operational risks; less developed legal, tax, regulatory, and accounting systems; and greater political, social, and economic instability than developed markets.

**Extension Risk** — Extension risk is the chance that during periods of rising interest rates, certain debt securities will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall. This will lengthen the duration or average life of those securities and delay a fund's ability to reinvest proceeds at higher interest rates, making a fund more sensitive to changes in interest rates. For funds that invest in mortgage-backed securities, extension risk is the chance that during periods of rising interest rates,

homeowners will repay their mortgages at slower rates. Extension risk should be moderate for the *Vanguard Total Bond Market II Index Fund*.

**Income Risk** — Income Risk is the chance that the Fund's income will decline because of falling interest rates. Income risk is generally high for short-term bond funds and moderate for intermediate-term bond funds, so investors should expect an Underlying Fund's monthly income to fluctuate accordingly.

**Income Fluctuations** — With respect to *Vanguard Inflation-Protected Securities Fund*, the Fund's quarterly income distributions are likely to fluctuate considerably more than the income distributions of a typical bond fund. In fact, under certain conditions, the Fund may not have any income to distribute. Income fluctuations associated with changes in interest rates are expected to be low; however, income fluctuations associated with changes in inflation are expected to be high. Overall, investors can expect income fluctuations to be high for the Fund.

**Index Sampling Risk** — Index sampling risk is the chance that the securities selected for an Underlying Fund, in the aggregate, will not provide investment performance matching that of the Fund's target index. Index sampling risk for the Underlying Funds is expected to be low.

**Interest Rate Risk** — Interest Rate Risk is the chance that bond prices overall will decline because of rising interest rates. Interest rate risk should be moderate for *Vanguard Total Bond Market II Index Fund* because it invests primarily in short- and intermediate-term bonds, whose prices are less sensitive to interest rate changes than are the prices of long-term bonds. With respect to *Vanguard Inflation-Protected Securities Fund*, interest rate risk is the chance that the value of a bond will fluctuate because of a change in the level of interest rates. Although inflation-indexed bonds seek to provide inflation protection, their prices may decline when interest rates rise and vice versa. Because the Fund's dollar-weighted average maturity is expected to be in the range of 7 to 20 years, interest rate risk is expected to be moderate to high for the Fund.

**Investment Style Risk** — With respect to *Vanguard Total International Stock Index Fund*, investment style risk is the chance that returns from non-U.S. small- and mid-capitalization stocks will trail returns from global stock markets. Historically, non-U.S. small- and mid-cap stocks have been more volatile in price than the large-cap stocks that dominate the global markets, and they often perform quite differently. With respect to *Vanguard Institutional Index Fund*, investment style risk is the chance that returns from large-capitalization stocks will trail returns from the overall stock market. Large-cap stocks tend to go through cycles of doing better — or worse — than other segments of the stock market or the stock market in general. These periods have, in the past, lasted for as long as several years.

**Liquidity Risk** — Liquidity risk is the chance that an Underlying Fund may not be able to sell a security in a timely manner at a desired price.

**Manager Risk** — Manger risk is the chance that poor security selection will cause an Underlying Fund to underperform relevant benchmarks or other funds with a similar investment objective.

**Prepayment Risk** — Prepayment risk is the chance that during periods of falling interest rates, homeowners will refinance their mortgages before their maturity dates, resulting in prepayment of mortgage-backed securities held by the Fund. The Fund would then lose any price appreciation above the mortgage's principal and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Fund's income. Such prepayments and subsequent reinvestments would also increase the Fund's portfolio turnover rate. Prepayment risk should be moderate for the Fund.

**Stock Market Risk** — Stock market risk is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. In addition, the Fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the Fund to proportionately higher exposure to the risks of that sector. With respect to *Vanguard Total International Stock Index Fund*, the Fund's investments in foreign stocks can be riskier than U.S. stock investments. Foreign stocks tend to be more volatile and less liquid than U.S. stocks. The prices of foreign stocks and the prices of U.S. stocks may move in opposite directions. With respect to *Vanguard Institutional Index Fund*, the Fund's target index tracks a subset of the U.S. stock market, which could cause the Fund to perform differently from the overall stock market.

## **The SMART529 Stable Value Portfolio — advised by Invesco Advisers, Inc.**

### **Investment Objective**

The SMART529 Stable Value portfolio investment objectives are to preserve principal and interest income, to maintain liquidity for inter-fund transfers and withdrawals, and to provide for a portfolio book value crediting rate that moves generally in the direction of prevailing market rates. This investment portfolio seeks to maximize current income while preserving principal and delivering stable investment returns.

### **Principal Investment Strategy**

The investment structures utilized seek to provide for minimal fluctuation in principal values. Returns may fluctuate, and although the portfolio seeks to preserve the value of your investment, it is possible to lose money by investing in the portfolio. The portfolio is not guaranteed by the investment manager. Portfolio

investments are subject to the risk that underlying fixed income investments will fail to make timely payments of principal or interest, which may result in a loss of principal or interest. The portfolio's strategy is to minimize this risk by investing in a broadly diversified portfolio of high quality investments. The portfolio is subject to the risk that contract issuers will fail to make payments to investors for withdrawals or transfers to other Investment Options under the Plan in amounts equal to principal and accrued interest. The crediting rate earned by the portfolio is a blend of the rates earned by all of the wrap contracts in the portfolio. Each wrap contract's interest rate reflects the earnings rates of its underlying bonds, adjusted for differences between actual and expected earnings. Adjustments to the contract interest rate may reduce a contract's yield to zero, but it cannot fall below zero. By design, the portfolio's blended interest rate should change in the direction of new investment rates. Over time, the portfolio's returns are expected to be comparable to the returns generated by intermediate-term, high quality bonds. This portfolio may invest in: (a) insurance company or bank wrap contracts, which provide for the repayment of principal plus interest credited at fixed or variable rates; (b) other wrap contracts, which are supported by fixed income obligations of the U.S. Government or its agencies, residential and commercial mortgage-backed securities, asset-backed securities, and other corporate fixed income investments, where the repayment of principal and interest from such supporting investments are paid to the portfolio, or units or shares of such investments; and (c) bank short-term investment funds, cash, and cash equivalents. The wrap contracts generally provide for payments to investors for withdrawals or transfers to other Investment Options under the Plan amounts equal to principal and accrued interest. The credit quality of the investments held inside investment contracts is expected to average AA- or better.

