



P.O. Box 18030
Norfolk, VA 23501-1880

«First_Name» «Last_Name»
«Street1»
«Street2»
«City», «State» «Zip»

February 28, 2024

Dear «First_Name»,

We are writing to notify you of an important change to your Health Savings Account (“HSA”) offered through Conduent HR Services, LLC dba BenefitWallet (“BenefitWallet”). This letter includes important information and might require action by March 28, 2024. If you have questions, please contact the number on the back of your HSA Debit Card or visit us at <https://www.mybenefitwallet.com/contact-us.html>.

HSA Custodian Resignation and Appointment of Successor Custodian

On April 11, 2024 (“Effective Date”), the custodian of your BenefitWallet HSA program, The Bank of New York Mellon (“Custodian”), will resign as the custodian of your HSA and HealthEquity, Inc. (“HealthEquity”), an IRS-approved HSA non-bank custodian, will serve as the successor custodian to your HSA. If you do not want your HSA to be transferred to HealthEquity, please follow the steps outlined below under “Other options available to you.” **If after reviewing this letter, you are satisfied with HealthEquity being your new custodian, you do not need to do anything with respect to your HSA funds held at Custodian, which will be automatically transferred to HealthEquity.**

In the event you have multiple HSAs with Custodian as the custodian under the same tax ID, or already have an HSA with HealthEquity under the same tax ID, your HSA balances will be consolidated into a new HSA at HealthEquity, and HealthEquity will attempt to use the most current information we have on file for your new HSA. HealthEquity will not be able to establish beneficiaries for your new HSA. Please confirm that all account information in your current HSA(s) is up-to-date, and once you receive confirmation from HealthEquity that your new account has been established, please confirm that the information associated with your new HSA is correct and designate the beneficiaries for your HSA.

Impact on your HSA cash assets

Once transferred, your HSA will be governed by HealthEquity’s custodial agreement, including the cash supplement that will apply to your HSA (together, the “HealthEquity Custodial Agreement”), as described below under “Your new custodial agreement.” Unless you elect otherwise (as described below under “Other options available to you”), your HSA cash will be allocated to an interest-bearing group annuity contract issued by one of HealthEquity’s insurance company partners (the “Group Annuity Contract”). Interest will continue to accrue on the cash balance in your HSA, but as of the Effective Date the interest rate will be determined by the schedule below.

Balance Tier*	Average Daily Cash Balance	Net Interest Rate Calculation**	Annual Percentage Yield (APY***) as of the Date of this Letter
Tier 1	First \$2,000 (\$0.01 - \$2,000.00)	(1.3 x Median Minimum Market Rate) + 0.03%	0.10%
Tier 2	Next \$5,500	(1.6 x Median Minimum Market	0.10% - 0.17%

	(\$2,000.01 - \$7,500.00)	Rate) + 0.12%	
Tier 3	Next \$2,500 (\$7,500.01 - \$10,000.00)	(1.8 x Median Minimum Market Rate) + 0.31%	0.17% - 0.23
Tier 4	Amounts over \$10,000.00	(2.0 x Median Minimum Market Rate) + 0.70%	0.23% - 0.75%

* Interest is paid on the average daily Cash Balance for the portion of the average daily balance that is within each tier.

** The "Median Minimum Market Rate" is the median interest rate paid by the top ten HSA providers (excluding Custodian), determined based upon HSA assets under custody as conclusively set forth in the annual Devenir Research Year-End HSA Market Statistics & Trends report or, if not published, such other third party HSA market report selected by Custodian, on the lowest HSA balance amounts.

*** APY means Annual Percentage Yield. Fees may reduce earnings.

Additional detail is provided in the cash supplement to the HealthEquity Custodial Agreement, which is described below.

The per account per month ("PAPM") fees that are applicable to your HSA will not change as a result of the transfer of your HSA to HealthEquity. However, as of the Effective Date, your current fee schedule for other fees is being replaced with the fees set forth on Exhibit A (which may be updated by HealthEquity from time to time on a schedule of fees), and HealthEquity receives other revenue as described below under "Your new custodial agreement." These other fees may differ from the fees that are currently applicable to your HSA.

