



INDIVIDUAL DEVELOPMENT ACCOUNT SAVINGS PLAN AGREEMENT

Participant Name: _____

Administering Agency: _____

Award Closeout Date: _____

Match Rate: _____

Maximum Match: _____

This Individual Development Account Savings Plan Agreement (“Agreement”) describes my responsibilities as a Participant and what can be expected from the administering agency related to Indiana’s Individual Development Account (“IDA”) program (the “Program”).

The Participant agrees to:

Establish IDA: I agree to open a savings account within 4 weeks of signing this Agreement. I understand that the savings account is a “custodial account”, which means the administering agency listed above, will act on my behalf as a custodian regarding the funds in the account, in accordance with the Program requirements. **I understand that only one person in my household can establish an IDA.** The IDA Administrator will open a match account that will contain the State match funds. **I understand that I should not be given access to a debit card, ATM, telephone banking, online banking or other online banking services and if I do gain access to the account by any of these means and withdraw funds from the match account, I will be required to repay these funds, may be disqualified from other IHEDA programs and/or subject to prosecution.** I understand if I gain access to the personal savings account and withdraw funds without approval from my administering agency, I will be terminated from the program.

Regular Savings: I agree to make a sincere effort to make regular savings deposits, in the manner selected below, into this savings account from my earned income, as defined in section 911(d)(2) of the Internal Revenue Code of 1986. I understand that I may be disqualified from the Program if I do not meet my minimum regular savings obligation. Furthermore, I am aware that if I miss a deposit, I must contact the administering agency’s IDA Administrator immediately to discuss my situation.

Regular Savings Obligation Options (please choose one):

- Weekly Deposits
- Bi-weekly Deposits
- Monthly Deposits
- Quarterly Deposits
- Semi-Annual Deposits
- Annual Deposits

Workshops: I agree to attend and complete Financial Literacy and Asset Goal-Specific Training within **one year** of enrolling in the Program. I understand that if I fail to complete these trainings I will be prohibited from accessing IDA funds to use towards my asset goal and/or I will be terminated from the Program.

Designation of a Use: I understand I must choose an asset goal at this time, however, I also understand I will have the opportunity to change my savings and asset goal at a later time, if needed.

Asset Goal (please choose one):

Education/Job Training: (tuition, laboratory expenses, the cost of books, computer and software costs, the payment of room and board to an accredited institution, and other related costs)

Home Purchase: (to purchase a primary residence, located in Indiana for the Participant or for a dependent of the Participant)

Small Business Capitalization: (start a small business located in Indiana or to purchase or expand an existing small business located in Indiana)

Owner Occupied Repair: (to perform repairs on a primary residence, located in Indiana)

Vehicle Purchase: (purchase of a vehicle for employment, job training, or education)

Approximate cost to purchase asset goal: \$ _____

Savings Plan:

	Projected Annual Savings	Projected Annual Match Earnings	Total Annual Savings & Match
Year 1			
Year 2			
Year 3			
Year 4*			
Totals			

*Participants are highly encouraged to keep their savings plan to three years, and only use a fourth year in extenuating circumstances.

Savings and Budget Workplan: I agree to develop a Savings and Budget Workplan and to make a sincere effort to meet the goals set in this plan. I agree to make contact (in-person or over the telephone) with the IDA Administrator at least once every three (3) months to discuss progress toward these goals.

Matching Funds Limit: I understand that my IDA Administrator may not request more than \$2,400 in match funds on my behalf between any July-June program year. I understand that if I save more than \$800 in that time period, that only \$2,400 will be provided in match at first, and any remaining match will be provided after the next July 1.

Withdrawals: I understand that I can make a withdrawal from my savings and/or match account, **only when authorized by the administering agency**, except for withdrawals as a result of a legal process. I also understand that I must submit my request for withdrawal at least two (2) weeks prior to the date funds are needed. Furthermore, I understand that withdrawals for an asset purchase are conditioned upon my compliance with meeting my savings plan obligations and other applicable Program requirements as outlined by my IDA Administrator. **I understand that if I make an asset purchase with my own (non-IDA) funds, I will not be able to be reimbursed with IDA savings or match funds.**

Emergency Withdrawals: If I am allowed to make an emergency withdrawal, the match funds may remain in my match account if the following criteria are met:

- 1) I must redeposit the funds withdrawn for the emergency withdrawal back into my account within twelve (12) months after the date of the emergency withdrawal.
- 2) Additional deposits of my earned income into my account will not be eligible to be matched until I replace the full amount withdrawn for the emergency withdrawal.