### **Principal Investment Risks**

Active trading risk, call risk, credit risk, crediting rate risk, event risk, foreign investments risk, inflation-protected securities risk, interest rate risk, investment strategy risk, liquidity risk, market risk, mortgage-backed and asset-backed securities risk, sovereign debt risk, U.S. Government securities risk, wrap contract risk, and yield risk.

#### **A description of the above investment risks applicable to The SMART529 Stable Value Portfolio advised by Invesco is as follows:**

**Active Trading Risk** — Active trading could increase the Portfolio's transaction costs and may increase your tax liability as compared to a fund with less active trading policies. These effects may adversely affect the Portfolio's performance.

**Call Risk** — Call risk is the risk that an issuer, especially during a period of falling interest rates, may redeem a security by repaying it early, which may reduce the fund's income if the proceeds are reinvested at lower interest rates.

**Credit Risk** — Credit risk is the risk that the issuer of a security or other instrument will not be able to make principal and interest payments when due. Changes in an issuer's financial strength, credit rating or the market's perception of an issuer's creditworthiness may also affect the value of a fund's investment in that issuer. The degree of credit risk depends on both the financial condition of the issuer and the terms of the obligation.

Wrap contracts do not cover defaults by issuers of fixed income securities held in the Stable Value Portfolio. Substantial defaults could cause the Stable Value Portfolio's crediting rate to fall below zero, and plan participants who withdraw their investments from the Stable Value Portfolio at that time may not receive back the full principal amount contributed.

**Crediting Rate Risk** — The portfolio's crediting rates will generally lag market interest rates. Wrap contract crediting rates may be affected, positively or negatively, if a large number of participants request redemptions from the portfolio.

**Event Risk** — Event risk is the risk that a corporate bond issuer may undergo restructurings, such as mergers, leveraged buyouts, takeovers, or similar events financed by increased debt, which may result in substantial adverse changes to the issuer's financial health and prospects, including added debt and a decline in the credit quality and market value of the issuer's bonds and/or other securities. This risk may also be triggered by other events, such as regulatory investigation of possible wrongdoing, product recall, and the departure of a key member of an issuer's corporate management team. Event risk is hard to anticipate and may have a negative impact on bondholders.

**Foreign Investments Risk** — Investments in foreign securities may be riskier than investments in U.S. securities. Differences between the U.S. and foreign regulatory regimes and securities markets, including the less stringent investor protection and disclosure standards of some foreign markets, as well as political and economic developments in foreign countries and regions, may affect the value of the fund's investments in foreign securities. Changes in currency exchange rates may also adversely affect the fund's foreign investments. Certain European countries in which the fund may invest have recently experienced significant volatility in financial markets and may continue to do so in the future.

**Inflation-Protected Securities Risk** — The value of inflation-protected securities generally fluctuates in response to changes in real interest rates (stated interest rates adjusted to factor in inflation). In general, the price of an inflation-protected debt security can

decrease when real interest rates increase, and can increase when real interest rates decrease. Interest payments on inflation-protected debt securities will fluctuate as the principal and/or interest is adjusted for inflation and can be unpredictable. The market for inflation-protected securities may be less developed or liquid, and more volatile, than certain other securities markets.

**Interest Rate Risk** — The risk that your investment may go down in value when interest rates rise, because when interest rates rise, the prices of bonds and fixed rate loans fall. A wide variety of factors can cause interest rates to rise, including central bank monetary policies and inflation rates. Generally, the longer the maturity of a bond or fixed rate loan, the more sensitive it is to this risk. Falling interest rates also create the potential for a decline in the fund's income. These risks are greater during periods of rising inflation. Volatility in interest rates and in fixed income markets may increase the risk that the fund's investment in fixed income securities will go down in value. Risks associated with rising interest rates are currently heightened because interest rates in the U.S. remain near historic lows and the Federal Reserve Board may raise interest rates. Actions taken by the Federal Reserve Board or foreign central banks to stimulate or stabilize economic growth, such as decreases or increases in short-term interest rates, may adversely affect markets, which could, in turn, negatively impact fund performance.

**Investment Strategy Risk** — the risk that, if the fund's investment strategy does not perform as expected, the fund could underperform its peers or lose money. There is no guarantee that the fund's investment objective will be achieved.

**Liquidity Risk** — the risk that the market for a particular investment or type of investment is or becomes relatively illiquid, making it difficult for the fund to sell that investment at an advantageous time or price. Illiquidity may be due to events relating to the issuer of the securities, market events, rising interest rates, economic conditions or investor perceptions. Illiquid securities may be difficult to value and their value may be lower than the market price of comparable liquid securities, which would negatively affect the fund's performance.

**Market Risk** — Market risk is the risk that one or more markets in which the fund invests will go down in value, including the possibility that the markets will go down sharply and unpredictably. Securities of a company may decline in value due to its financial prospects and activities, including certain operational impacts, such as data breaches and cybersecurity attacks. Securities may also decline in value due to general market and economic movements and trends, including adverse changes to credit markets.

**Mortgage-Backed and Asset-Backed Securities Risk** — Mortgage- and asset-backed securities represent inter-

ests in "pools" of mortgages or other assets, including consumer loans or receivables held in trust. Mortgage backed securities are subject to credit risk, interest rate risk, "prepayment risk" (the risk that borrowers will repay a loan more quickly in periods of falling interest rates) and "extension risk" (the risk that borrowers will repay a loan more slowly in periods of rising interest rates). If the Fund invests in mortgage-backed or asset backed securities that are subordinated to other interests in the same mortgage pool, the Fund may only receive payments after the pool's obligations to other investors have been satisfied. An unexpectedly high rate of defaults on the mortgages held by a mortgage pool may limit substantially the pool's ability to make payments of principal or interest to the Fund, reducing the values of those securities or in some cases rendering them worthless. The risk of such defaults is generally higher in the case of mortgage pools that include so-called "subprime" mortgages.

**Sovereign Debt Risk** — Non-U.S. sovereign and quasi-sovereign debt are subject to the risk that the issuer or government authority that controls the repayment of the debt may be unable or unwilling to repay the principal or interest when due. This may result from political or social factors, the general economic environment of a country or economic region, levels of foreign debt or foreign currency exchange rates.

