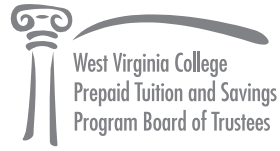




Office of the
State Treasurer



SMART529 WV Direct

West Virginia's Education Savings Solution



Plan for the Future with SMART529 WV Direct

Today a post-secondary education is essential. Many of the fastest-growing job categories will require either technical or vocational certification or a college degree.¹ But higher education can be expensive, and that's where SMART529 WV Direct can help.

What is SMART529 WV Direct?

- A qualified tuition plan (as defined under Section 529 of the Internal Revenue Code)
- A flexible and easy way to save for college
- Specifically for West Virginia residents

The Benefits:

- Federal and West Virginia state tax benefits
- Withdrawals for qualified higher education expenses are free from federal income taxes^{2,3}
- Annual contributions to SMART529 WV Direct accounts reduce, dollar-for-dollar, a resident's West Virginia state adjusted gross income, which helps save money on state taxes⁴

¹ U.S. Bureau of Labor Statistics' Occupational Handbook, 2014-2015 Edition. www.bls.gov/ooh/fastest-growing.htm updated April 13, 2018.

² See the plan Offering Statement for more information about qualified expenses.

³ Non-qualified withdrawals are taxable as ordinary income to the extent of earnings and may also be subject to a 10% federal income tax penalty. Such withdrawals may have state income tax implications.

⁴ The West Virginia state deduction is subject to recapture for non-qualified distributions.

Why Save for College Now?

When it comes to investing for college, time can be your greatest asset. Contributing even small amounts of money may allow time and tax deferral to do their job.⁵ The chart below shows the amount you could potentially accumulate if you start early.

TYPICAL YEAR AT A
WV PUBLIC UNIVERSITY
(2017–2018):
\$18,625*

Assuming just a 5% annual increase in college expenses, 18 years from now, that same year of college could cost **\$44,851.**

*individual college cost data: copyright 2018 College Tuition Compare.

Monthly Investment	Years Left to Save/Accumulated Amount			Assumptions: A monthly investment earning a hypothetical 6% annual rate of return. This chart is not intended to reflect the performance of SMART529 WV Direct investment options, whose actual rates of return will fluctuate.
	10	15	18	
\$50	\$8,194	\$14,541	\$19,368	
\$100	\$16,388	\$29,082	\$38,735	
\$200	\$32,776	\$58,164	\$77,471	
\$500	\$81,940	\$145,409	\$193,677	

Did you know?

SMART529 is flexible. Funds can be applied to much more than just tuition at academic institutions.

A SMART529 plan can be used at most:



Colleges and Universities



Trade and vocational schools



Graduate schools



K-12 tuition

Source: IRS, 2018

A SMART529 plan can be used for Qualified Education Expenses, including:



Tuition and fees



Room and board



Books, supplies, equipment



Expenses for special needs



Computers, software, and Internet

Source: IRS, 2018

What If Your Child Is Awarded a Scholarship?

In this case, you may be able to withdraw the dollar amount of the scholarship from SMART529 WV Direct account without facing a 10% federal income tax penalty. (Any earnings you withdraw that aren't used for qualified higher education expenses will be subject to ordinary income taxes.)

⁵ Continuous or periodic investment plans neither ensure a profit nor protect against a loss in declining markets. Because these programs involve continuous investing regardless of fluctuating price levels, you should carefully consider your financial ability to continue investing through periods of fluctuating market prices.

Start Smart with SMART529 WV Direct

SMART529 WV Direct will help put you on the course to saving for college.

Key Features:

Invest Money

- No minimum initial investment, and no minimum subsequent investments
- Parents, grandparents, other adults and businesses are all eligible to open an account. You can even open an account for yourself
- Payroll Direct Deposit and the Automatic Investment Program are available to help keep savings on track

Reduce Taxes

- Withdrawals for qualified higher education expenses⁷ are free from federal income tax, as well as West Virginia personal income tax⁸
- Contributions made by December 31st each year can be used as a modification, reducing your federal adjusted gross income for West Virginia personal income tax purposes

Growth Potential

- Invest in portfolios that have the potential to outpace rising college costs
- Choose between portfolios designed for a range of risk tolerances and time horizons
- Low fees keep more of your money at work

Eligibility

- The account beneficiary can be of any age
- Either the account owner or the account beneficiary must be a West Virginia resident⁹

Flexibility

- There are no set time limits for contributions, or for using account assets
- Money can be transferred between any of the investment options twice per calendar year

Account Owner Control

- Change your account beneficiary to an Eligible Family Member¹⁰ of the current account beneficiary if you desire
- Maintain complete control of the account even after the beneficiary turns 18
- Access the funds in your account at any time

Investment returns are not guaranteed, and you could lose money by investing in the Plan.



