

PAYING

QUALIFIED

MEDICAL EXPENSES

MADE EASY

HEALTH SAVINGS ACCOUNTS

AND HSA DEBIT CARDS

## HEALTH SAVINGS ACCOUNTS

The following account disclosures provide information regarding the accounts related to your Health Savings Account(s) and HSA Debit Card.

### HSA MONEY MARKET ACCOUNT

**Rate Information** - See accompanying Share Account Rate Sheet.

The dividend rate and annual percentage yield may change every dividend period. We may change the dividend rate for your HSA Money Market as determined by the Credit Union Board of Directors.

**Compounding and crediting** - Dividends will be compounded every month. Dividends will be credited to your HSA Money Market every month.

**Dividend period** - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31.

**Minimum balance requirements:**

The minimum balance required to open an HSA Money Market is \$100.00.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in your HSA Money Market each day.

**Accrual of dividends on non-cash deposits** - Dividends will begin to accrue on the first business day after the banking day you deposit non-cash items (for example, checks) into your HSA Money Market.

**Transaction limitations:** You may make unlimited additions into your account(s) by Teller, Mail Deposit, Direct Deposit, Night Deposit Box, Automated Clearinghouse (ACH), or Automatic Transfer.

During any month, you may not make more than six (6) withdrawals or transfers to another Credit Union account of yours or to a third party by means of a preauthorized, automatic, or computer transfer or telephonic order or instruction or by check, draft, HSA Debit Card or similar order to third parties. If you exceed the transfer limitations set forth above in any month, your HSA Money Market may be subject to closure by the Credit Union.

If during any month, more than three (3) checks clear your HSA Money Market, you may be charged an HSA Per Check Fee for each additional check that clears your account. Please see a current fee schedule for the applicable fee amount.

**Closures and transfers:**

You will be charged an HSA Account Closure Fee if you close your HSA Money Market Account. You will be charged an HSA Account Transfer Fee if you transfer your HSA Money Market Account to another financial institution. If no funds are available in your HSA Money Market Account to pay these fees, the fee amounts may be deducted from one of your other Credit Union accounts, or your account may be brought negative and reported as such until all fees are paid, without further notice to you. Please see a current fee schedule for the applicable fee amounts.

### HSA SHARE CERTIFICATE

**Rate Information** - See accompanying Share Account Rate Sheet. You will be paid this rate until first maturity.

**Compounding frequency** - Unless otherwise paid, dividends will be compounded every day.

**Crediting frequency** - You may choose to have dividends credited monthly, quarterly, semi-annually, annually or at maturity. Alternatively, you may choose to have dividends paid to you or to another account monthly, quarterly, semiannually, or annually rather than credited to your HSA Share Certificate.

**Dividend period** - For your HSA Share Certificate, the dividend period varies. Your dividend period may be monthly, quarterly, semiannually, or annually.

**Minimum balance requirements:**

The minimum balance required to open an HSA Share Certificate is \$500.00.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in your HSA Share Certificate each day.

**Accrual of dividends on non-cash deposits** - Dividends will begin to accrue on the first business day after the banking day you deposit non-cash items (for example, checks) to your HSA Share Certificate.

**Transaction limitations:**

You may make unlimited additions into your account, but only at maturity, by Teller, Mail or Direct Deposit, Night Deposit Box, ACH, or Automatic Transfer.

Partial withdrawals of principal, \$500.00 or more, plus any accrued dividends on the amount withdrawn, will be allowed from your HSA

Share Certificate. A penalty may be imposed on the amount of the withdrawal. See penalty disclosure for specific penalty details based on terms. The withdrawal amount cannot take your HSA Share Certificate below the minimum amount required to establish an HSA Share Certificate at opening or renewal.

You may only withdraw dividends before maturity if you make arrangements with us for periodic payments of dividends in lieu of crediting.

**Time requirements** - The maturity date on your HSA Share Certificate will depend on the term of the account. See the accompanying Share Account Rate Sheet for time requirements.

