



Health Savings Account (HSA) Disclosure

This Agreement covers the rights and responsibilities concerning your accounts and the rights and responsibilities of CENCAP Federal Credit Union ("Credit Union") providing this Agreement. In this Agreement, the words "you" and "yours" mean anyone who signs an Account Card or Account Change Card (Account Card or any other account opening document). The words "we", "us", and "our" mean the Credit Union. The word "account" means any one or more share or other accounts you have with the Credit Union. The following information is provided in compliance with the Truth-in-Savings Act for the Health Savings Account program.

- 1. Interest** – These are variable rate accounts. As such, interest rates and Annual Percentage Yields (APY's) may change. Refer to the Rate Sheet for current rate information.
- 2. Compounding and Crediting** – Interest will be compounded monthly and will be credited monthly. For this account type, the interest period is monthly, for example, the beginning date of the first period of the calendar year begins January 1, and the ending date of that period is January 31. All other interest periods follow that same pattern. Interest is paid on the last day of the interest period. In the example, this would be January 31. If the account owner closes this account before the interest is paid, the account owner will not receive the accrued interest.
- 3. Minimum Balance Requirements** – To open the account, the par value of a share must be deposited. The par share value of the Credit Union is \$5.00.
- 4. Balance Computation Method** – Interest is calculated using the average daily balance method, which totals the ending balances for each day of the interest period, divides the results by the total number of days in the interest period and uses the resulting average balance to calculate interest based on the balances.
- 5. Interest Accrual on Deposits** – Interest will begin to accrue on the business day the account owner deposits funds into the account.
- 6. Fees and Charges** – Refer to the Fee Schedule
- 7. Transaction Limitations** – During any statement period, the account owner may not make more than six (6) withdrawals or transfers to a third party by means of a pre-authorized or automatic transfer, Automated Clearing House (ACH) check, Internet, Account Access or telephone order of instruction. If the account owner exceeds the transfer exceeds the transfer limitations set forth above in any statement period, the owner's account will be subject to closure by the Credit Union. Funds from this account may not be transferred to another non-Health Savings Account. No overdraft protection or courtesy pay programs are allowed with this account. Any items presented for payment against this account will be returned if sufficient funds are not available within the account. HSAs are subject to limitation and/or penalties imposed by the Internal Revenue Service (IRS). Please see IRS rules governing HSAs.
- 8. Contributions and Distributions** – Deposits made to this account will be considered as current year contributions made by the account owner unless made in person and a contribution direction form has been completed and signed giving the Credit Union specific directions to the contrary. All contributions and distributions are the responsibility of the account owner and must be within IRS regulatory limits. Differences may exist between the account owner's High Deductible Health Plan (HDHP) plan year and the regulatory HSA plan year and should be taken into account when determining contributions/distributions made to the account.