**U.S. Government Securities Risk** — Treasury obligations may differ in their interest rates, maturities, times of issuance and other characteristics. Securities backed by the U.S. Treasury or the full faith and credit of the United States are guaranteed only as to the timely payment of interest and principal when held to maturity. Accordingly, the current market values for these securities will fluctuate with changes in interest rates. Obligations of U.S. Government agencies and authorities are supported by varying degrees of credit but generally are not backed by the full faith and credit of the U.S. Government. No assurance can be given that the U.S. Government will provide financial support to its agencies and authorities if it is not obligated by law to do so. In addition, the value of U.S. Government securities may be affected by changes in the credit rating of the U.S. Government. U.S. Government securities are also subject to the risk that the U.S. Treasury will be unable to meet its payment obligations.

**Wrap Contract Risks** — wrap contracts involve the risks that (i) default by the wrap contract issuer, with the potential result of loss of principal should market value of securities backing the contract be less than the book value of the contract; (ii) costs incurred to buy the wrap contracts reduces the Fund's return; (iii) a terminated wrap contract may be replaced with a contract with less favorable terms or higher costs; (v) poor market value performance of underlying securities may lead a wrap issuer to exercise its right to terminate the contract or direct the management of the Fund's investments,

potentially reducing the Fund's performance; (vi) use of a small number of wrap issuers concentrates exposure to the companies; (vii) a wrap contract could terminate, resulting in the loss of book value coverage; and (viii) certain employer events, including, but not limited to, bankruptcy or early retirement incentives or layoffs, may result in withdrawals or exchanges being made at a market value lower than book value.

***Yield Risk*** — there can be no guarantee that the fund will achieve or maintain any particular level of yield.

The fund's yield (or the return on the capital the fund invests in a bond) will vary as the bond securities in the fund's portfolio mature or are sold and the proceeds are reinvested in other securities. When interest rates are very low, the fund's expenses could absorb all or a portion of the fund's income and yield. Additionally, inflation may outpace and diminish the fund's investment returns over time.



# PART THREE

## SMART529 WV DIRECT COLLEGE SAVINGS PLAN PARTICIPATION AGREEMENT

### Section 1. – Introduction

**1.1 Introduction.** The SMART529 WV Direct College Savings Plan (the “Plan” or “College Savings Plan”) is part of the West Virginia College Savings Program (the “College Savings Program”). The person signing the Application agrees to participate in the Plan and be subject to and comply with the terms and conditions of this Participation Agreement (the “Agreement”), as may be amended from time to time, the Program and West Virginia Code Section 18-30-1 et seq., as amended (the “Act”), Internal Revenue Code Section 529, and any related rules and regulations. The Account Owner’s participation shall be effective when the completed and fully executed Application is received and accepted by Hartford Funds Management Company, LLC (the “Program Manager”).

**1.2 Acknowledgements by Account Owner.** Account Owner understands, agrees and acknowledges that:

- (a) This Agreement and the Application contain the terms governing all Accounts,
- (b) He/she has read this Agreement, the Offering Statement and all information provided by the Program Manager,
- (c) Nothing in or with respect to this Agreement, the Application, the Account or any information provided in connection therewith shall be considered or interpreted to create or constitute a debt or liability of the Board of Trustees of the Program (the “Board”), any Board member, the State Treasurer, the State of West Virginia, the Program Manager, nor any agent or employee of the Board, the State Treasurer, the State of West Virginia or the Program Manager,
- (d) Nothing in this Agreement, the Application, the Account, or any information provided, nor participation in the Program, shall obligate the general revenue or any other fund of the State of West Virginia,
- (e) THE VALUE OF ANY ACCOUNT AT ANY TIME MAY BE MORE OR LESS THAN THE AGGREGATE AMOUNT CONTRIBUTED TO THE ACCOUNT, and
- (f) THE PROGRAM IS SUBJECT TO INVESTMENT RISKS, THE ACCOUNT IS NOT INSURED, AND NEITHER THE PRINCIPAL DEPOSITED NOR THE INVESTMENT RETURN IS GUARANTEED.

### Section 2. – Definitions

In addition to definitions provided in the West Virginia Code, the United States Code, and the rules and regulations thereunder, the following definitions apply to the Accounts:

“**Account**” means an individual savings account established by an Account Owner in accordance with this Agreement.

“**Account Owner**” means the individual at least 18 years of age, a corporation or other entity that opens one or more Accounts. In the event an employer opens an Account on behalf of a Designated Beneficiary selected by an employee, that employee is considered to be the Account Owner.

“**Additional Tax**” means a 10% additional federal income tax on certain Non-Qualified Distributions.

“**Application**” means the Application form or a duplicate of the form completed and signed by the Account Owner that opens an Account in the SMART529 College Savings Plan.

“**Apprenticeship Expenses**” means fees, books, supplies and equipment required for the participation of the Designated Beneficiary in an apprenticeship program registered and certified with the Secretary of Labor under the National Apprenticeship Act. Effective for distributions after December 31, 2018, such expenses may be treated as Qualified Higher Education Expenses.

“**Board**” means the Board of Trustees of the West Virginia College and Jumpstart Savings Programs.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**College Savings Program**” means the West Virginia College Savings Program operated by the Board of Trustees of the West Virginia College and Jumpstart Savings Programs in accordance with the provisions of West Virginia Code §18-30-1 et seq. The College Savings Program includes the SMART529 WV Direct Plan.

“**Designated Beneficiary**” means the person designated by the Account Owner at the time the Account is established, or as may be named the replacement Designated Beneficiary in accordance with this Agreement.

“**Distribution**” means a withdrawal from an Account, whether paid to the Account Owner, the Designated Beneficiary or an Eligible Educational Institution.

“**Eligible Educational Institution**” means any eligible educational institution as defined in Section 529 of the Code.

“**Fees**” means amounts assessed to and withdrawn from an Account by the Program Manager and the Board to cover or defray costs.

**“K-12 Tuition Expenses”** means tuition in connection with enrollment or attendance of a Designated Beneficiary at an elementary or secondary (i.e., middle or high school) public, private, or religious school up to a maximum of \$10,000 of distributions for such tuition expenses per taxable year per Designated Beneficiary from all 529 Plans. Such expenses may be treated as Qualified Higher Education Expenses.

**“Non-Qualified Distributions”** means any distribution other than Qualified Distributions or qualified rollovers. The earnings portion of a Non-Qualified Distribution will be subject to federal and possibly state and/or local income tax, potentially including the Additional Tax.

**“Program Manager”** means Hartford Funds Management Company, LLC (“HFMC”). The Board has contracted with HFMC to provide a variety of administrative, investment and marketing services for the Program, including the College Savings Plan.