**Early withdrawal penalties** (a penalty may be imposed for withdrawals before maturity, and penalties may invade principal)-

- If your HSA Share Certificate has an original maturity of six months or less:

The penalty on all early withdrawals is ninety (90) days' dividends or any dividends earned if less than ninety (90) days', with a minimum of seven (7) days' dividends.

In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

**Withdrawal of dividends prior to maturity** - The Annual Percentage Yield (APY) is based on an assumption that dividends will remain in your HSA Share Certificate until maturity. A withdrawal will reduce earnings.

**Automatically renewable account** - Your HSA Share Certificate will automatically renew at maturity. You may prevent renewal if you withdraw the funds in your HSA Share Certificate at maturity (or within the grace period mentioned below, if any) or we receive written notice from you within the grace period mentioned below, if any. We can prevent renewal if we mail notice to you at least thirty (30) calendar days before maturity. If either you or we prevent renewal, dividends will not accrue after final maturity.

Each renewal term will be the same as the original term, beginning on the maturity date. The dividend rate will be the same we offer on new term HSA Share Certificate on the maturity date which have the same term, minimum balance (if any) and other features as the original term HSA Share Certificate.

You will have a grace period of seven (7) calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

## ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund Transfers (EFT) we are capable of handling, some of which may not apply to your HSA account(s). Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

**Health Savings Accounts (HSA).** We permit you (as described below) to access your HSA Money Market with an HSA Debit Card. This service is offered for the convenience of managing your HSA. However, electronically accessing your HSA can raise a variety of tax concerns. As a result, before electronically accessing your HSA make sure you are using the correct card. Also, it is your responsibility to ensure the contributions, distributions, and other actions related to your HSA, comply with the law, including federal tax law. As always, we recommend consulting a legal or tax professional if you have any questions about managing your HSA. The terms of this disclosure are intended to work in conjunction with the HSA Agreement provided to you earlier. In the event of a conflict, the terms of the HSA Agreement control. You understand that your HSA is intended to be used for payment of qualified medical expenses. It is your responsibility to satisfy any tax liability resulting from use of your HSA for any purpose other than payment or reimbursement of qualified medical expenses. We do not monitor the purpose of any transaction to or from your HSA. Nor are we responsible for ensuring your eligibility for making contributions or ensuring withdrawals are used for payment or reimbursement of qualified medical expenses. Refer to your HSA Agreement for more information relating to the use of your HSA. Use and/or activation of your HSA Debit Card denotes your agreement to abide by the Credit Union's Terms and Conditions under this Agreement, your promise to pay all amounts owed by you and any Authorized Users, and any fees or service charges, including attorneys fees and expenses. You may request an Authorized User Debit Card for your spouse, beneficiary, or other dependent that you authorize to pay your HSA expenses. You will be held liable for any and all transactions made by all Authorized Users. Authorized Users must be at least 18 years old.

**ATM Transfers - types of transfers and dollar limitations** - You may not access your HSA account(s) by ATM using your HSA Debit Card. A Personal Identification Number (PIN) will not be issued.

**Types of HSA Debit Card Point-of-Sale Transactions** - You may access your HSA Money Market to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), and do anything that a participating merchant will accept as a signature-based transaction.

**Point-of-Sale Transactions (POS) - dollar limitations** - Using your HSA Debit Card for signature-based (POS) transactions:

- you may not exceed the amount available in your HSA Money Market account
- you may not exceed \$3,000.00 in transactions per business day

Please also see **Limitations on frequency of transfers** section regarding limitations that may apply to HSA Debit Card transactions. Additionally, no HSA transactions are allowed through Telephone Banking or Online Banking.

**Currency Conversion.** When you use your HSA Debit Card for purchases in foreign countries and foreign currencies, they will be billed to you in U.S. Dollars. The conversion exchange rate between the transaction currency and the billing currency used for processing international transactions to U.S. Dollars will be from a range of rates which may vary selected by VISA USA from the wholesale currency market rate or the government-mandated rate in effect for the applicable Central Processing Date (CPD), in each instance, plus or minus any adjustment determined by the Credit Union as a VISA issuer. A VISA International Service Assessment (ISA) Fee will be billed to you separately as the Foreign Currency Conversion Fee on all cross-border transactions.

