

## **Instructions for Submitting CareFirst Health Savings Account (HSA) Applications**

*For Broker/Sales Representative*

### **Current Process**

- Member completes benefit enrollment form during open enrollment.
- Once collected, Broker/Sales representative forwards the enrollment form onto CareFirst for processing.
- CareFirst sends eligibility file to FlexAmerica for those members who choose a plan with an HSA option.
- Welcome Kit mailed to members containing instructions to activate the account.
- Member activates the account electronically or by mail.

As you know, this is a lengthy process. Many members do not have access to their funds until after their CareFirst health plan becomes effective.

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### **New Process (for those groups/brokers who wish to accelerate the availability of HSA funds)**

- Visit the *Broker & Agents* section of [www.carefirst.com](http://www.carefirst.com) to find the *Accelerated HSA Process PDF*, which includes the following:
  - Instructions for brokers
  - HSA Application
  - HSA Account Fee and Rate Schedule
  - Deposit Agreement and Disclosure Statement
- Forward this information to the employer group for distribution during open enrollment.
- Those members who select a health plan with an HSA option complete the Health Savings Account Application.
- Collect completed FlexAmerica HSA applications and ACS/Mellon applications and fax to FlexAmerica at 301-530-4161. Do not wait for the medical enrollment to be processed by CareFirst. Applications must be received by FlexAmerica prior to FlexAmerica receiving the enrollment by CareFirst.

*If the application is not received by FlexAmerica those members who do not fill out the HSA Application will receive a standard Welcome Kit described above.*

*Note: If enrollment is sent to CareFirst electronically HSA applications must be a paper process.*

- FlexAmerica inputs the data and holds the applications.
- CareFirst processes enrollment applications and sends eligibility file to FlexAmerica for those members who choose a plan with an HSA option.
- FlexAmerica activates HSA accounts for those members who appear on eligibility file and completed HSA Application.
- Members who have already completed application will receive a signature card and instructions for ordering personalized checks.
- Members who have not yet completed application will receive a standard Welcome Kit with a HSA Application.

If you have any problems or questions, call FlexAmerica at 301-530-9400.



## What Else Will I Receive?

Master Signature Card: You will be receiving a personalized Welcome Kit containing your personal 14-digit account number, along with a Master Signature Card and Beneficiary Designation form. The Master Signature card must be completed and returned in order to receive a personalized checkbook. (A checkbook is not sent automatically)

Debit Card: Upon depositing funds into your HSA, you will be able to use your HSA debit card.

You must activate your card by following the instructions in the card mailing. Your HSA debit cards cannot be used at an automated teller machine (ATM). You may obtain additional debit cards by contacting BlueFund at 877-956-5552.

Checkbook: Upon processing your Master Signature Card, you will be sent a personalized HSA checkbook.

You can use your HSA checkbook or debit card to purchase medical products and services that are not covered under your health plan. For services such as emergency room visits or doctor appointments, for which a discounted price has been negotiated, you should ask your provider to submit the claim directly to your health plan. Your provider will contact you if there is a balance due after the claim is processed by your health plan, and you can use your HSA checkbook or debit card to make a payment, provided you have the necessary funds available in your HSA.

Monthly account statements: Beginning the first of the month after your account is activated, you'll receive monthly account statements reflecting current and year-to-date debits/withdrawals, as well as all credits (deposits or interest earnings) on your account.

IRS forms 1099 and 5498: After the end of each calendar year, you will receive IRS form 1099, reflecting withdrawals from your account and IRS form 5498, reflecting account deposits/contributions.

## What If I Have Questions?

You can contact us by phone at **877-956-5552** Monday to Friday from 8:30 a.m. to 6:00 p.m. (Eastern Time)

## How Do I View and Manage My Account?

Log on to the web at [carefirst.com](http://carefirst.com). Click on "Members & Visitors". Select "My Account"

## Other Important Notes

*You should manage your HSA to ensure you do not contribute more than the amount allowed by the IRS.* If you do exceed the maximum, it is your responsibility to file the necessary paperwork for adjustments to your annual income tax. If you need this "Return of Excess Contributions" form, call BlueFund at 877-956-5552.

## How Can I Move My Current HSA Account to the ACS|Mellon HSA Solution?

If you currently have funds with another HSA custodian, you can rollover these funds into your ACS|Mellon HSA by using one of the following methods:

- Complete the HSA Deposit Slip included in your checkbook. A check from your prior HSA account should be made out to "The **Bank of New York Mellon**". Be sure to mark the "rollover" check box on the HSA Deposit Slip.
- Complete a Trustee-to-Trustee Transfer form. If you need this form call BlueFund at 877-956-5552.

## How Can I Change My Address?

Keep your Account information up to date with CareFirst or CareFirst BlueChoice, who will notify us of any changes.

