

HEALTH SAVINGS ACCOUNT (HSA) DISCLOSURE

Account Opening and Contributions

To open a Health Savings Account (HSA), you must complete an account application, and meet the eligibility requirements set by the U.S. Treasury Department and Internal Revenue Service (IRS). It is your responsibility to determine if you meet those requirements. A separate HSA Agreement also governs your use of the Health Savings Account.

A \$5 deposit is required to obtain credit union membership, this will remain pledged in the Member Ownership Share until the membership is closed.

Contributions to and distributions from your HSA are subject to the rules determined by the IRS. Purdue Federal Credit Union (Purdue Federal) will not be responsible for determining whether the transaction is an eligible transaction under the rules and requirements. All contributions and distributions are reportable to the IRS. It is the account owner's responsibility to determine transaction eligibility, track transactions, and properly report usage to the IRS.

Contributions intended for the previous tax year must be submitted **IN WRITING** before the deadline set by the IRS. All contributions made through the online banking portal will be reported as contributions for the current tax year.

Dividends

Dividends are calculated based on the average daily balance method and will be deposited into the account on the last day of the month. The dividend rate and Annual Percentage Yield (APY) are set monthly by Purdue Federal and may change at any time. See the rate schedule for current rates.

Use of Checks and HSA Debit Card

You can access funds in your HSA by writing HSA checks, using your HSA debit card at merchants or Automated Teller Machines (ATM), and by withdrawal at any Purdue Federal branch.

Use of Health Savings Account checks is governed by the same check processing rules and fees as disclosed in Purdue Federal's *Guide to Member Services*. Use of Health Savings Account debit cards are governed by the same processing rules and fees as disclosed for Purdue Federal's debit card according to the account agreement within the *Guide to Member Services*.

Overdraft

Overdraft protection is available and will be used to pay any insufficient fund items according to the terms in the *Guide to Member Services*. Any funds transferred into HSA Checking through overdraft protection will be considered a contribution. You are responsible for keeping track and properly reporting these transfers as well as any other transaction run through the account. Funds in your HSA are not eligible to be an overdraft transfer source for any other accounts in your name at Purdue Federal. HSAs cannot be pledged as security for any loan.

Health Savings Account Certificates

Purdue Federal's HSAs will also provide the option of a 12-, 24-, or 36-month share certificate of deposit. These will follow the same pricing as IRA share certificates of equivalent terms. See the rate schedule for current rates. A \$500 minimum deposit is required to open a HSA share certificate.

Fees

See the fee schedule for any other applicable fees that your account may be subject to.

You can access our current Health Savings Account (HSA) Disclosure on www.purduefed.com.



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