**Advisory Against Illegal Use.** You agree not to use your HSA Debit Card for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located. Certain forms of online gambling such as casino-style gaming, sports betting, purchase of lottery tickets or electronic gaming chips may violate local laws in countries where gambling is illegal. Internet and mail-order sales of age-restricted products, such as alcohol and tobacco products, are strictly prohibited. Use of your card for any illegal transaction will result in the termination of your HSA Debit Card privileges.

**Limitations on frequency of transfers.** In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- During any month, you may not make more than six (6) withdrawals or transfers from an HSA account to another Credit Union account of yours or to a third party by means of a preauthorized, automatic or computer transfer or telephone order or instruction or by check, draft, HSA Debit Card or similar order to third parties. If you exceed the transfer limitations set forth above in any month, your account may be subject to closure by the Credit Union.

### COMMON FEATURES AND FEES

The following fees may be assessed against your HSA account. Please refer to our separate fee schedule *"Membership Account Fees and Service Charges"* for current fee amounts.

- Check Printing Fee (depends on style of check ordered)
- Account Closure Fee
- Debit Card Replacement Fee
- Money Market Excess Transaction Fee
- Money Market Overdraft Fee
- Money Market Overdrawn Fee
- Money Market Per Check Fee
- Account Transfer Fee
- VISA International Service Assessment (ISA) Fee

For details about the rates, terms, fees, conditions and Annual Percentage Yield (APY) that may apply to your HSA account, please refer to a Share Account Rate Sheet and the Membership disclosure, "Important Information for Our Members." All HSA Accounts and Debit Cards are subject to eligibility and qualification, and address and identification verification may also be required. For additional information, please contact our office or visit our Web site at [www.ibmsecu.org](http://www.ibmsecu.org).

### DOCUMENTATION

**• Periodic statements.**

You will get a monthly statement from us that will include your HSA accounts.

### FINANCIAL INSTITUTION'S LIABILITY

**Liability for failure to make transfers.** If we do not complete a transfer to or from your HSA Money Market on time or in the correct amount according to our agreement with you, we may be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your HSA Money Market to make the transfer.
- (2) If the system was not working properly and you knew about the breakdown when you started the transfer.
- (3) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (4) There may be other exceptions stated in our agreement with you.

### CONFIDENTIALITY

We will disclose information to third parties about your HSA account(s) or the transfers you make:

- (1) where it is necessary for completing transfers; or

- (2) in order to verify the existence and condition of your HSA account(s) for a third party, such as a credit bureau or merchant; or
- (3) in order to comply with government agency, law enforcement, or court orders; or
- (4) as explained in the separate Financial Privacy Disclosure, "Your Rights To Confidentiality."

**UNAUTHORIZED TRANSFERS**

**(a) Consumer liability.**

• *Generally.* Tell us AT ONCE if you believe your HSA Debit Card has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check or draft. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your HSA account(s).

If you do NOT tell us within two (2) business days after you learn of the loss or theft of your HSA Debit Card and we can prove we could have stopped someone from using your HSA Debit Card without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transactions that you did not make, including those made by your HSA Debit Card tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we may extend the time periods.

• *Additional Limit on Liability for HSA Debit Card.* Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen HSA Debit Card.

**(b) Contact in event of unauthorized transactions.** If you believe your HSA Debit Card has been lost or stolen, call or write us at the telephone number or address listed in this brochure. You should also call the number or write to the address listed in this brochure if you believe a transaction has been made using the information from your check or draft without your permission.