## What Happens if Leave My Employer?

**Your HSA is portable:** *You own and manage your account.* You can continue to contribute as long as you are enrolled in a qualified high deductible health plan. Your account will continue to grow tax-free. You may withdraw account funds for qualified medical expenses on a tax-free basis.



## CareFirst Health Savings Account Fee and Rate Schedule

### Interest Rate, Set-Up and Monthly Fee

Interest Rate .....	.600 %
Annual Percentage Yield (APY) .....	.601%
<b>The Account Setup Fee and Monthly Service Charge indicated below are paid for by your Health Plan while you are actively employed and enrolled in a high deductible health plan.</b>	
Account set-up Fee .....	\$ 14.00
Monthly service charge for average monthly balance of \$1,000 or less .....	\$ 3.90

### Requests for debit card, checkbook or copies of documents

Replacement/Additional Debit Card .....	\$ 5.00
Checkbook Reorder Fee .....	\$ 5.00
Copy of Check, Statement or Other Document (per item) .....	\$ 5.00

### Other Banking Fees when Applicable

Stop Payment (per request) .....	\$ 25.00
Returned Item (per instance) .....	\$ 25.00
Custodian Check Issuance Fee (deducted from account balance) .....	\$ 25.00
Excess Contribution Reimbursement (deducted from account balance) .....	\$ 25.00
Attachments/levies/legal requests/subpoenas (per request) .....	\$ 75.00
Statement Reconciliation/Account Research .....	\$20.00 per hr/\$10 min charge

See your Health Savings Account Deposit Agreement and Disclosures for the complete terms and conditions related to your account. Note, fees disclosed will remain in effect until further notice. Interest is credited to participant accounts on the last business day of the month. Monthly service charge is debited from participant accounts on the first business day of the month.

For additional information regarding these fees, contact your employer, health plan or our service center. Other fees will be deducted from the balance of your Health Savings Account when incurred or as indicated. If the account balance is less than \$25 at the time of the check issuance request, a fee equal to the account balance will be deducted from your account.

# THE BANK OF NEW YORK MELLON HEALTH SAVINGS ACCOUNT DEPOSIT AGREEMENT & DISCLOSURE STATEMENT

A Health Savings Account is an individually owned checking-with-interest account at The Bank of New York Mellon (referred to in this document as “us” “we”, “our” and similar terms). Health Savings Account holders (referred to in this document as “you”, “your”, and similar terms) and their employers can make deposits into the Health Savings Account by way of check or electronic transfer. Withdrawals from the Health Savings Account can be made by way of check or electronic transfer. By opening a Health Savings Account with us (your “Account”) and providing us with a signed Health Savings Account Master Signature Card, you agree to be bound by (a) this Deposit Agreement and Disclosure Statement as it may be amended from time to time (this “Agreement”), and (b) our policies and procedures regarding Health Savings Accounts.

## **Section 1 General**

**Deposits.** We may, at our sole discretion, refuse to accept particular instruments as deposits. Items that you deposit are handled by us according to our usual collection practices. If an item of your deposit is returned unpaid, we will debit your Account and adjust any interest earned. You are liable to us for the amount of any check you deposit to your Account that is returned and all costs and expenses related to the collection of some or all of the amount from you. Funds deposited to your Account are available in accordance with the Funds Availability provisions below. You agree to accept our account of the amount of any deposit of cash, checks, or other items.

**Collection of Deposit Items.** In receiving items for deposit or collection, we act only as your agent and assume no responsibility beyond the exercise of ordinary care. All items are credited subject to final settlement in cash or credits.

If we permit you to withdraw funds from your Account before final settlement has been made for any deposited item, and final settlement is not made, we have the right to charge your Account or obtain a refund from you. In addition, we may charge back any deposited items at any time before settlement for whatever reason. We shall not be liable for any damages resulting from the exercise of these rights. Except as may be attributable to our lack of good faith or failure to exercise ordinary care, we shall not be liable for dishonor resulting from any reversal of credit, return of deposited items or for any damages resulting from any of those actions.

**Electronic Statement (E-statement)** You may elect to receive monthly account statements in electronic format. Such an election will be in effect until changed by the accountholder. No paper statement will be mailed when the electronic statement is elected.

**Custodial Accounts.** You acknowledge that your Account is setup as a custodial account as contemplated by 26 U.S.C. Sections 223 and 408(h) and it is your sole responsibility to determine the legal effects of opening and maintaining an account of this nature.

**Interactive Voice Response (IVR) and Website** Account information provided on the IVR system and HSA website may not reflect recent intraday transactions.

**Power of Attorney.** If you wish to name another person to act as your attorney in fact or agent in connection with your Account, we must approve the form of appointment.

**Fees, Service Charges and Balance Requirements.** You agree you are responsible for any fees, charges, balance, or deposit requirements as stated in our fee and rate schedule as amended from time to time.