**“Qualified Distribution”** means a distribution from your Account that is used to pay for Qualified Higher Education Expenses.

**“Qualified Education Loan Expenses”** means amounts paid as principal or interest on any qualified education loan of either the Designated Beneficiary or a sibling of a Designated Beneficiary, up to a lifetime limit of \$10,000. Distributions treated as Qualified Education Loan Expenses with respect to the loans of a sibling of a Designated Beneficiary will count towards the lifetime limit of the sibling, not the Designated Beneficiary. Effective for distributions after December 31, 2018, such loan repayments may be treated as Qualified Higher Education Expenses. Such loan repayments may impact student loan interest deductibility.

**“Qualified Higher Education Expenses”** are defined by federal law and generally include the costs of tuition, fees, books, supplies and equipment required for enrollment or attendance of the Designated Beneficiary at an Eligible Educational Institution; certain computers, peripheral equipment, hardware, software, internet access and related services; certain room and board expenses; and expenses for special needs services incurred in connection with enrollment attendance at an Eligible Educational Institution. The term “Qualified Higher Education Expenses” as used in this Participation Agreement includes K-12 Tuition Expenses, Apprenticeship Expenses and Qualified Education Loan Expenses, unless otherwise indicated.

**“Successor Account Owner”** means the individual, at least 18 years of age, corporation or other entity authorized to become the Account Owner and assume the responsibilities and duties of the Account Owner.

## Section 3 – Contributions

**3.1 Receipt of Contributions.** All contributions to the Account must be made by automatic investment,

ACH or check. The Program Manager will accept and hold in the Account the contributions it receives from time to time and will invest the contributions according to the instructions provided by the Account Owner. Restrictions, in addition to those currently in effect, may be imposed by the Board, including limitations as to the amount of contributions and method for making contributions.

**3.2 Rollover Contributions.** The Account Owner may roll over, or cause to be rolled over, in cash, to the Account, all or a portion of the assets of a tuition program qualified under Section 529 of the Code in a form or manner acceptable to the Plan. In accepting or making any such transfer the Board and the Program Manager assume no responsibility for the tax consequences of the rollover. The Program Manager and the Board will not be responsible for any losses the Account Owner may incur as a result of the timing or investment of any transfer from or to a qualified tuition program.

**3.3 Account Limits.** Federal income tax laws require that a limit be placed on the amount held in the Program for each Designated Beneficiary. Currently, the limit is \$550,000. That limit includes both contributions and earnings. The Program Manager will monitor contributions to ensure that they do not cause a Designated Beneficiary’s maximum account limit to be exceeded. The Program Manager will notify you if a contribution will put you over the limit. If the Program Manager does not receive instructions from you within three days of the date the Program Manager receives the ineligible contribution, the Program Manager will return the contribution to you. If the value of the Designated Beneficiary’s accounts in the Program falls below \$550,000, you may resume making contributions. Accounts that have reached the maximum account limit may continue to accrue earnings.

**3.4 Contributions via Check.** The Program Manager reserves the right to convert any contributions remitted to SMART529 by check into an electronic debit format. In this regard, it may initiate credit/debit entries to the payor’s account as well as adjustments for credit/debit entries made in error. The information needed to initiate such entries may be obtained from the check Magnetic Ink Character Recognition (or “MICR”) line and from the depository institution whose name will be obtained from the check. If this method of collecting funds is used, the electronic debit may be posted to your bank account as early as the day after your check was received by the Program Manager. However, the check will not be returned. Instead, an image of the check will remain on file with the Program Manager for a period of two (2) years. The Program Manager may charge a nominal fee for photocopies of check images.

## Section 4 – Designated Beneficiary

**4.1 Designation of Beneficiary.** The Account Owner must specify a Designated Beneficiary on the Application.

The Account Owner can be the Designated Beneficiary. The Account Owner may make a federal income tax-free change of the Designated Beneficiary on an Account at any time to a new Designated Beneficiary provided the new Designated Beneficiary is a Member of the Family of the Designated Beneficiary. The following family members are considered a “Member of the Family” and can be named as the replacement Designated Beneficiary:

- ▶ child, or descendant of a child;
- ▶ brother, sister, stepbrother or stepsister;
- ▶ stepfather or stepmother;
- ▶ father, mother or ancestor of either;
- ▶ son or daughter of brother or sister;
- ▶ brother or sister of father or mother;
- ▶ son-in-law, daughter-in-law, father-in-law, mother-in-law, sister-in-law or brother-in-law;
- ▶ spouse or spouse of any family member listed above; or
- ▶ first cousin.

For this purpose, a child includes a legally adopted child, a step child, and a foster child and a brother or sister includes a half-brother or half-sister.

A change of Designated Beneficiary must be submitted in writing on a form provided or approved by the Program Manager and shall be effective upon receipt and approval by the Program Manager.

**4.2 Qualified Adult.** In the event a minor is going to be both the Account Owner and the Designated Beneficiary, he or she must have an adult willing to act as Account Owner (“Qualified Adult”) until the minor reaches the age of majority under the laws of the state in which he or she resides. A Qualified Adult must establish the Account on behalf of the minor by completing the Application on behalf of the minor. The Qualified Adult may exercise all Account Owner rights, powers and duties with respect to administration, management and distribution of the Account until the minor attains the age of majority, including but not limited to choosing an investment strategy, designation of any Successor Account Owners and directing distributions. However, the Qualified Adult must act in the best interests of the minor. Until the minor attains the age of majority, the minor will have no authority with respect to the administration, management, designation of Successor Account Owners or distributions from the Account. The Program Manager may rely on any instruction or direction made by the Qualified Adult and will deliver all required notices or documents to the Qualified Adult. When the minor attains the age of majority, he or she shall assume responsibility for the Account and the Qualified Adult will have no further right, power or duty to act upon the Account.

The Qualified Adult may designate another individual to act as the Qualified Adult for the Account in the event he or she becomes incapacitated or dies before the minor reaches the age of majority under the laws of the state in which the minor is a resident. Such designation must be in writing and must be on file with the Program Manager. If no new Qualified Adult has been designated, the new Qualified Adult will be the surviving parents of the minor or, if no parent shall survive the minor, the guardian, conservator or other legal representative, wherever appointed, of the minor. Evidence satisfactory to the Program Manager of the death or disability of the Qualified Adult must be provided.

