



GOLDEN STATE SCHOLARSHARE

Governor's Scholarship Program Qualified Withdrawal Form

Use this form to withdraw funds from your Student Scholarship Account to pay for your qualified higher education expenses billed by the eligible educational institution ("school") in which you are enrolled. You must include a copy of a bill or fee statement from that school that itemizes the qualified expenses. You can request a withdrawal amount up to the balance in your Student Scholarship Account not to exceed billed qualified expenses. If you have any questions when completing this form, call us TOLL FREE at 1 877 SAV-4EDU (1 877 728-4338), Monday-Friday 5 a.m. to 8 p.m. Pacific Time. Please fill out this form completely

I. ACCOUNT INFORMATION

First Name Middle Initial Last Name
 Street Address City State Zip Code
 Social Security Number or Tax Identification Number - -
 Daytime Phone No. - - Account Number 1 9 1 5 -

II. WITHDRAWAL INFORMATION

Please indicate below the amount of the withdrawal to pay for your qualified higher education expenses billed by your school. Qualified higher education expenses include tuition, fees, books, supplies, equipment and certain room and board costs. Please attach a copy of your itemized bill from your school. The amount that you withdraw will only be sent directly to your school. Please note, your initial Scholarship deposit earns interest each day the funds are in your Account.

Amount of Withdrawal: \$ or Entire Account Balance (Check box)

Name of Eligible Educational Institution:

Check should be made payable to:

Mail Check to:

Department or Office or Attention:

Address:

City, State, Zip

The expenses in Section II are for the Term (e.g. fall, spring) of the academic year.

III. PRIVACY NOTICE

The California Information Practices Act of 1977 requires that the ScholarShare Investment Board maintain the privacy of personal information provided by you to it on any ScholarShare forms or introduced by you into any ScholarShare record-keeping system, including information provided on the Internet.

We Will Not Disclose Your Information

The personal information that you provide on this qualified withdrawal form will not be disclosed to anyone without your written consent unless the information is authorized or required to be disclosed by the California Information Practices Act, or by other state or federal law. Your Social Security number or Taxpayer Identification number will be provided to any educational institution that receives a direct distribution of a payment of qualified higher education expenses on your behalf so the institution can verify your identity.

Purpose for Requesting Information

The California Information Practices Act of 1977 and Section 7 of the Federal Privacy Act of 1974 require that applicants for and participants in the ScholarShare Trust be provided with the following information.

The purpose for requesting this information is to process your withdrawal from a Student Scholarship Account in the ScholarShare Trust, containing your scholarship award and earnings, according to the guidelines established under Section 529 of the Internal Revenue Code of 1986 and by the State of California. Furnishing your Social Security number or Taxpayer Identification number and other requested information is mandatory. Failure to provide the information requested might prevent or delay your withdrawal.

You have the right to access records established from the information that you have furnished that pertains to you. Your Social Security number or Taxpayer Identification number is used to verify your identity and for federal tax administration purposes involving Section 529 (b)(7) of the Internal Revenue Code of 1986 and is requested pursuant to legal authority contained in California Code of Regulations, Title 5, Section 31001 and Section 31004. The Executive Director of the ScholarShare Investment Board is responsible for maintaining information that you introduce into ScholarShare's record-keeping system, including information contained in this form.

Retention of Your Personal Information

The personal information that you introduce into ScholarShare's record-keeping system will be maintained until your 30th birthday.

We Do Not Discriminate

TIAA-CREF Tuition Financing, Inc. and the ScholarShare Investment Board, in compliance with federal statutes and the Equal Protection Clause of the California Constitution, do not discriminate on the basis of race, color, national origin, sex or handicap in any of their policies, procedures, or practices. Inquiries regarding these equal opportunity policies may be directed to the ScholarShare Investment Board or to TIAA-CREF Tuition Financing, Inc.

IV. SIGNATURE AND CERTIFICATION

By signing below I certify that I have read, reviewed, understand and agree to all terms and conditions and provisions presented in this Qualified Withdrawal form and on both the attached Qualified Withdrawal Guidelines and Governor's Scholarship Program Guidelines, which are incorporated herein by reference.

- Information provided on this form is true and correct and I am the individual identified in Section I.
- The award will not be used for any purpose other than for payment of qualified higher education expenses and cannot be used by any other person.
- The requested withdrawal amount and attached bill represent qualified higher education expenses required for my enrollment or attendance at the school identified in Section II.
- I acknowledge that if any portion of the withdrawal amount is used for payment of room and board or used to pay expenses at a correspondence school, then I must report such amount to the Internal Revenue Service when filing my tax return for the year that I withdrew these funds.
- No other request has been previously submitted to the Governor's Scholarship Programs or the Golden State ScholarShare Trust or any other state qualified tuition savings program for reimbursement of these expenses.
- I acknowledge that I must return to the ScholarShare Trust any portion of this withdrawal that is refunded by my school to me (or to any person on my behalf) that is not immediately used for other qualified higher education expenses.
- To the best of my knowledge, total withdrawals from the ScholarShare Trust for room and board for the academic year identified in Section II have not exceeded the room and board limitations described in the Qualified Withdrawal Guidelines.
- I certify that I have attended a California public school for at least one continuous year (12 continuous months) immediately prior to taking the achievement test on which I received a qualifying score for the Governor's Scholarship Awards. I agree that, if requested, I will submit my school records as evidence of such attendance.
- I understand that, if at some later date it is determined that any of my certifications are false or inaccurate, or that any claim or qualified withdrawal information is false or inaccurate, my scholarship award and any applicable earnings remaining in the Student Scholarship Account will be forfeited.