**Non-Sufficient Funds.** If your Account lacks sufficient available funds to pay a check or preauthorized transfer presented for payment, we may return such check or preauthorized transfer for non-sufficient funds. We may process checks in any order, including from highest dollar amount to lowest dollar amount.

**Amendments and Alterations.** We can change any provision of this Agreement, add new terms to it, and delete terms from it (including but not limited to the Health Savings Account Rate and Fee Schedule) from time to time. We will give you advance notice of a changed term, new term or deletion in accordance with applicable law.

**Notices.** You are responsible for notifying us of any address or name changes, or other information affecting your Account. Your notices to us must be in writing, signed by you, and must contain enough information to allow us to identify the Account. Notice sent by you to us is not effective until we have received it and have a reasonable opportunity to act on it. Written notice sent by us to you is effective when mailed to the last address supplied to us in writing.

**Closing Account.** We may close the Account at any time, with or without cause, by sending you notice and a check for the balance in our possession to which you are entitled. We will close your Account if it is in overdraft status for 60 consecutive days. At our discretion, we have the authority to pay an otherwise properly payable check, which is presented after the closing of your Account. Upon receipt of instructions from you to close your Account, we will promptly transfer the balance of your Account to a noninterest-bearing disbursement account. We will hold the transferred balance in that noninterest-bearing disbursement account for several days as a convenience to you so that we can pay any outstanding checks or other debits that are presented against your Account after you have asked us to close it; to the extent possible, we will pay such post-closing checks or debits from the funds transferred to the noninterest-bearing disbursement account. Upon expiration of that several day period, we will issue a check payable to you in the amount of your balance minus any associated fees as stated in the Health Savings Account Fee and Rate Schedule.

**Transfers and Assignments.** You cannot assign or transfer any interest in your Account unless we first agree in writing.

**Applicable Laws and Regulations.** You understand that this Agreement is governed by the laws of the Commonwealth of Massachusetts, unless federal law controls. Changes in these laws may change the terms and conditions of your Account.

**Wire Transfers and Automated Clearing House (ACH) Transactions.** If you send or receive a wire transfer, you agree that Fedwire may be used. Federal Reserve Board Regulation J is the law that covers transactions made over Fedwire. If you are a party to an Automated Clearing House (ACH) entry, you acknowledge and agree that any such entry will be governed by the National Automated Clearing House Association (NACHA) Operating Rules, Rules of any local ACH, and the Rules of any other system through which the entry is made. Other payments orders you make may be governed by Article 4A of the Uniform Commercial Code.

Under NACHA Rules, we are not required to give you next day notice of the receipt of a wire transfer or ACH entry and we will not do so. We will notify you in your Account Statement.

If we credit your Account for an ACH entry or wire transfer, the credit is provisional until we receive the final settlement for the item or payment order. We are entitled to a refund of the amount credited if we do not receive the final settlement or if we credit your Account by mistake. You agree that we may exercise our option to reverse the credit or require that you reimburse us by way of direct payment.

**Stop Payments.** If you request us to stop payment on a check you have written, you will give us a written request within 14 days of making the request. If you fail to confirm an oral stop payment request in writing within 14 days, we reserve the right to cancel the request. We must receive the request in a time and way that gives us a reasonable opportunity to act on it. Stop payments are effective for twelve (12) months. You will be charged a fee every time you request a stop payment, even if it is a continuation of a previous stop payment request. Only the person who requested the stop payment can release a stop payment request. Our acceptance of a stop payment request does not constitute a representation by us that the item has not already been paid or that we have had a reasonable opportunity to act on the request.

**Checks.** All negotiable paper (“checks”) presented for deposit must be in a format that can be processed by our processing system and we may refuse to accept any check that does not meet this requirement. All endorsements on the reverse side of any check deposited into your Account or on any check issued by you must be placed on the left side of the check when looking at it from the front, and must be placed so as to not go beyond an area located 1 ½ inches from the left edge of the check when looking at it from the front. It is your responsibility to ensure that this requirement is met and you are responsible for any loss incurred by us for failure of an endorsement to meet this requirement.

**Stale, Postdated or Overdraft Checks.** We reserve the right to pay or dishonor a check more than six (6) months old without prior notice to you. You agree not to postdate any check drawn on the Account; if you do and the check is presented for payment before the date of the check, we may pay it or return it unpaid. We are not liable for paying any stale, postdated or overdraft check. Any damages you incur that we may be liable for are limited to actual damages not to exceed the amount of the check.

**Check Safekeeping.** Unless we indicate otherwise, your canceled checks will be retained by us and destroyed after a reasonable time period or as required by law. If for any reason we cannot provide you with a copy of a check, our liability, to the extent permitted by law, will be limited to the lesser of the face amount of the check or the actual damages sustained by you.