## Section 5 – Investments

**5.1 Investment Selection.** When an Account is established, the Account Owner will designate the investment options offered by the College Savings Program to which contributions and Account values may be allocated (“Investment Options”). The Program Manager will invest all contributions in the appropriate Investment Option(s) designated by the Account Owner. The Account Owner may not direct the selection of individual investments for the Account or the investments of the Investment Options.

**5.2 Account Statements.** The Program Manager will provide to the Account Owner periodic statements reflecting the value of the Account, contributions, distributions and any other transactions in the Account during the period. Unless the Account Owner sends the Program Manager written objection to the Account Statement within sixty (60) days of receipt, the Account Owner will be deemed to have approved the Account Statement, and the Program Manager, the Board, the State Treasurer and the State of West Virginia, their officers, employees, attorneys and agents will be forever released and discharged from all liability and accountability to anyone with respect to all matters covered by or any mistakes contained in the Account Statement.

## Section 6 – Distributions

**6.1 Distributions.** Only the Account Owner can direct a Distribution from the Account at any time and from time to time. The Program Manager will process each request upon receipt of a completed Distribution request, in a form approved by and acceptable to the Program Manager, and any required documentation. The Designated Beneficiary, unless also the Account Owner, cannot direct a Distribution from the Account. The Account Owner may direct the Program Manager to make any Distributions from the Account directly to the Account Owner, Designated Beneficiary or an Eligible Educational Institution. The Program Manager is empowered to make a Distribution if directed to do so by a court order, and the Program Manager will incur no liability for acting in accordance with the court order. The Program Manager will report all Distributions to the Internal Revenue Service as required under the Act.

**6.2 Distribution Due to the Death of the Designated Beneficiary.** In the event of the death of the Designated Beneficiary, the Account Owner may designate a new Designated Beneficiary or withdraw the balance of the Account. The earnings portion of any Distribution under this Section will be treated as a Non-Qualified Distribution and will be subject to federal and possibly state and/or local income tax (not including the Additional Tax). You should consult a qualified tax advisor regarding the tax implications of such a Distribution.

**6.3 Distribution Due to a Scholarship, or Other Allowance or Payment.** In the event the Designated Beneficiary is awarded a scholarship or other qualified allowance or payment, the Account Owner may withdraw from the Account, without being subject to the Additional Tax, an amount no greater than the amount of scholarship or other qualified allowance or payment. The earnings portion of the distribution will be subject to federal and possibly state and/or local income tax (not including the Additional Tax). You should consult a qualified tax advisor regarding the tax implications of such a Distribution.

**6.4 Rollover Distribution.** All or any portion of the assets of the Account may be rolled over to a qualified tuition program, the West Virginia's Jumpstart Savings Program or an ABLE account if directed by the Account Owner and requested in a form or manner acceptable to the Program Manager. You should consult your tax advisor regarding the tax implications of a rollover. In accepting or making any transfer, neither the Board, any Board member, the State Treasurer, the State of West Virginia, the Program Manager, nor any agent or employee of the Board, the State Treasurer, the State of West Virginia or the Program Manager assumes any responsibility for the tax consequences of the rollover. The Program Manager will not be responsible for any losses the Account Owner may incur as a result of the timing of any transfer from or to a qualified tuition program. There is a \$50 charge for rollovers to another qualified tuition program.

## **Section 7 – Change of Account Owner**

**7.1 Change of Account Ownership.** Account ownership may be transferred to another eligible individual without penalty under certain circumstances. A transfer must be without consideration and the request must be submitted in writing, on a form provided or approved by the Program Manager, to be effective upon receipt and approval by the Program Manager and must be accompanied by an Application completed by the new Account Owner. The Program Manager assumes no responsibility for the tax consequences of any such change.

**7.2 Designation of Successor Account Owner.** The Account Owner may designate, on the Application or by other means, any person, including the Designated Beneficiary, as the Successor Account Owner of the

Account. This designation may be revoked by the Account Owner at any time, and will be automatically revoked upon receipt by the Program Manager of a subsequent designation in valid form bearing a later execution date. The designation and any subsequent designation must be submitted in writing on a form provided or approved by the Program Manager and will be effective upon receipt and approval by the Program Manager. Subsequent designations also may be made by calling a SMART529 customer service representative at 866-574-3542 or by logging into your Account online. This right of designation shall extend to the Successor Account Owner in the event the Successor Account Owner becomes the Account Owner.

The rights of a Successor Account Owner are limited solely to the right of survivorship in the event of the Account Owner's death or disability. A Successor Account Owner has no right to direct Account changes, transfers, or cancellations. However, if a named Successor Account Owner becomes the Account Owner, he or she will have all of the rights and privileges of an Account Owner as described herein. An Account Owner may modify or terminate the Account without the consent or authorization of the Successor Account Owner.

**7.3 Death of an Account Owner Prior to the Distribution of the Account.** In the event an Account Owner dies, the ownership of the Account will fully vest in the Successor Account Owner designated by the Account Owner. If there is no surviving Successor Account Owner or if the Successor Account Owner disclaims ownership in the Account, the Account shall fully vest in the Designated Beneficiary. If the Designated Beneficiary becomes a Successor Account Owner due to the death of the original Account Owner and has not attained the age of majority under laws of the state in which the Designated Beneficiary is a resident at such time, the Account shall be administered, as provided in this Agreement by, a Qualified Adult. The Qualified Adult will be the surviving parents of the Designated Beneficiary or, if no parent survives the Designated Beneficiary, the guardian, conservator or other legal representative, wherever appointed, of the Designated Beneficiary. In any event, evidence satisfactory to the Program Manager of the death of the persons must be provided.

**7.4 Transfer on Divorce.** All or a portion of an Account Owner's interest in the Account may be transferred to a new Account established by a spouse or former spouse pursuant to a decree of divorce, separate maintenance or a written instrument incident to a decree, in which event the transferred portion shall be held as a separate Account. In any event, evidence satisfactory to the Program Manager of the divorce or separation may be required.

## **Section 8 – Amendment and Termination**

**8.1 Amendment.** The Board reserves the right to amend this Agreement, in whole or in part, to meet the

requirements of the Code, the Act or for any other purpose. Any amendments may be retroactively effective if such amendment is necessary to conform the Agreement to, or satisfy the conditions of, any law, governmental regulation or ruling and to permit the Agreement to meet the requirements of the Code or Act. The Program Manager will furnish a copy of any amendment to the Account Owner.