Bright Babies Program

Residents of the State of West Virginia may be eligible to participate in the SMART529 Bright Babies Program, which makes a \$100 contribution toward qualifying accounts.

This is only available in your child's first year, or before the first year anniversary of his or her adoption. To take advantage of this program, complete the SMART529 application and check the Bright Babies enrollment box. To download forms visit SMART529.com/babies

⁷ Qualified Higher Education expenses include room and board, required supplies and computers and related equipment, books, tuition and fees.

⁸ Non-qualified withdrawals are taxable as ordinary income to the extent of earnings, and may also be subject to a 10% federal income tax penalty and a withdrawal charge. Such withdrawals may have state income tax implications.

⁹ For the definition of a "West Virginia resident," please see the Offering Statement.

¹⁰ For the definition of an "Eligible Family Member," please see the Offering Statement.

WV Direct Investment Options*

For your convenience, SMART529 WV Direct provides four methods of investing:

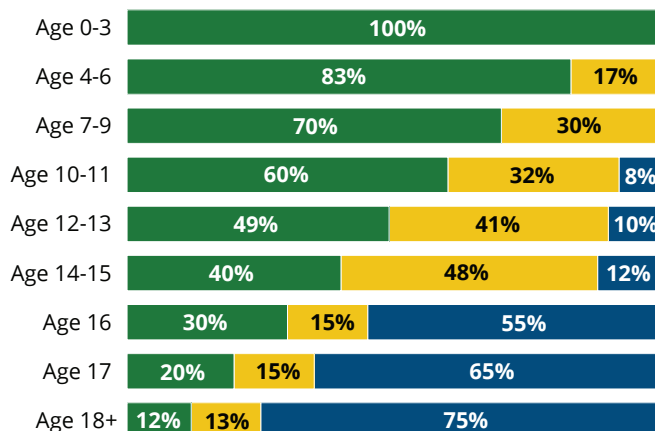
Equity Fixed Income Stable Value

1 Age-Based Portfolios¹¹

The asset allocation¹² of each portfolio is tailored to your child's age. As your child gets older, assets are automatically transferred from a more aggressive portfolio to a more conservative portfolio, providing greater growth potential when your child is younger and increased capital preservation potential as your child approaches college age. (All portfolio allocation percentages are approximate.)

Age-Based Portfolios are for those looking for a simple way to invest, where assets are automatically transferred within 45 days of your child's reaching the age of the next age-band. Please note that if you are selecting an Age-Based Portfolio, you can only select the one that corresponds with the Account Beneficiary's current age.

Age-Based Portfolio Allocations



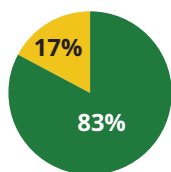
2 Static Portfolios¹¹

Because investors differ in how long they plan to invest and in how much risk they are willing to take, SMART529 WV Direct offers five preset Static Portfolios. Static Portfolios offer the flexibility to select an investment based on your risk tolerance, regardless of your child's age. Your investments remain in the Static Portfolio you choose until you decide otherwise. (Assets may be transferred from one portfolio to another twice per year.)



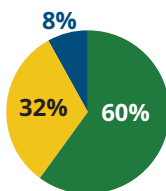
Aggressive Growth

For those investing for young children, or those who are willing to take more risk to have the potential of higher returns.



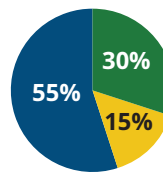
Growth

For those seeking a high degree of growth potential with less risk than an all-equity portfolio.



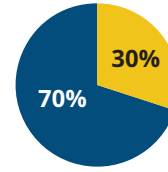
Balanced

For those with a shorter time horizon, or who are willing to take only moderate investment risk.



Conservative Balanced

For those with a shorter time horizon, or who want potentially less risk in return for potentially less volatile returns.



Conservative Bond

For those who are near college age, or those who are uncomfortable with the risk of investing in equities. It consists entirely of Underlying Funds that invest primarily in fixed income.

3 The SMART529 500 Index Fund

This portfolio seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks. This portfolio invests 100% in the Vanguard Institutional Index Fund.

The SMART529 500 Index Fund



For those who seek growth through a broad equity market index.

4 The SMART529 Stable Value Fund

This portfolio seeks to maximize current income while preserving principal.

The SMART529 Stable Value Fund



For those whose primary concern is protection of principal, and who are willing to accept a rate of return comparable to conservative fixed-income investments.

* Certain options may be less suitable for short-term investment goals such as K-12 tuition. For example, Age-Based Portfolios were designed to take into account a Beneficiary's age and the number of years before the Beneficiary is expected to attend higher education.