**Statements.** We will provide you with a periodic statement showing the Account activity. You will notify us within 30 days after we mail or otherwise make the statement available to you of any discrepancies. If you fail to notify us, you will have no claim against us. However, if the discrepancy is the result of an electronic fund transfer, the provisions of this Agreement regarding such transfers will control its resolution. If you do not receive a statement from us because you have failed to claim it or have supplied us with an incorrect address, we may stop sending your statements until you specifically make written request that we resume sending your statements and you supply us with a proper address. We will send Account statements for your Accounts to the latest address shown on our records for the Account to which the statement relates.

**Restrictive Legends.** We are not required to honor any restrictive legend on checks you write unless we have agreed to the restriction in a writing signed by one of our officers. Examples of restrictive legends are “must be presented within 90 days” or “not valid for more than \$1,000.00.”

**No Waiver.** You understand and agree that no delay or failure on our part to exercise any right, remedy, power or privilege available to us under this Agreement or law shall affect or preclude our future exercise of that right, remedy, power or privilege.

**Information Sharing.** You authorize us to make any inquiries not prohibited by law about your deposit account experience at other financial institutions. You authorize us to share information about your Account with third parties routinely requesting that we verify the existence and nature of your Account and our experience concerning your management of your Account. We may share Account information with your high deductible health plan insurer and our service providers for Account administration and processing purposes. Also, see the section on Electronic Fund Transfers below.

Subject to any limitations imposed by law, you also authorize us to provide our affiliates, and others with a legal privilege, with other information about you, such as information obtained from deposit or loan applications, consumer reporting agencies, or other outside sources.

**Withdrawal Notice Requirements.** We have the right to require seven (7) days’ prior written notice of your intent to withdraw any funds from your Account.

**Contribution Limits.** Except in the case of certain rollover contributions, and except as otherwise permitted by law or guidance issued by the U.S. government, no contribution will be accepted (i) unless it is in cash, or (ii) to the extent such contribution, when added to previous contributions to the Account for the calendar year, exceeds the maximum possible contribution for Health Savings Accounts specified in section 223 of the Internal Revenue Code.

**Catch-up.** Persons age 55 and over may make “catch-up” contributions in accordance with IRS rules.

**Excess Contributions.** Contributions, (other than rollover contributions) in excess of the maximum annual contribution limit applicable to you are subject to an excise tax. It is your responsibility to determine whether contributions to your Account have exceeded the maximum annual contribution limit applicable to you. If contributions to your Account exceed your maximum annual contribution limit, you shall notify us that there exist excess contributions to the Account. It is your responsibility to request the withdrawal of the excess contribution and any net income attributable to the excess contribution.

**Use of Funds.** We are not required to determine whether the distribution is for the payment or reimbursement of qualified medical expenses. Only you are responsible for substantiating that the distribution is for qualified medical expenses and you must maintain records sufficient to show that the distribution is tax-free.

**Account Assets.** No part of the Account assets will be invested in life insurance contracts. The assets of the Account will not be commingled with other property except in a common trust fund or common investment fund.

**Forfeiture.** Your interest in your Account balance is nonforfeitable.

**Deposits and Payments.** We may (a) accept deposits to your Account via wire or other electronic fund transfers from you, your employer or other person or entity you instruct to make such deposits on your behalf, and (b) make payments from your Account via wire or other electronic fund transfer to any person you have authorized to receive such payments; we are not responsible for determining who you have authorized to make electronic withdrawals from your Account. To the extent permitted by law, you agree that we will not have any liability for losses you incur as a result of such wire or electronic fund transfers.

**Information.** Unless you direct us otherwise, we will permit your high deductible health plan insurer or third party administrator to initiate electronic withdrawals from your Account to pay qualified medical expenses on your behalf. Not all health plans and third party administrators have this capability, check with your carrier regarding this. If you do not wish your insurer to have such access or to make such withdrawals, please contact us at **877-472-4200, M-F, 8 a.m. to 8 p.m. Eastern Time.**

**Business Day.** For purposes of this Agreement, Business Days are any day except Saturday, Sunday and holidays.

**Cross Border Transactions and Currency Conversion Assessment.** A Cross-border Transaction refers to any transaction on your Health Savings Account Debit Card that is processed by MasterCard in which the country code of the Issuer differs from the country code of the merchant. The transaction amount shall be itemized on your statement. The charges are (1) the Cross-border Assessment, and (2) the Currency Conversion Assessment. The Cross-border Assessment is the amount that U.S. card issuers are required to pay MasterCard on all Cross-border Transactions; it will be in an amount equal to 8/10ths of 1 percent of the amount of the transaction, as calculated by MasterCard. The Currency Conversion Assessment is the currency conversion procedure selected by MasterCard, and may differ from the applicable currency conversion on the date of the transaction or when the transaction is posted to your account; it will be in an amount equal to 2/10ths of 1 percent of the transaction amount, as calculated by MasterCard.

**Adjustments.** If funds are being credited to your Account through payroll deduction, please check with your employer regarding the timing and application of the payroll deposits to your account. Note that we reserve the right to make adjustments to your account balance to correct funding errors on deposits made to your account.