**ERROR RESOLUTION NOTICE**

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed in this brochure, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number (if any).
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- (3) Tell us the date and dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days (five (5) business days for HSA Debit Card point-of-sale transactions and twenty (20) business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days (ninety (90) days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days (five (5) business days for HSA Debit Card point-of-sale transactions and twenty (20) business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account. Your HSA account is considered a new account for the first thirty (30) days after the first deposit is made, unless you already have an established account with us before this account is opened.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

IBM SOUTHEAST EMPLOYEES' FEDERAL CREDIT UNION

P.O. BOX 5090, BOCA RATON, FL 33431-0890

Business Days: Monday through Friday

Excluding Federal Holidays

Phone: 800.873.5100 or 561.982.4700

Fax: 561.226.5415 or E-mail: serviceplus@ibmsecu.org

More information available upon request, or at [www.ibmsecu.org](http://www.ibmsecu.org)

## A CARD TO SIMPLIFY YOUR BUSY LIFESTYLE

Most checkbooks can only do one thing—checking. Your HSA Debit Card does this and much more. Your HSA Debit Card gives you a faster, more economical, more convenient way to pay for those qualifying medical expenses. That's because it allows you to withdraw funds from your HSA Money Market without ever having to write out a check. Use your card wherever a VISA® debit card is accepted.

## FAST AND ONE-STEP EASY

Forget having to round up your checkbook, a pen, and two forms of identification. With your HSA Debit Card, paying for a qualifying medical expense is just as simple as using a credit card.

## WORRY FREE WHEN YOU'RE OUT OF TOWN

No need to worry about your checks being accepted for a qualifying medical expense when you're out of town. You can use your card wherever a VISA® debit card is accepted.

## SAFEGUARDED IF LOST OR STOLEN

As a safeguard, we provide zero liability for fraudulent signature-based transactions, if your card is lost or stolen. See your Membership Disclosure "Important Information for Our Members," for details.

## JUST LIKE BALANCING YOUR CHECKBOOK

Every month in which a transaction is completed, your monthly statement will include the date, location, and amount of every transaction you've made.

## ASK FOR YOURS TODAY

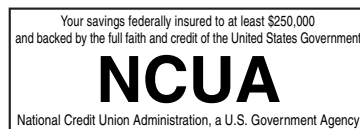
Please contact a Member Service Advisor to open your HSA Money Market account and get your HSA Debit Card. You can expect your HSA Debit Card to arrive within 7-10 days of your request. Before you know it, you'll be experiencing all the benefits of your HSA Money Market.

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**IBM Southeast Employees' Federal Credit Union**

Your time. Your money. Your future.®



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## HSA DEBIT CARD APPLICATION

**MEMBER APPLICANT**

Member # / Account Type \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone # \_\_\_\_\_

Work Phone # \_\_\_\_\_

Cell Phone # \_\_\_\_\_

E-mail Address \_\_\_\_\_

**HIGH DEDUCTIBLE HEALTH PLAN (HDHP) INSURANCE INFORMATION**

Insurance Carrier Name: \_\_\_\_\_

Start Date of Insurance Plan: \_\_\_\_\_

Individual or Family Insurance Plan: \_\_\_\_\_

HDHP Deductible: \$ \_\_\_\_\_

**AUTHORIZED USER APPLICANT**

Authorized User Social Security # \_\_\_\_\_

Authorized User Member # \_\_\_\_\_

Name \_\_\_\_\_

Address (if different from above) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone # \_\_\_\_\_

Work Phone # \_\_\_\_\_

Cell Phone # \_\_\_\_\_

E-mail Address \_\_\_\_\_

**Signatures:** By signing below, the undersigned requests an HSA Debit Card(s) and agrees to abide by all terms and conditions governing this service. For details, please refer to a current HSA Brochure, Disclosure and Fee Schedule.

Member's Signature \_\_\_\_\_

Date \_\_\_\_\_

Authorized User's Signature \_\_\_\_\_

Date \_\_\_\_\_

Return signed and completed application to a local Branch, to the address below, or via fax to 561.226.5402.

**IBM SOUTHEAST EFCU**

ATTN: HSA MEMBER SERVICES

P.O. BOX 5090, BOCA RATON, FL 33431-0890

Call 800.873.5100 or 561.982.4700, or e-mail [serviceplus@ibmsecu.org](mailto:serviceplus@ibmsecu.org) for further assistance.

**For Credit Union Use Only**

Date & Operator # \_\_\_\_\_

CUT HERE