Signature of Student Identified in Section I

Date

Signature of Parent or Guardian if Student is a Minor (under the age of 18)

Date

Name of Parent or Guardian if Student is a Minor (under the age of 18)

Date

Please allow up to six weeks for a Qualified Withdrawal Form to be processed.

QUALIFIED WITHDRAWAL GUIDELINES

- **The ScholarShare Program will only send the amount withdrawn directly to the school you are attending.**
- Your school must be an “eligible educational institution: as defined in Section 529 of the Internal Revenue Code. An “eligible educational institution” is a post-secondary institution that participates in the Department of Education’s Title IV financial aid programs. First check to ensure your school is participating in these financial aid programs by contacting your school. Alternatively, you can enter the school name and location on the web page listed below, but you must still contact the school to verify the listing on the web site. The ScholarShare Trust cannot guarantee that the web site is accurate or contains the most current information.

<http://www.ed.gov/offices/OSFAP/Students/apply/search.html>.

Qualified Higher Education Expenses are:

- Tuition and fees,
- Costs of books, supplies and equipment required for the enrollment or attendance of the student at an eligible educational institution, and
- Certain amounts for room and board.

- **Use of Withdrawn Funds for Room and Board:**
You are required to pay federal income taxes on the portion of your withdrawal used for room and board. In addition, Section 529 of the Internal Revenue Code requires that withdrawals from the ScholarShare Trust for room and board costs do not exceed the following (new limits will apply starting 2002):

Living on campus: the amount normally charged per academic year for most students living on campus

Living off campus at home with parents or guardians: \$1,500 per academic year

Living off campus but not at home: \$2,500 per academic year

- **Return of Withdrawn Funds:** You must return to the ScholarShare Trust any portion of a qualified withdrawal that is refunded by your school to you (or anyone else on your behalf) and not immediately used by you for other qualified higher education expenses.
 - If any portion of the refund that you receive is subsequently used for your qualified higher education expenses, you must submit to the ScholarShare Trust dated, itemized and paid receipts showing the portion of the refund that was actually used for qualified expenses.
 - Any portion of the refund not used for qualified expenses must be returned to the ScholarShare Trust and will be forfeited.
- **Tax Considerations:** The Governor’s Scholarship Programs have been designed so that scholarship awards, including the earnings, used for certain qualified higher education expenses while a student is pursuing a degree, will not be subject to federal income taxation.

Any portion of the awards or earnings withdrawn as payment of room and board costs will be subject to federal income tax in the tax year it was withdrawn. Students must report such amount to the Internal Revenue Service when filing their tax return. Similarly, any portion of a scholarship award used to pay for qualified higher education expenses at correspondence schools may not be eligible for federal tax-exempt treatment.

Notwithstanding the design of the Governor’s Scholarship Programs, the Internal Revenue Service could take the position that all scholarship awards are subject to federal income taxation in the year the student is notified of the award. Students and their families should consult their tax advisors regarding the federal tax treatment of scholarship awards.

California law provides that these scholarship awards, including the earnings, are exempt from California income tax.

Please return this Form and required attachments, in the enclosed business reply envelope. If you do not have a business reply envelope, use a stamped envelope and send to:

Mailing Address:

Golden State ScholarShare Trust
P.O. Box 997400
Sacramento, CA 95899-7400

Retain this page for your records.

GOVERNOR'S SCHOLARSHIP PROGRAM GUIDELINES

LACK OF GUARANTEES

Neither the ScholarShare Investment Board nor the State of California nor TIAA-CREF guarantees in any way that:

- Higher education expenses will be equal to projections and estimates provided by the ScholarShare Investment Board;
- Admission of the award recipient to an institution of higher education;
- If admitted, a determination that the award recipient is a resident for tuition purposes by the institution of higher education;
- Continued attendance by the award recipient at the institution of higher education following admission;
- Graduation by the award recipient from the institution of higher education; or
- The scholarship savings will be sufficient to fully cover all qualified higher education expenses of attending an eligible educational institution following admission.

GENERAL LEGAL IMPLICATIONS

- All scholarship awards and earnings are owned by the State of California (not the student), until the award recipient directs the funds to be paid to an eligible educational institution.
- The award recipient's right to claim a scholarship award or use it to pay qualified higher education expenses at the educational institution he or she is attending cannot be transferred to anyone.
- Neither the scholarship award nor earnings will be considered an asset of the award recipient's estate if he or she were to die.
- If used for qualified higher education expenses (except room and board expenses), the scholarship (and any earnings) should not be considered taxable income to the beneficiary when deposited into the ScholarShare account or when withdrawn.
- The scholarship can only be used for qualified higher education expenses.

LOSS OF SCHOLARSHIP FUNDS

- Scholarship funds can ONLY be used for qualified higher education expenses.
- The following circumstances will result in the forfeiture of funds in the Student Scholarship Account.

If the award recipient:

- Chooses not to attend an eligible educational institution.
- Does not have qualified higher education expenses.
- Dies.
- Becomes disabled such that he or she cannot attend an eligible educational institution.
- Reaches the age of 30 and unused funds remain in the Student Scholarship Account.
- Provides false or misleading information in claiming the award.
- When requested, fails to provide documentation supporting the claim information provided to open a Student Scholarship Account.
- Was misidentified as being eligible to receive an award.
- Has been determined by the State of California to not have been eligible for the award because the student was misidentified as eligible or if the test scores forming the basis of the award are invalidated.

Investment Management
Program Administration
by
TIAA-CREF
Tuition Financing, Inc.