## **Section 2 -- Truth in Savings**

### **Variable Rate Information**

- Your interest rate and annual percentage yield (“APY”) may change.
- At our discretion, we may change the interest rate on your Account at any time.
- There are no maximum or minimum interest rate limits for your Account.

### **Compounding and Crediting**

- Interest will be compounded monthly and will be paid to your Account monthly.
- If you close your Account before accrued interest is credited, you will NOT receive this accrued interest.

### **Minimum Balance Computation**

- In instances where a minimum balance service charge applies (see the Health Savings Account Fee and Rate Schedule for information on whether this applies to your Account), we calculate the monthly balance for the minimum balance service charge by adding up the current ledger balance for your Account as of the end of the day for each calendar day in the month, and then dividing the sum by the number of calendar days in the month.

### **Balance Computation Method**

- We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

### **Accrual on Noncash Deposits**

- Interest begins to accrue no later than the business day after the day we post the deposit.

### **Fees and Charges**

- Please see the Health Savings Account Fee and Rate Schedule for information on fees and charges that may be assessed against your Account.



### **Section 3 – Customer Identification Program Notice** **Important Information About Procedures** **for Opening a New Account**

To help the government fight the funding of terrorism and money laundering activities, Federal Law requires all financial institutions to obtain, verify and record information that identifies each individual or entity that opens an Account.

What this means for you: When you open an Account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We also may ask to see your driver's license, or other identifying documents.

### **Section 4 -- Electronic Funds Transfers**

Federal law defines *electronic fund transfer* as any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purposes of directing a financial institution to debit or credit an account. You can arrange with third parties for electronic transfers from or to your Account if they are willing to enter into such arrangements with you. The only electronic fund transfer service involving your Account that you can arrange for directly with us is the use of a Debit Card. The types of electronic fund transfers that can occur with your Account are listed below.

#### **Types of Electronic Fund Transfers**

- Debit Card - Purchases By opening an Account, you are requesting, and will be provided with, a Debit Card (or simply "Card") for use with your Account; you may use it to purchase goods and services from certain health care providers and pharmacies that have arranged to accept your Card as a means of payment. Purchases made with your Card are referred to as "Point of Sale" or "POS" transactions, and will cause your Account to be debited for the amount of the purchase. We have the right to return any check or other item drawn on your Account to ensure there are funds available to pay for the Card transactions. We will not pay a Card transaction if your Account does not have funds sufficient to pay for the entire transaction. You will be provided with a Personal Identification Number ("PIN") for use with the Card, which you can change.
- Debit Card – Automated Teller Machines This service is available only to members of certain health plans; please review the cover letter from the welcome kit for further information. If this service is available to you, then you can use your Debit Card at an Automated Teller Machine ("ATM") to withdraw cash from your Account, and check your Account balance. Some of these services may not be available at all ATMs. We do not own or operate any ATMs, so you will use ATMs owned and operated by other institutions. When you use your Debit Card at an ATM, you may be charged a fee by the ATM operator or any network used, and you may be charged a balance inquiry fee even if you do not complete a fund transfer. Account balance information disclosed to you at an ATM may not reflect recent transactions.
- Electronic Check Conversion In this service, you may authorize a merchant or other payee to make a one-time electronic payment from your Account using information from your check to (i) pay for purchases; (ii) pay bills.
- Electronic Check Conversion -- Re-Presented Check If your paper check has been returned unpaid to a payee due to insufficient or unavailable funds, the payee may re-present the paper check as an electronic check transaction which will be debited against your Account.
- Preauthorized Transfer Services You may arrange with a third party for the preauthorized automatic payment of funds to or from your Account.

#### **Limitations on Transactions**

- You may buy up to **\$3,000 worth** of goods and services each day by way a POS transaction with your Card.
- You may withdraw no more than \$500 per day using your Card at one or more ATMs. Some ATM operators or networks may set a lower limit for withdrawals.
- We reserve the right to impose limitations for security purposes at any time.
- Unless we tell you otherwise, you can use your Card for POS transactions only from vendors we believe provide products or services that constitute *qualified medical expenses* as defined by section 223 of the Internal Revenue Code. This limitation does not apply to the use of your checks.

#### **Right to Receive Documentation of Your Transfers**

- Transaction Receipts. Upon completing a POS transaction, you will receive a printed receipt documenting the transaction (unless you have chosen not to get a paper receipt). These receipts should be retained to verify that a transaction was performed.
- ATM Receipts. ATM operators should provide you with a receipt when you use your Debit Card at any of their ATMs. These receipts should be retained to verify that a transaction was performed.
- Periodic Statements. You will get a monthly Account statement.
- Preauthorized Deposits. If you have arranged to have direct deposits made to your Account at least once every 60 days from the same person or company, you can call us at 877-472-4200 to find out whether or not the deposit has been made. You can find out if this transaction has posted by reviewing your Account on the member website, if available to you.