¹¹ For details regarding the actual composition of the investment portfolios, please see the Offering Statement. To make sure that the intended investment allocation is maintained, portfolios are rebalanced periodically.

¹² Asset Allocation does not ensure a profit nor protect against a loss.

How to Enroll

Enroll Online—It's Easy and Fast!

- After reading the Offering Statement, you may open an account electronically through the program website at www.SMART529.com.
- Look for "Open Account" on the home page menu bar. Complete instructions are provided on how to open an account.
- Payment may be received in a number of ways, including Electronic Funds Transfer, Payroll Direct Deposit or Automatic Investment Plan (\$15 minimum for AIP contribution); or print a copy of the "Make A Contribution" page that contains your new account information and mail this with your initial contribution.

Enrollment Information:

Regardless of how you choose to enroll, please be aware of the following information:

- The Account Owner may be an Individual, Trust or Business Entity. For Trusts or Business Entities, the paper Account Application Form must be completed and mailed.
- Naming a Successor Account Owner is not required but recommended. See the Offering Statement for more information.
- Social Security numbers are required by federal law for the Account Owner, Successor Owner and Account Beneficiary.
- If you are transferring assets from an existing 529 plan, Coverdell Education Savings account (Education IRA), UTMA/UGMA or Series EE U.S. Savings Bond, please complete the SMART529 Incoming Transfer/Rollover Form. Accounts opened with UTMA/UGMA funds may not accept additional, regular contributions. A second account must be opened for regular funding.

529 Fact or Myth



SMART529 can only be used for college

THAT'S A MYTH: SMART529 can be used for technical school, vocational training and more!



SMART529 can only be used in WV

THAT'S A MYTH: Funds can be used at any eligible institution around the country, and at more than 400 around the world



You can open an account for as little as \$1

THAT'S A FACT!



If you don't use your SMART529 funds you'll lose them

THAT'S A MYTH: You can transfer SMART529 funds to a different beneficiary, or simply withdraw them



I can stop and start contributions as often as I like

THAT'S A FACT!



Questions?

Visit smart529.com

Contact us if you need:

- Investment options explained (we can't provide advice).
- Help completing the application.
- Information on tax treatment (we can't provide advice).
- Information on how to manage your account online and sign up for systematic investing.

Our customer service center representatives are here to help you.

Call us toll-free: 1-866-574-3542

Hours: Monday - Thursday • 8:00 a.m. - 7:00 p.m., Friday • 8:00 a.m. - 6:00 p.m. EST

Need More Help?

Do you need financial planning assistance and do not feel comfortable making your own investment decisions? You can also invest in SMART529 through a local financial investment professional. The plans available through investment professionals assess additional charges that compensate the investment professional for his or her time and advice. Check with your local bank or investment firm for details.

For more information about the program, to learn more about 529 plans and for articles about saving and investing, visit us at www.SMART529.com

West Virginia's resource for SMART529 plans and education savings.

You should carefully consider the investment objectives, risks and charges and expenses of SMART529 and its Underlying Funds before investing. This and other information can be found in the Offering Statement for SMART529 and the prospectuses or other disclosure documents for the Underlying Funds, which can be obtained by calling toll-free (866) 574-3542. Please read them carefully before you invest or send money. SMART529 is distributed by Hartford Funds Distributors, LLC. Member SIPC.

SMART529 Direct is available to residents of West Virginia or to non-residents where the beneficiary is a resident of West Virginia. West Virginia (WV) provides certain tax advantages to WV taxpayers that invest in SMART529 Direct. Before investing, an investor should consider whether the investor'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 529 plan.

Taxpayers and residents of other states who are interested in exploring such tax consequences should consult with a qualified tax advisor.

Investments in SMART529 are not guaranteed or insured by the State of West Virginia, the Board of Trustees of the West Virginia College Prepaid Tuition and Savings Program, the West Virginia State Treasurer's Office, Hartford Funds Management Company, LLC ("HFMC"), The Hartford Financial Services Group, Inc., the investment sub-advisors 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.

Investments in SMART529 are subject to certain charges, which will reduce the value of your Account as they are incurred. Please see the Offering Statement for details of charges or fees that apply to the specific SMART529 savings plan.

This brochure describes SMART529 WV Direct. You can also purchase other SMART529 plans that are not described in this brochure through investment professionals nationwide, including West Virginia, in which case there will be more investment options available, but with higher costs. Please contact your investment representative for more information.

Investments in SMART529 are subject to certain charges, which will reduce the value of your Account as they are incurred. Please see the Offering Statement for details of charges or fees that apply to the specific SMART529 savings plan.

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