

# Michigan Gateway

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## community foundation<sup>SM</sup>

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### PROGRAM RULES

Kickstart To Career (K2C) accounts are opened and maintained by the Michigan Gateway Community Foundation to help Buchanan Community School students save for college. A K2C account will be maintained automatically for the benefit of individual students enrolled in Kindergarten at Buchanan Community Schools. The student and the student's parent/guardian may make or authorize contributions to the K2C account for the benefit of the student. K2C accounts are **deposit-only** accounts. No withdrawals can be made from the K2C account except through the K2C Program Administrator unless they are qualified withdrawals, as discussed below.

### ACCOUNT INFORMATION

K2C accounts will be opened and maintained by Michigan Gateway Community Foundation with Honor Credit Union. The accounts will grow through contributions made or authorized by the student and/or their parent/ guardian. Additional contributions, matches, and/or incentives may be provided by the K2C program or additional contributors to the program. Students must be enrolled in Buchanan Community Schools (BCS) to receive K2C Program contributions, matches, or incentives. All K2C account assets will be held by the Foundation for the student in accordance with K2C program rules. For any year the student is not enrolled in BCS, the K2C account will remain active for use by the student and his or her parent/guardian when the student or family has made contributions but will not be eligible for match or incentive deposits from the K2C Program. When no student/ family contributions to the K2C account have been made for the benefit of the student, the student may be unenrolled from the K2C Program at the discretion of the Foundation. All other program rules will still apply. The making or authorizing of a deposit to the K2C account for the benefit of an individual student constitutes acceptance of the K2C program rules by the student and family.

### CONTRIBUTION LIMITS

There is no contribution limit to the K2C account. No withdrawals can be made from the K2C account at any time unless they are qualified withdrawals, as discussed below.

### WITHDRAWALS

Requests for Qualified Withdrawals and Account Maturity Withdrawals may be made to the K2C Program Administrator for qualified higher education expenses such as tuition, mandatory fees, books, supplies, and equipment required for enrollment or attendance, or for any other eligible purpose that is in accordance with federal qualified tuition plan rules. (<https://www.irs.gov/pub/irs-pdf/p970.pdf>)

Eligible institutions include private colleges, public universities, community colleges, graduate schools, and trade schools or professional certificate programs around the country. All withdrawals must be made prior to the student attaining the age of 25. For students that serve in a national service program (such as the US Military or Peace Corps), each year of service may increase the maturity date by one year, to a maximum of five years.

If a student does not use these funds for a qualified withdrawal, any non- K2C program funds (including contributions by the student's parent/ guardian) will be returned to the student at age 23. Any funds contributed by the K2C Program to the K2C Account will be returned to the K2C program. In the case of an emergency, hardship, or unforeseen circumstance, the student and/or parent/guardian may submit a nonqualified use withdrawal request to the K2C Program for review. While not automatically granted, each request will be considered on a case-by-case basis. A maximum of three non-qualified withdrawals may be granted.

The Program Rules are subject to change. Timely notification will be provided of any changes to the Program Rules.