#### **Rights Regarding Preauthorized Transfers From Your Account**

- Right to Stop Payment and Procedure for Doing so. If you arranged in advance to make regular payments out of your Account, you can stop any of these payments. To stop a payment:  
Call us at 877-472-4200, or write us at Mellon HSA Solution Contact Center, PO Box 1584, Secaucus, NJ 07094-1584 in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.
- Notice of Varying Amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits you set.
- Our Liability for Failure to Stop Payment of Preauthorized Transfer. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

#### **Loss or Theft of Your Account Debit Card**

- Your Responsibility to Notify us of Loss or Theft. If you believe your Card or PIN has been lost or stolen, call us at 877-472-4200, **M-F 8 a.m. to 8 p.m. Eastern Time**, or write us at Mellon HSA Solution Contact Center, PO Box 1584, Secaucus, NJ 07094-1584. After hours, you may report a lost or stolen card by calling 800-264-5578. You should also call the number or write to the address listed above if you believe a transfer has been made using information from your check without your permission.
- Zero Liability Rules. If you notify us of an unauthorized transaction involving your Card, and the unauthorized transaction took place on the MasterCard or Maestro network, zero liability will be imposed on you for the unauthorized transaction. In order to qualify for zero liability, you must have exercised reasonable care in safeguarding your card from the risk of loss or theft, you must not have reported two or more incidents of unauthorized use within the preceding 12 months, and your Account must be in good standing. If you do not qualify for the Zero Liability Rule, the rules below will apply.
- Your Liability in Other Cases. (If you do not qualify for the Zero Liability Rules listed above, then this paragraph and the next two paragraphs apply.) Tell us AT ONCE if you believe your Card or PIN 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. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your Account. If you tell us within two (2) business days after you learn of the loss or theft of your card or PIN, you can lose no more than \$50 if someone used your Card or PIN without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Card or PIN, and we can prove we could have stopped someone from using your Card or PIN without your permission if you had told us, you could lose as much as \$500.



Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 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 will extend the time periods.

#### **Illegal Use of Your Account Debit Card**

- You agree not to use your Card for any illegal transactions.

#### **Errors or Questions About Your Electronic Fund Transactions**

- In Case of Errors or Questions About Your Electronic Transfers Telephone us at 877-472-4200, or write us at Mellon HSA Solution Contact Center, PO Box 1584, Secaucus, NJ 07094-1584 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 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 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 10 business days.
- We will determine whether an error occurred within 10 days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your Account within 10 days 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 10 business days, we may not credit your Account.
- 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.
- **Unless otherwise provided in this Agreement, you may not stop payment of electronic fund transfers. Therefore, you should not employ electronic access for purchases or services unless you are satisfied that you will not need to stop payment.**

#### **Liability for Failure to Complete Transaction**

- If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages.
- However, there are some exceptions. We will NOT be liable, for instance-
  - If, through no fault of ours, you do not have enough money in your Account to make the transfer.
  - If the electronic terminal or system was not working properly and you knew about the breakdown when you started the transfer.
  - If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
  - If the ATM you use does not have enough cash.
  - If we have terminated our agreement with you.
  - When your Card has been reported lost or stolen or we have reason to believe that something is wrong with a transaction.
  - If we received inaccurate or incomplete information needed to complete a transaction.
  - In the case of preauthorized transfers, we will not be liable where there is a breakdown of the system that would normally handle the transfer.
  - If the funds in the Account are subject to legal action preventing a transfer from or to your Account.
  - There may be other exceptions provided by applicable law.

#### **Charges for Transfers or the Right to Make Transfers**

- We reserve the right to impose a fee and to change fees upon notice to you.

#### **Disclosure of Account Information**

- We will disclose information to third parties about your Account or the transfers you make-
  - Where it is necessary for completing transfers or
  - In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, or
  - In order to comply with government agency or court orders,
  - If you give us your consent, or
  - As otherwise indicated in this Agreement and our Privacy Policy provided to you.

#### **Amending or Terminating Your Electronic Fund Transfer Service**

- We can terminate your use of the Debit Card at any time, without giving you prior notice (unless prior notice is required by law). In such event, you will promptly surrender the Card to us.

#### **Miscellaneous**

- **Your initiation of certain electronic fund transfers from your Account will, except as otherwise noted in this document, effectively eliminate your ability to stop payment of the transfer.**

### **Section 5-- Funds Availability**

#### **Definitions**

- The term "check" does not include checks not payable in U.S. money or checks drawn on offices of organizations or banks outside the U.S.

#### **General Availability Rule**

- Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the first business day after the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use them to pay checks that you have written.

