

SAVINGS PLAN AGREEMENT

Goal & Savings Schedule:

IDA Savings Goal: Start a small business

<i>MY SAVINGS GOAL</i>			
1. I plan to save a total of: (a maximum amount of \$1000)		<i>Match Rate is 3:1</i> <i>To calculate match you multiply:</i> <i>total savings goal x 3 = match amount</i> <i>Example: \$1,000 x 3 = \$3,000</i>	
2. For a match amount of: (a maximum amount of \$3000)			
3. Total Savings & Match:			
4. I plan to begin saving in my IDA on (mm/year):		Ending:	
<i>MY SAVINGS SCHEDULE</i>			
	Monthly Savings Deposit Amount	Lump Sum Deposit Amount	Total
Savings Period (at least 6 months)			
Total*			
*If you plan on making lump sum deposits, please indicate below what source it will be from (i.e. Tax Refund, etc.). Also use this space for other comments that are an important part of your savings plan:			

The following Agreement outlines my responsibilities as the Participant and what the IDA Program Administrator will offer under the eDev Individual Development Account Program.

The Participant agrees to:

Please review the following details about your participation in the IDA program.

- I am expected to make a deposit **every month**.
- I will complete my financial literacy training by _____. (within 3 months of opening account)
- I will complete at least 30 hours of training/TA with eDev.
- I will turn in a rough draft of my business plan to my IDA specialist by _____. (at least 2 months before completing savings)
- I will have my business plan completed and approved before _____. (at least one month before completing savings)
- I will complete my purchases by _____. (6 months after completion of savings)

Establish IDA: I agree to open a savings account at a participating financial institution, which will be used only for the Individual Development Account, within two weeks of being accepted into the program. I understand that the savings account is a “custodial account”, which means eDev will act on my behalf as a custodian in regard to such funds in accordance with the program requirements. Such accounts will be subject to the terms and conditions set forth in account documentation provided by the Financial

Institution. I understand that I will not have access to an ATM card, Telephone banking, or PC banking services.

Minimum Monthly Savings:

I agree to make a sincere effort to deposit at least \$25 per month in this savings account from earned income. (Deposits can only be made in the form of cash or check) I understand that I will be disqualified from the program if I do not meet the savings minimum for three months in a row.

IDA Workshops: I agree to attend the Financial Literacy workshop series, and goal-specific training (education/job training or small business start-up). I understand that completion of money management classes and goal-specific training is required to receive any matching funds. Allowable excuses for missing workshops are work, illness of participant or dependents, or death in the family. I agree to inform program staff if I cannot attend and determine make-up dates.

Withdrawals: I understand that any withdrawal requires the signature of an authorized eDev staff person (except for withdrawals as a result of legal process). I understand that if I make a withdrawal during the first six months, eDev requires that I be terminated from the program. I understand that after six months, approved and emergency withdrawals meeting applicable legal requirements for eDev IDA can be requested once I have reached my savings goal. *(For a complete list of authorized withdrawals and repayment requirements, please see the Participant Handbook.)* An unauthorized withdrawal of funds will result in termination from the program. I understand that if I am terminated from the program, I will receive the money I have saved in the IDA, plus the interest earned on my savings, but I will not receive any matching funds. My individual savings and interest earned on that savings are subject to legal process, including, without limit, writs and levies.

Beneficiary Designation: I understand that I must designate an individual who will receive the balance of my IDA account in the event of my death. If the individual designated qualifies for an IDA account then my balance and matching funds will be used to establish a new IDA for the designated person. If the individual designated does not qualify for an IDA, or does not want an IDA, then my balance EXCLUDING ALL MATCHING FUNDS will go directly to the designated individual.

I, _____, designate, _____ to receive the balance of my IDA upon my death.

Beneficiary's SSN: _____ Beneficiary's Date of Birth: _____

Program Evaluation: I agree to participate in the evaluation of the IDA Program, which may include filling out a survey or participating in an individual or group interview at least once per year.

Designation of a Use: I understand I will have the opportunity to change my savings goal. However, if I change the savings goal, I must complete the program requirements for the new goal in order to qualify for the matching funds. *(See participant handbook for the procedure on how to change your goal.)*

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 have contact (in-person or over the telephone) with staff at least once every three months to discuss progress toward these goals.

LMB's IDA Program and the IDA Specialist agree to:

Matching funds: The IDA Administrator will match dollar for dollar a participant's deposits into their savings account (from earned income, not gifts) and interest on those deposits up to \$1000 per year. The matching funds are not placed in the participant's savings account; they are kept in a separate account managed by the IDA Administrator. The participant may save more than \$1000 per year; however, the IDA Administrator will only match \$1000 of those funds. The IDA Administrator guarantees that the participant's savings and interest will be matched as described above for up to three years.

IDA Workshops: eDev will refer the participant to the required Financial Literacy classes and goal-specific training.

Account Statements: The IDA Administrator will send the participant monthly statements documenting their current account status and the total matching funds they have earned.

Disperse Matching Funds: Matching funds will not be placed in the participant's account, but paid directly to the asset vendor (i.e. educational institution or business equipment supplier). If the participant follows all program rules and policies, meets the necessary savings goal to purchase the selected asset, and completes the required training, the IDA Administrator will disperse matching funds for the asset purchase.

Disperse Beneficiary Funds: The IDA Administrator will distribute the balance of the IDA, plus any matching funds, into a new IDA within 30 days of the participant's death if the designated individual qualifies. If the beneficiary does not qualify for an IDA, LMB will distribute the balance of the IDA, less any matching funds, directly to the designated beneficiary.

Grievance Process: eDev offers a process for any participant who has a grievance in regards to eDev's IDA program. You must contact the Executive Director at eDev if you have a grievance.

All Parties Agree to:

Funds deposited with the agreed upon Financial Institution will not be commingled.

The undersigned agree to abide by all program rules and policies and meet all responsibilities as a participant and IDA Administrator as indicated in this agreement. This agreement may be amended if agreed upon by the IDA Administrator and participant.

Participant Signature

Date

IDA Administrator Signature

Date