

# THE hsa SOLUTION

## Transfer of Your Health Savings Account with ARCUS Bank to The Bank of New York Mellon Frequently Asked Questions

We will handle all the details so there is nothing you will need to do to move your Health Savings Account (HSA) account from ARCUS Bank (ARCUS) to The Bank of New York Mellon (BNY Mellon). Prior to July 01, 2010, you will receive a Welcome Kit from ACS|BNY Mellon HSA Solution with all of the banking documentation and instructions needed to use your new HSA. It will include a Welcome Letter with your new account number, contact information and Web site access instructions; a starter set of personalized deposit slips; and a Master Signature Card for check writing privileges and beneficiary designation (if required). In the meantime, we know you may have questions and have provided the answers to some “frequently asked questions” below.

<b>Who is BNY Mellon?</b>	The Bank of New York Mellon (BNY Mellon) is a secure financial services company providing asset, wealth management and treasury services for large and small organizations. BNY Mellon is an IRS-approved custodian for HSA funds. BNY Mellon was named “safest bank in the U.S.” in 2009 by Global Finance World’s Safest Banks.
<b>Who is ACS?</b>	ACS, in partnership with BNY Mellon, has been providing administration and other services for HSAs since HSAs were introduced to the marketplace. The ACS BNY Mellon HSA Solution is the most frequently selected HSA administrator by consumers and employers. With best in-class components from two Fortune 500 companies, ACS and BNY Mellon are uniquely positioned to offer HSA banking, investment and customer support services.
<b>What is the ACS BNY Mellon HSA Solution?</b>	The ACS BNY Mellon HSA Solution is the product name of the HSA account that is being opened for you as a result of the closure of ARCUS Bank. BNY Mellon is the custodian of the account and ACS provides administrative services for the account including call center services.
<b>Until my ACS BNY Mellon HSA Solution account is open, can I continue to use my HSA at ARCUS?</b>	You may continue to deposit funds into or make payments from your ARCUS Bank HSA until 8:00 p.m. Eastern Time on June 30, 2010. Please be advised that your ARCUS debit card will be deactivated at that time and you will no longer be able to use it to access funds in your account. Access to your online account and online bill pay will also be deactivated at this time. Additionally, orders for new checkbooks and/or debit cards on your ARCUS account will not be accepted after June 15, 2010.
<b>When can I begin using my new ACS BNY Mellon HSA Solution to make deposits or pay for qualified medical expenses?</b>	Your ACS BNY Mellon HSA will be opened without any action required on your part, and will open and become effective on July 01, 2010. You may begin making deposits to or making payments from your HSA on or after this date.
<b>What will happen to the funds that I currently have in my ARCUS HSA?</b>	The balance in your ARCUS HSA will be transferred to the ACS BNY Mellon HSA Solution the evening of June 30th and will be immediately accessible to you the morning of July 01, 2010. Effective with the completion of the transfer, your ARCUS Bank HSA Agreement to Terms & Conditions will be automatically terminated, and your new HSA will be governed by the BNY Mellon Health Savings Account Deposit Agreement and Disclosure Statement.

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<b>Will a transfer of funds to ACS BNY Mellon HSA Solution be treated as a rollover?</b>	No. This transfer of funds will be treated as a trustee-to-trustee, or bank-to-bank, transfer that does not have a limit to the number of times it can occur during a year.
<b>My HSA with ARCUS Bank was FDIC-insured to the amounts allowed by law. Will the money in my new ACS BNY Mellon HSA be insured as well?</b>	Yes, deposits are FDIC insured to the amounts allowed by law.
<b>Will my account number change?</b>	Yes, ACS  BNY Mellon HSA Solution will assign you a new account number. The new account number will be provided to you with the Welcome Kit mailing you will receive from ACS BNY Mellon prior to July 01, 2010.
<b>What are the interest rates and fees associated with my ACS BNY Mellon HSA?</b>	The ACS  BNY Mellon HSA Solution Rate and Fee Schedule differs from the ARCUS Bank HSA Rate and Fee Schedule. Please refer to the enclosed ACS BNY Mellon HSA Solution Rate and Fee Schedule and comparison sheet to better understand the terms of your new account. While we recognize that ARCUS offered a more favorable interest rate structure, particularly for higher account balances, you will find that the rates offered by ACS BNY Mellon HSA are very competitive based on today's market.
<b>How can I make deposits into my ACS BNY Mellon HSA?</b>	You can make post-tax contributions into your HSA by sending a check and deposit slip to ACS BNY Mellon HSA Solution. A starter set of deposit slips, including the address to which they should be mailed, are included in the Welcome Kit mailing you will receive from ACS BNY Mellon HSA Solution. You can also make an electronic deposit via direct ACH. If you are with an employer group, pre-tax contribution options may be available; please check with your employer.
<b>I set up an electronic funds transfer to have money automatically deposited into my ARCUS HSA on a regular basis. Will I need to set this up again with ACS BNY Mellon HSA Solution?</b>	Yes, you will need to set up a new electronic funds transfer with your financial institution to begin after July 01, 2010, in order to have contributions automatically deposited into your ACS BNY Mellon HSA. Prior to June 30, 2010, remember to also cancel your current ACH deposit into the ARCUS Bank HSA with your financial institution.