#### **Determining the Availability of a Deposit.**

- If you make a deposit before 1:00 pm Eastern Time on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on or after 1:00 pm Eastern Time or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

## **Section 6 Check 21 Information**

### **Substitute Checks and Your Rights**

#### *What is a substitute check?*

To make check processing faster, federal law permits banks to replace original checks with “substitute checks.” These checks are similar in size to original checks with a slightly reduced image on the front and back of the original check. The front of a substitute check states: “This is a legal copy of your check. You can use it the same way you would use the original check.” You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your Account. However, you have rights under other law with respect to those transactions.

#### *What are my rights regarding substitute checks?*

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your Account (for example, if you think that we withdrew the wrong amount from your Account or that we withdrew money from your Account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your Account and fees that were charged as a result of the withdrawal (for example, bounced checks fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your Account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your Account earns interest) within 10 business days after we receive your claim and the remainder of your refund (plus interest if your Account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to determine that the substitute check was correctly posted to your Account.

#### *How do I make a claim for a refund?*

If you believe you have suffered a loss relating to a substitute check that you received and that was posted to your Account, please contact us at 877-472-4200, or write us at Mellon HSA Solution Contact Center, PO Box 1584, Secaucus, NJ 07094-1584. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the Account statement showing that the substitute was posted to your Account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and/or the following information to help us identify the substitute check: the check number, the name of the person to whom you wrote the check and the amount of the check.

## **Protecting Your Privacy**

This notice applies to individuals who obtain or apply for a financial product or service for personal, family, or household purposes, or have done so in the past, from The Bank of New York Mellon. It describes our policies and practices for collecting, disclosing, and safeguarding “nonpublic personal information,” which may include financial or other customer information.

This notice replaces all previous notices of our consumer privacy policy, and may be amended at any time. We’ll keep you informed of changes as required by law.

### **INFORMATION WE COLLECT AND SHARE**

We collect a variety of nonpublic personal information about you, which may include:

- Information we receive from you, as provided, for example, on applications or other forms.
- Information about your transactions with us, our affiliates, and others. (Our affiliates include financial service providers such as banks, securities broker-dealers, investment advisors, insurance agencies, and transfer agents.)
- Other information we receive from affiliates and nonaffiliated third parties, including credit reporting agencies.

We disclose this information only as required or permitted by law. For example, we may share information with affiliates or nonaffiliated third parties that provide services to us, in order to process your transactions and service your accounts. We may also share information with those who perform marketing services on our behalf, or financial institutions with whom we have joint marketing agreements that provide for the confidentiality and security of customer information. When necessary, we also disclose customer information to regulatory agencies, law enforcement agencies, courts, or parties to lawsuits.

### **CONFIDENTIALITY AND SECURITY OF NONPUBLIC PERSONAL INFORMATION**

We are careful to restrict access to your nonpublic personal information. Our employees, and in certain cases nonaffiliated third parties, have limited access to customer information based on their responsibilities. This access enables them to assist you in completing transactions, offer you additional financial services, and resolve any customer service issues that may arise. All employees are instructed to follow the confidentiality guidelines provided in our Code of Conduct, which is strictly enforced. We maintain physical, electronic, and procedural safeguards that comply with federal standards to safeguard nonpublic personal information.

# Protecting Your Privacy

## Our Pledge to You

We consider it our great privilege to serve your financial needs ... and we value the trust you have placed in us. As we serve your financial relationship, we are committed to safeguarding your customer information and providing you with options about how this information may be shared.

### Here is our privacy pledge to you:

1. Your privacy is a top priority.
2. The accounts and services you use are provided in a secure environment.
3. We collect information in order to service and administer your customer relationship.
4. Your customer information is shared only in limited ways and is carefully controlled.
5. We will work together with you to protect the security of your customer information, and to keep your information accurate and current.

*Please read this publication to learn more about our privacy policies. We are dedicated to continuing our long tradition of integrity and responsive personal service.*



THE BANK OF NEW YORK MELLON.



HS-4257 Rev. (7/05) L.C. (7/05) PD (7/05)

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#### **A note about this information:**

The privacy policies described in this publication apply to individuals who obtain or apply for a financial product or service for personal, family, or household purposes, or have done so in the past, from any of the businesses listed in this publication.

As described below, you will find our policies and practices for collecting, disclosing, and safeguarding “nonpublic personal information,” which may include financial or other customer information. This notification replaces all previous statements of our consumer privacy policy, and may be amended at any time. We’ll keep you informed of changes as required by law.

This publication describes the privacy policies of the following companies and businesses:

Mellon Bank, N.A.	MBSC, LLC-Private Wealth
Mellon Insurance Agency, Inc.	Advisors Division
Mellon Trust of Delaware, N.A.	Dreyfus Service Corporation
Mellon Trust of New England, N.A.	Dreyfus Service Organization, Inc.
Boston Safe Deposit	The Dreyfus Trust Company
Finance Company, Inc.	The Dreyfus Family of Mutual Funds
Mellon Private Trust Company, N.A.	The Dreyfus Founders Funds
Mellon Trust of California	(Classes A, B, C, R, T)
Mellon Trust of New York, LLC	Mellon Funds Trust
Mellon Trust of Washington	The General Family of Mutual Funds
Mellon Life Insurance Company	
Mellon Financial Markets, LLC	

#### **1. Your privacy is a top priority.**

We are committed to your privacy. We take great care to protect the security of your customer information and to control how it may be used. In addition, we will provide annual notification of our privacy policies and procedures to keep our customers informed about this issue.