My failure to redeposit the emergency withdrawal funds into my account within twelve (12) months of the withdrawal date will result in forfeiture of my matching funds in direct proportion to the match ratio (used at the time of the deposit of the funds) and the amount of the emergency withdrawal. These funds will be returned to Indiana Housing and Community and Development Authority ("IHCDA").

Amendments to This Savings Plan Agreement: This Savings Plan Agreement may be amended or modified only by a written document executed by both parties.

Unauthorized Withdrawal or Unauthorized Use of IDA Funds: I understand that any unauthorized withdrawal (for emergency or otherwise) may result in my immediate termination from the Program. I also understand that if I am terminated from the Program, I will receive only the money I have saved, plus any interest earned on my savings, and will forfeit the right to receive any matching funds or interest earned on those matching funds. Once I close my account, I forfeit the right to participate in the Program again in the future.

I will promptly repay to the administering agency or IHCDA any matching funds that I used for purposes other than the asset goal that I identified in this Saving Plan Agreement. I will also promptly repay to the administering agency or IHCDA any matching funds that I obtained based on forgery, theft, fraud and/or misrepresentation.

Program Terms: I understand that I must use all matching funds for an approved asset goal before the award closeout date or risk losing all match funds.

Program Evaluation/Monitoring: I agree to participate in the evaluation of the Program, facilitated by either the administering agency or IHCDA, which may include completing a survey or participating in an individual or group interview. I also agree to cooperate in Program monitoring conducted by the administering agency or IHCDA, which may include providing additional income documentation or additional documentation regarding my asset purchase.

The Administering Agency agrees to:

Matching Funds: The administering agency will submit a claim to IHCDA for match on all of my deposits (from earned income) up to \$2,400 annually and \$4,500 total, by the Award Closeout Date listed above. My deposits will be matched at a rate not to exceed 3:1. The administering agency and I understand that the matching funds should not be placed in my savings account, but must be kept in a separate parallel account managed by the administering agency. The administering agency, on behalf of IHCDA, will match my savings if I comply with the Program guidelines as outlined by the administering agency.

Account Statements: The administering agency, financial institution or bank will send me regular statements documenting my account status and my total matching funds received to date.

Disbursing Matching Funds: I understand that if I follow all Program rules and regulations, meet the necessary savings goal to purchase the selected asset, and complete all required training, the administering agency will disburse matching funds to a third party vendor (i.e. title company, educational institution or business equipment supplier), on my behalf, for the asset purchase.

Disbursing Beneficiary Funds: The administering agency will distribute the balance of my personal IDA and matching funds, as appropriate, in accordance with IC 4-4-28-7 upon my death. If the beneficiary is a member of my family, and qualifies for an IDA account, both IDA savings and matching funds may be rolled into a new IDA, within ninety (90) days' notice of my death. If the beneficiary is a non-member of my family or does not qualify for or want an IDA, the administering agency will distribute the balance of my personal IDA savings, less any matching funds, directly to the designated beneficiary.

Grievance Process: IHCDA offers a process for anyone participating in the Program that has a grievance with the Program. In accordance with IC 4-4-28-15, if the participating individual is denied authorization to withdraw money, said participant may appeal the administering agency's decision to IHCDA under rules adopted by the authority pursuant to under IC 4-22-2. IHCDA can be contacted via email at IDA@ihcda.in.gov or via telephone at (317) 232-7777.

All Parties Agree: Under the penalties of perjury and fraud, the undersigned parties agree to abide by all Program rules and regulations and meet all responsibilities as a participant or administering agency, as the case may be, and as described herein. Each party certifies that he or she has the authority to execute this Savings Plan Agreement and make this Savings Plan Agreement fully binding upon the parties.

Participant Signature

Date

Administering Agency: _____

By: _____

Title: _____

Date: _____

Witness

Date