**8.2 Termination.** The Program Manager may terminate an Account and distribute the assets of such Account if it determines that the Account Owner or the Designated Beneficiary has provided false, fraudulent or misleading information or made a material misrepresentation to the Program Manager, the Board, the State Treasurer or an Eligible Educational Institution, or if the Account balance does not meet the minimum balance criteria established by the Program Manager. The earnings portion of such a distribution potentially may be treated as a Non-Qualified Distribution and may be subject to federal and possibly state and/or local income tax, potentially including the Additional Tax. Consult your tax advisor.

The Board reserves the right to terminate or suspend this Agreement, the Trust and the Program at any time. Nothing contained in the Agreement or the College Savings Program should be construed as an agreement or representation by the Board, the State Treasurer or the Program Manager that this Agreement, the Trust or the College Savings Program will continue indefinitely.

## **Section 9 – Miscellaneous**

**9.1 Fees.** All taxes or penalties of whatever kind or character that may be imposed, levied or assessed upon or in respect to an Account; all expenses incurred by the Program Manager in the performance of its duties, including fees of attorneys and other persons engaged by the Program Manager for service in connection with an Account; and all fees and other compensation of the Program Manager and the Board of Trustees for their services and/or expenses, according to arrangements in effect from time to time, will be deducted from the Account by the Program Manager.

**9.2 Loans.** No Account or any portion of an Account may be used as collateral for a loan. Any collateral assignment will have no force or effect. Similarly, an Account Owner or Designated Beneficiary may not borrow, assign or transfer any assets in an Account, except as provided in this Agreement.

**9.3 Minors.** If a Distribution is payable to a person known by the Program Manager to be a minor or otherwise under a legal disability, the Program Manager may, in its absolute discretion, make all or any part of the Distribution to a parent of the person, the guardian, committee or other legal representative, wherever appointed, of such person, a custodial Account established under a Uniform Gifts to Minors Act, Uniform

Transfers to Minors Act or similar act, any person having control or custody of such person, the Qualified Adult, or to the person directly.

**9.4 Exemption from Creditor Process.** Under West Virginia law, moneys in the Trust Fund are exempt from creditor process, and are not subject to attachment, alienation, garnishment or other process, and moneys in an Account are exempt from the property of an estate in bankruptcy proceedings.

**9.5 Applicable Law.** Except as otherwise provided, all questions arising with respect to the Program and this Agreement shall be determined by application of the laws of the State of West Virginia except to the extent the Code or any other federal statutes or regulations supersede West Virginia law.

**9.6 Exclusive Benefit.** At no time will it be possible for any part of an Account to be used for, or diverted to, purposes other than for the exclusive benefit of the Account Owner or the Designated Beneficiary, except as specifically provided in this Agreement.

**9.7 Scope of Liability.** The Board, the State Treasurer, the State of West Virginia and the Program Manager and its affiliates, their successors and assigns will not be responsible in any way for determining the appropriateness of contributions; the amount, character, timing, purpose, or propriety of any distribution or withdrawal; or any other action or non-action taken at the Account Owner's request. The Account Owner and Designated Beneficiary will at all times fully indemnify and hold harmless the Board, any Board member, the State Treasurer, the State of West Virginia, the Program Manager, and any agent or employee of the Board, the State Treasurer, the State of West Virginia or the Program Manager from and against any and all liability, loss, damage or expense, including attorney's fees, which may arise in connection with the College Savings Program, except liability arising from the gross negligence or willful misconduct of the Board, the State Treasurer or the Program Manager.

The Program Manager is under no duty to take any action other than that specified with respect to an Account unless the Account Owner furnishes the Program Manager with instructions in proper form and the instructions have been specifically agreed to by the Program Manager in writing; or to defend or engage in any suit with respect to an Account unless the Program Manager first has agreed in writing to do so and is fully indemnified to the satisfaction of the Program Manager.

The Program Manager may conclusively rely upon and be protected in acting upon any order from the Account Owner or any other notice, request, consent, certificate or other instrument or paper believed by it to be genuine and to have been properly executed, and so long as it acts in good faith, in taking or omitting to take any other action. Any order or notification will be provided in writing on an original document or, at the

Program Manager's discretion, may be provided by a copy reproduced through photocopying, facsimile transmission or electronic transmission. For this purpose, the Program Manager may (but is not required to) give the same effect to a verbal instruction as it gives to a written instruction, and the Program Manager's action in doing so is protected to the same extent as if the verbal instructions were, in fact, a written instruction. The Program Manager is not obliged to determine the accuracy or propriety of any directions and is fully protected in acting in accordance with the directions. If instructions are received that, in the opinion of the Program Manager, are unclear, or are not given in accordance with the College Savings Program and this Agreement, the Program Manager will not be liable for loss of income, or for appreciation or depreciation in an Account's value during the period preceding the Program Manager's receipt of written clarification of the instructions. Although the Program Manager has no responsibility to give effect to a direction from anyone other than the Account Owner or Qualified Adult, the Program Manager may, in its discretion, establish procedures pursuant to which the Account Owner or Qualified Adult may delegate to a third party, any and all of the Account Owner's or Qualified Adult's powers and duties, provided, however, that in no event may anyone other than the Account Owner or Qualified Adult execute the Application by which this Agreement is adopted or the form by which the Designated Beneficiary, Successor Account Owner or Qualified Adult are designated.

The establishment of an Account under the College Savings Program does not guarantee that any Designated Beneficiary will be accepted as a student by or will be graduated from any institution of post-secondary education or be treated as a West Virginia State resident for tuition purposes.

**9.8 Extraordinary Events.** The Board, the Trust, and the Program Manager shall not be liable for any loss, failure or delay in performance of each of their obligations related to your Account or any diminution in the value of your Account arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including but not limited to: regulatory or legislative changes, worldwide political uncertainties, and general economic conditions (such as including inflation and unemployment rates), acts of God, natural disasters or events, fires, floods, suspensions of trading, epidemics, pandemics, public health crises, quarantines, wars, acts of war (whether war is declared or not), terrorism, threats of terrorism, insurrections, cyber-attacks, disruptions of supply chains, civil unrest, revolutions, power or other mechanical failures, loss or malfunction of utilities or communications services, delays or stoppage of postal or courier services, delays in or stoppages of transportation, and any other events or circumstances beyond our reasonable control whether similar or dissimilar to any of the foregoing.