#### **2. The accounts and services you use are provided in a secure environment.**

We use sophisticated technology and security measures to protect your customer information. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard nonpublic personal information. Whether you conduct business with us at our banking offices or financial centers, or by mail, telephone, electronic transfers, or the Internet, you can be confident that our security measures are appropriate to each of these servicing channels.

We are careful to limit access to your nonpublic personal information. Our employees have limited access to customer information based on their responsibilities. This access enables them to assist you in completing transactions, offer you additional financial services, and resolve any customer service issues that may arise. All employees are

instructed to follow the confidentiality guidelines provided in our Code of Conduct, which is strictly enforced.

In addition, nonaffiliated third parties may be given access to customer information under certain circumstances. For example, a third party who provides a specialized service on our behalf (such as check printing) may access only the information necessary to perform that service. Or, in cases when you authorize us to provide your customer information to others, we limit access only to the specified information, and only for the purpose you have authorized.

#### **3. We collect information in order to service and administer your customer relationship.**

In the course of serving or administering your customer relationship, we collect a variety of nonpublic personal information which is provided by you, as well as other sources, and may include:

- Information we receive from you, such as your name, address, Social Security number, assets, and income, as provided, for example, on a loan application or account opening form.
- Information about your transactions with us, our affiliates, and others, such as balances, payment history, parties to transactions, and account usage.
- Information we receive from affiliates, credit reporting agencies and other third parties not affiliated with us, such as your creditworthiness, credit history, and real estate appraisals.
- Medical information submitted as part of an insurance application or claim, which is used only for the specific purposes authorized by you or by law.

The information we collect is based on the services we may provide to you. This information is used or shared as described in the section that follows.

#### **4. Your customer information is shared only in limited ways and is carefully controlled.**

We use or share customer information in a limited and carefully controlled manner. For example, the information we collect is used for purposes such as:

- To identify you in order to protect against fraud and guard against unauthorized access to your accounts.
- To enable us to complete your transactions quickly and efficiently, and to provide you with quality customer service.
- To better serve your relationship by understanding which services may be the right match for your needs, and telling you about new offers that may be of interest to you.
- To help ensure that our information about you is current and accurate.

Examples of categories of customer information that we may share include:

- Information we receive from you, such as your name, address, Social Security number, assets, and income, as provided, for example, on a loan application or account opening form.
- Information about your transactions with us, our affiliates, and others, such as balances, payment history, parties to transactions, and account usage.
- Information we receive from affiliates, credit reporting agencies and other third parties not affiliated with us, such as your creditworthiness, credit history, and real estate appraisals.

This customer information may be shared with authorized users, including both affiliates and nonaffiliated third parties, in order to provide you with the services and financial choices that are most likely to be of value to you. These sharing policies and practices are described in this section.

**With affiliates:**

We may share customer information with affiliates as follows:

- Our various administrative and service departments use customer information as part of their data processing requirements to prepare your account statements or service your accounts.
- Our affiliates provide a wide range of services to meet your financial needs. We may share customer information so that they can tell you about services and products that may be of special interest or value to you.

Our affiliates include financial service providers such as banks, securities broker-dealers, investment advisors, insurance agencies, and transfer agents.

**With third parties not affiliated with us:**

We may share the customer information we collect, as described earlier in this section, on a limited basis with certain nonaffiliated third parties. For example, we share information in order to process your transactions. We may also share this information with those who perform marketing services on our behalf, or financial institutions with whom we have joint marketing agreements that provide for the confidentiality and security of customer information. In addition, customer information may be shared with parties who provide products or services that we believe will be of value or interest to you. And we may share customer information with other nonaffiliated third parties as permitted by law.

The third parties with whom customer information may be shared include:

- Companies that provide services necessary to effect a transaction that you request or to service your account — for example, a check printing company.
- Companies or others that provide specialized services on our behalf, such as programming contractors, credit bureaus, or companies that help us market our services.
- Financial service providers, such as insurance, mortgage, or credit card companies.
- Non-financial companies, such as suppliers of software designed to increase the security of your home computer, or provide you with tax preparation or financial planning tools.
- Government agencies, courts, parties to lawsuits, or regulators to whom we may provide information about you and your transactions. For example, federal and state laws give people involved in lawsuits or other legal proceedings the right to obtain records and customer information from us. In such cases, we share only the information that we are required or authorized to share.