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<b>I had investment choices through ARCUS; will I have the same choices with ACS BNY Mellon HSA Solution?</b>	ACS BNY Mellon HSA Solution offers a variety of no-load, mutual funds from multiple fund families from which you can choose to invest once your HSA base account reaches a balance of \$1500. Visit our Web site at <a href="http://www.hsamember.com">www.hsamember.com</a> to view these investment options and follow links to each respective prospectus.
<b>How can I make payments out of my ACS BNY Mellon HSA Solution?</b>	You can use your debit card or checkbook to make payments out of your HSA.
<b>Will I receive a new debit card? Where can I use it and what are the charges?</b>	Yes, you will receive a new debit card from ACS BNY Mellon HSA Solution shortly after receiving your Welcome Kit. If your spouse and/or dependent had a debit card with the ARCUS HSA, he or she will also receive a debit card from ACS BNY Mellon HSA Solution. There are no transaction fees assessed by ACS BNY Mellon HSA Solution for using the debit card. You may use the debit card at any ATM for cash withdrawals to reimburse yourself for qualified out-of-pocket medical expenses. A fee applies for each cash withdrawal as described in the Rate and Fee Schedule. In addition, the ATM vendor or bank will usually assess a fee for ATM use unless the ATM is part of the MoneyPass network. Though the card will not prohibit you from purchasing non-qualified medical expenses, its use is limited to merchant code categories typically associated with qualified medical expenses. The ACS BNY Mellon HSA Solution debit card can function as either a PIN based or signature based debit card. Your PIN must be used to initially activate the card. You will receive your PIN several days after you receive your debit card.
<b>I currently have check writing privileges on my ARCUS HSA. Will I still be able to write checks on my ACS BNY Mellon HSA?</b>	Yes, if you utilized a checkbook from ARCUS Bank, you will receive a new checkbook from ACS BNY Mellon HSA shortly after receiving your ACS BNY Mellon HSA Solution Welcome Kit.
<b>If I don't currently have check writing privileges with ARCUS, can I request a checkbook from ACS BNY Mellon HSA Solution?</b>	Yes, by signing and returning the Master Signature Card that will be included in the Welcome Kit mailing, you will receive a checkbook with 40 checks and 5 deposit slips within 7 to 10 days of the receipt and processing of the Master Signature Card. There will be no additional charge for these checks.

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<b>I am currently set up with online bill pay at ARCUS. Will I be able to use online bill pay with ACS BNY Mellon HSA, and what do I need to do to set that up?</b>	Your current online bill paying capability will be turned off as of 8:00 p.m. Eastern Time on June 30, 2010. ACS BNY Mellon HSA Solution will be providing information regarding the availability of an on-line banking function later this year.
<b>Will I need to designate new beneficiaries for my HSA with ACS BNY Mellon HSA Solution?</b>	The beneficiary information you provided to ARCUS Bank will be transferred to ACS BNY Mellon HSA Solution. You do not need to provide beneficiary information unless you want to update the information previously submitted to ARCUS.
<b>What type of account statements will I receive from ACS BNY Mellon HSA? Can I get them sent to me electronically?</b>	You will receive periodic statements from the ACS BNY Mellon HSA Solution. If you choose to not receive paper statements in the mail, you may elect to receive them electronically.
<b>Who will prepare and distribute my HSA tax forms?</b>	You will receive all of your HSA tax forms (Form 5498-SA and Form 1099-SA) for the 2009 tax year from ARCUS Bank. You will receive the 2010 Form 5498-SA and the 2010 Form 1099-SA from ACS BNY Mellon HSA Solution. The 2010 forms will include all of your 2010 HSA activity from both ARCUS Bank and ACS BNY Mellon HSA Solution.
<b>What do I do if I don't want to have my ARCUS HSA transferred to the ACS BNY Mellon Solution?*</b>	<p>You may choose to use another financial institution as your HSA custodian. If you do not want your account automatically transferred to ACS BNY Mellon HSA Solution, you will need to choose a different custodian and transfer your ARCUS HSA balance to that new custodian prior to June 28, 2010. If your account has not been closed prior to that date, we will open a new account for you at ACS BNY Mellon HSA Solution and transfer the balance of funds in your ARCUS Bank HSA, if applicable, to the HSA with ACS BNY Mellon HSA Solution. If you need additional assistance with closing your account, please contact us at 1-877-373-9859 no later than June 28, 2010.</p> <p>* Tax consequences may differ depending upon individual circumstances; ARCUS Bank does not give tax advice. Please consult your tax advisor regarding your individual situation.</p>
<b>Who do I contact if I have questions?</b>	After reviewing this information, if you have additional questions or concerns about your ARCUS HSA, please contact us at 1-877-373-9859. If you have questions about your new account at ACS BNY Mellon HSA Solution, please call 1-877-472-4200.