

HEALTH SAVINGS ACCOUNT (HSA) DISCLOSURE

This is the Agreement between you (the member) and Michigan Schools and Government Credit Union (herein after "Credit Union"), a Michigan state-chartered Credit Union whose principal place of business is located at 40400 Garfield Road, Clinton Township, Michigan, 48038, regarding your Health Savings Account (HSA) with the Credit Union. By establishing an account with the Credit Union through a membership card that makes reference to this agreement, you agree that this agreement is a binding contract between you and the Credit Union. This agreement by reference includes disclosures provided in the Credit Union's disclosure brochure.

You should retain a copy of this agreement for your records and feel free to call the Credit Union at 586.263.8800 or 1.866.MSGCU4U if you have any questions.

The following information is provided in compliance with the Truth-in-Savings Act for the Health Savings Account program.

- a. Interest: These are variable rate accounts. As such, interest rates and Annual Percentage Yields (APYs) may change. Refer to the Rate Sheet for current rate information.
- b. 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 interest is paid, the account owner will not receive the accrued interest.
- c. Minimum Balance Requirements: To be a member and maintain accounts at our Credit Union, the account owner must purchase one share in the Credit Union. The par value of a share in this Credit Union is \$5. The \$5 share in the Credit Union will be maintained in the Regular Share Account.
- d. 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 and tiered rates.
- e. Interest Accrual on Deposits: Interest will begin to accrue on the business day the account owner deposits funds into the account.
- f. Fees and Charges: See Fee Schedule.
- g. Transaction Limitations: During any statement period, the account owner may not make more than six 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 (including Member Connect). If the account owner exceeds the transfer limitations set forth above in any statement period, the account 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.
- h. 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.