**9.9 Appointment of Agent.** The Program Manager may appoint agents, including its affiliates, and persons in its employ, to perform its ministerial acts under this Agreement, including but not limited to, the acceptance and investment of contributions to the Account, acceptance of transfers from other state programs, maintenance of Account records, filing of any federal or state required information returns, maintenance of Designated Beneficiary information, collection and remittance of the Program Manager's fees, any taxes or penalties and payment of distributions.

**9.10 Judicial Determination.** Anything to the contrary notwithstanding, in the event of reasonable doubt respecting the proper course of action to be taken, the Program Manager may, in its sole and absolute discretion, resolve the doubt by judicial determination which will be binding on all parties claiming any interest in the Account. In this event all court costs, legal expenses, reasonable compensation of time expended by the Program Manager in its duties, and other appropriate and pertinent expenses and the Program Manager will collect costs from the Account.

**9.11 Headers and Nomenclature.** Titles of sections and division into sections are for general information and convenience of reference and are to be ignored in any construction of the provisions. The masculine shall include the feminine and the singular, the plural in all cases in which such meanings would be appropriate.

**9.12 Binding Agreement.** This Agreement shall be binding upon the Account Owner, Successor Account Owner, Designated Beneficiary, their heirs, executors or administrators, and upon any person to whom any Account Owner or Designated Beneficiary has attempted to make an assignment contrary to the provisions of this Agreement.

**9.13 Severability.** In the event any section, clause or portion of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, that section, clause or portion shall be severed from the Agreement and the remainder of this Agreement shall remain in full force and effect.

**9.14 Entire Agreement.** This Agreement and the Application constitute the entire and exclusive statement of the agreement of the parties, and supersede any and all prior agreements, oral or written, and any communications between the parties relating to the Program.

**9.15 ACH Authorization.** The Account Owner authorizes the Program Manager and its affiliated companies to initiate credit/debit entries (and to initiate, if necessary, debit/credit entries and adjustments for credit/debit entries made in error) to his/her bank account. The Account Owner will provide the necessary information to allow the Program Manager in order to initiate such entries, and authorizes the Depository to

credit and/or debit such amounts to his/her bank account. This authorization shall remain in full force and effect until the Program Manager receives written notice from the Account Owner of its termination, pro-

vided that such notice is sent to and received by the Program Manager in such time and manner as to afford the Program Manager a reasonable opportunity to act on it.

This instrument has been executed by the Chairman of the Board of Trustees of the West Virginia College and Jumpstart Savings Programs.

Board of Trustees of the West Virginia College and Jumpstart Savings Programs

By: \_\_\_\_\_ CHAIRMAN OF THE BOARD

**PART FOUR**  
**PRIVACY NOTICES**  
**PRIVACY AND SECURITY POLICY**  
**OF THE BOARD OF TRUSTEES OF THE WEST VIRGINIA COLLEGE**  
**AND JUMPSTART SAVINGS PROGRAMS**



Keeping information about you private and secure is very important to the Board of Trustees of the West Virginia College and Jumpstart Savings Programs. This Policy is to help you understand that the information we receive and what we do with it depends upon what you provide to us. We also want you to know that this Policy applies to information you provide us in-person, e-mail, by telephone, by mail or through our website.

Our website offers you on-line access to information about the West Virginia College Savings Program. As various matters affect this Policy, such as technological advances and changes in the law, we must reserve the right to alter, amend or modify this Policy at any time and without prior notice.

As to your privacy, we will not obtain Personally Identifying Information about you unless you choose to provide such information to us. Personally Identifying Information is information that allows someone to identify or contact you, such as your name or your physical or electronic mail address (“e-mail”). If, in-person, by telephone, by mail, through the website, or through e-mail, you request information, submit an application, enter into a contract, request changes to your account, or make a payment, we keep a record of the information you provide and hold the information in the strictest of confidence.

Should you provide us an e-mail address you are at the same time granting SMART529 permission to send e-mail messages for SMART529 marketing purposes at the e-mail address you have provided. You may discontinue this at any time by responding “Unsubscribe.” We will only disclose information we maintain to our employees, our agents and our contractors to help us provide you the services you request. We will not release, provide, rent, sell or trade personal information to anyone else, unless required by law. For example, all public records are subject to disclosure pursuant to the West Virginia Freedom of Information Act, West Virginia Code §29B-1-1 et seq., unless release of personal information would constitute an unreasonable invasion of privacy. Social Security Numbers and credit or debit card numbers of individuals and their dependents are exempt from disclosure to non-governmental entities under the West Virginia Freedom of Information Act. Furthermore, West Virginia Code §18-30-12 provides that information that would tend to disclose the identity of an account owner, beneficiary or donor is exempt from disclosure under the West Virginia Freedom of Information Act.

As to securing your information, we will do our very best to protect your information in accordance with industry standards of security and confidentiality. More importantly, we will never attempt to collect personal information from children.

We value your interest in the West Virginia College Savings Program. If you have any questions or need additional information, please contact the Board at the West Virginia State Treasurer’s Office, 1900 Kanawha Boulevard, East, Charleston, WV 25305 or at (304) 558-5000 or 1-800-422-7498.



**Customer Privacy Notice**  
**The Hartford Financial Services Group, Inc.**  
**and its Affiliates\***  
(herein called “we, our, and us”)

*This Privacy Policy applies to our United States Operations*

We value your trust. We are committed to the responsible:

- a) management;
  - b) use; and
  - c) protection;
- of **Personal Information**.

This notice describes how we collect, disclose, and protect **Personal Information**. We collect **Personal Information** to:

- a) service your **Transactions** with us; and
- b) support our business functions.

We may obtain **Personal Information** from:

- a) **You**;
- b) your **Transactions** with us; and
- c) third parties such as a consumer-reporting agency.

Based on the type of product or service **You** apply for or get from us, **Personal Information** such as:

- a) your name;
- b) your address;
- c) your income;
- d) your payment; or
- e) your credit history;

may be gathered from sources such as applications, **Transactions**, and consumer reports.

To serve **You** and service our business, we may share certain **Personal Information**.

We will share **Personal Information**, only as allowed by law, with affiliates such as:

- a) our insurance companies;
- b) our employee agents;
- c) our brokerage firms; and
- d) our administrators.

As allowed by law, we may share **Personal Financial Information** with our affiliates to:

- a) market our products; or
- b) market our services;

to **You** without providing **You** with an option to prevent these disclosures.

We may also share **Personal Information**, only as allowed by law, with unaffiliated third parties including:

- a) independent agents;
- b) brokerage firms;
- c) insurance companies;
- d) administrators; and
- e) service providers;

who help us serve **You** and service our business.

When allowed by law, we may share certain **Personal Financial Information** with other unaffiliated third parties who assist us by performing services or functions such as:

- a) taking surveys;
- b) marketing our products or services; or
- c) offering financial products or services under a joint agreement between us and one or more financial institutions.

We, and third parties we partner with, may track some of the pages **You** visit through the use of:

- a) cookies;
- b) pixel tagging; or
- c) other technologies;

and currently do not process or comply with any web browser’s “do not track” signal or other similar mechanism that indicates a request to disable online tracking of individual users who visit our websites or use our services.

For more information, our **Online Privacy Policy**, which governs information we collect on our website and our affiliate websites, is available at <https://www.thehartford.com/online-privacy-policy>.

We will not sell or share your **Personal Financial Information** with anyone for purposes unrelated to our business functions without offering **You** the opportunity to:

- a) “opt-out;” or
- b) “opt-in;”

as required by law.

We only disclose **Personal Health Information** with:

- a) your authorization; or
- b) as otherwise allowed or required by law.

Our employees have access to **Personal Information** in the course of doing their jobs, such as:

- a) underwriting policies;
- b) paying claims;
- c) developing new products; or
- d) advising customers of our products and services.

We use manual and electronic security procedures to maintain:

- a) the confidentiality; and
- b) the integrity of;

**Personal Information** that we have. We use these procedures to guard against unauthorized access.

Some techniques we use to protect **Personal Information** include:

- a) secured files;
- b) encryption;
- c) firewall technology; and
- d) the use of detection software

We are responsible for and must:

- a) identify information to be protected;
- b) provide an adequate level of protection for that data; and
- c) grant access to protected data only to those people who must use it in the performance of their job-related duties.

Employees who violate our privacy policies and procedures may be subject to discipline, which may include termination of their employment with us.

We will continue to follow our Privacy Policy regarding **Personal Information** even when a business relationship no longer exists between us.

As Used in This Privacy Notice:

**Application** means your request for our product or service.

**Personal Financial Information** means financial information such as:

- a) credit history;
- b) income;
- c) financial benefits; or
- d) policy or claim information

**Personal Financial Information** may include Social Security Numbers, Driver’s license numbers, or other government-issued identification numbers, or credit, debit card, or bank account numbers.

**Personal Health Information** means health information such as:

- a) your medical records; or
- b) information about your illness, disability or injury.

**Personal Information** means information that identifies **You** personally and is not otherwise available to the public. It includes:

- a) **Personal Financial Information**; and
- b) **Personal Health Information**.

**Transaction** means your business dealings with us, such as:

- a) your **Application**;
- b) your request for us to pay a claim; and
- c) your request for us to take an action on your account.

**You** means an individual who has given us **Personal Information** in conjunction with:

- a) asking about;
- b) applying for; or
- c) obtaining;

a financial product or service from us if the product or service is used mainly for personal, family, or household purposes.

If you have any questions or comments about this privacy notice, please feel free to contact us at The Hartford — Consumer Rights and Privacy Compliance Unit, One Hartford Plaza, HO1-09, Hartford, CT 06155, or at [ConsumerPrivacyInquiriesMailbox@thehartford.com](mailto:ConsumerPrivacyInquiriesMailbox@thehartford.com)

This Customer Privacy Notice is being provided on behalf of The Hartford Financial Services Group, Inc. and its affiliates (including the following as of February 2022), to the extent required by the Gramm-Leach-Bliley Act and implementing regulations:

1stAGChoice, Inc.; Access CoverageCorp, Inc.; Access CoverageCorp Technologies, Inc.; Business Management Group, Inc.; Cervus Claim Solutions, LLC; First State Insurance Company; FTC Resolution Company LLC; Hart Re Group L.L.C.; Hartford Accident and Indemnity Company; Hartford Administrative Services Company; Hartford Casualty General Agency, Inc.; Hartford Casualty Insurance Company; Hartford Fire General Agency, Inc.; Hartford Fire Insurance Company; Hartford Funds Distributors, LLC; Hartford Funds Management Company, LLC; Hartford Funds Management Group, Inc.; Hartford Holdings, Inc.; Hartford Insurance Company of Illinois; Hartford Insurance Company of the Midwest; Hartford Insurance Company of the Southeast; Hartford Insurance, Ltd.; Hartford Integrated Technologies, Inc.; Hartford Investment Management Company; Hartford Life and Accident Insurance Company; Hartford Lloyd's Corporation; Hartford Lloyd's Insurance Company; Hartford Management, Ltd.; Hartford Productivity Services LLC; Hartford of the Southeast General Agency, Inc.; Hartford of Texas General Agency, Inc.; Hartford Residual Market, L.C.C.; Hartford Specialty Insurance Services of Texas, LLC; Hartford STAG Ventures LLC; Hartford Strategic Investments, LLC; Hartford Underwriters General Agency, Inc.; Hartford Underwriters Insurance Company; Heritage Holdings, Inc.; Heritage Reinsurance Company, Ltd.; HLA LLC; HL Investment Advisors, LLC; Horizon Management Group, LLC; HRA Brokerage Services, Inc.; Lattice Strategies LLC; Maxum Casualty Insurance Company; Maxum Indemnity Company; Maxum Specialty Services Corporation; Millennium Underwriting Limited; MPC Resolution Company LLC; Navigators (Asia) Limited; Navigators Corporate Underwriters Limited; Navigators Holdings (UK) Limited; Navigators Insurance Company; Navigators International Insurance Company Ltd.; Navigators Management Company, Inc.; Navigators Management (UK) Limited; Navigators N.V.; Navigators Specialty Insurance Company; Navigators Underwriting Agency Limited; Navigators Underwriting Limited; New England Insurance Company; New England Reinsurance Corporation; New Ocean Insurance Co., Ltd.; NIC Investments (Chile) SpA; Nutmeg Insurance Agency, Inc.; Nutmeg Insurance Company; Pacific Insurance Company, Limited; Property and Casualty Insurance Company of Hartford; Sentinel Insurance Company, Ltd.; The Navigators Group, Inc.; Trumbull Flood Management, L.L.C.; Trumbull Insurance Company; Twin City Fire Insurance Company; Y-Risk, LLC.

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