Impact on your HSA investment funds (if you have an investment account)

If you hold mutual funds in your BenefitWallet HSA investment account, it is anticipated that your mutual fund balances will transfer in-kind to HealthEquity, except for the Fidelity Money Market Government Portfolio (FRGXX). For an up-to-date list of mutual fund balances that will transfer in-kind to HealthEquity, please visit <https://www2.healthequity.com/benefitwallet/investors>. Any liquidated mutual funds, including the Fidelity Money Market Government Portfolio (FRGXX), will be liquidated to cash and transferred to HealthEquity with your cash assets. Following the transfer, you will be able to move amounts (including the amounts liquidated to cash) to new investments at any time.

Certain mutual funds transferred in-kind to HealthEquity will be closed to new investment ("Freezing Funds"). You will be allowed to hold your investment in these funds or sell at any time. The HealthEquity HSA investment platform offers a lineup of 31 low-cost, diversified Vanguard mutual funds that will be available for new investment ("Available Funds") at HealthEquity. For a complete listing of Freezing Funds and Available Funds, please visit <https://www2.healthequity.com/benefitwallet/investors>.

In order to facilitate the in-kind transfer of mutual funds, there will be a period during which you will not be able to make any changes to your BenefitWallet HSA investments. This period is called an investment "blackout period." **The last day to make changes to your BenefitWallet HSA investments will be March 28, 2024 (by 2 pm ET).** After that, you will not be able to make investment changes again until April 12, 2024. Whether or not you are planning to use your HSA balance in the near future, we encourage you to carefully consider how this investment blackout period may affect your financial plan.

During the investment blackout period, you will be unable to direct or diversify the investments held in your BenefitWallet HSA investment account. For this reason, it is very important that you review and consider the appropriateness of your current investments. You should give careful consideration to the importance of a well-balanced and diversified investment portfolio, taking into account all your assets, income and investments.

In order to invest the cash portion of your HSA following the transfer to HealthEquity (including cash from the liquidation of the Fidelity Money Market Government Portfolio (FRGXX) and any other mutual funds that are not transferred in-kind), you will need to log in to your HealthEquity account and agree to HealthEquity's investment terms.

Investments on the HealthEquity platform will be subject to investment fees (expense ratios) charged by the mutual funds, plus a monthly investment administration fee equal to 0.03% of your average daily investment balance (capped at \$10.00 per month). In addition, if you subscribe to Advisor, a web-based robo-advisory service offered by HealthEquity Advisors, LLC, you will be charged an additional monthly fee of 0.05% of your average daily advised

balance (capped at \$15.00 per month). Investments are subject to risk, including the possible loss of the principal invested, and are not FDIC or NCUA insured, or guaranteed by HealthEquity. Investing may not be suitable for everyone and before making any investments, review the fund's prospectus.

Your new custodial agreement

In the coming weeks, please watch your mail for your HealthEquity welcome kit, which will include the HealthEquity Custodial Agreement, the investment terms for your investments, your new HealthEquity Visa® Health Account Card¹, instructions on how to access your new HSA, and certain other information. The HealthEquity Custodial Agreement and other information can also be viewed at www2.healthequity.com/benefitwallet2/members/.

Among other things, the HealthEquity Custodial Agreement describes the options available to you for allocating your HSA assets, the services that HealthEquity provides, and administration fees and other compensation that HealthEquity receives in respect of your HSA. As described in the HealthEquity Custodial Agreement, HealthEquity will receive certain compensation in addition to any monthly administration fees that are charged to your HSA account. With respect to cash held in your HSA, HealthEquity will receive the excess of interest paid by the Group Annuity Contract over the interest credited to your HSA, and HealthEquity will receive interchange fees from the use of your HSA debit card. Interchange fees are paid by merchants where the debit cards are used and not by you.

Important dates

The timetable listed below contains important information you need to know before and during the custodial transfer to HealthEquity. Please review this information carefully and keep it for future reference. HealthEquity has also made an information portal available to you at <https://www2.healthequity.com/benefitwallet1/members/>.

- **Mar. 4, 2024:** Last day to start an investment account with your HSA on the BenefitWallet platform.
- **Mar. 18, 2024:** During this week, watch for your HealthEquity Visa® Health Account Card¹ and welcome kit to arrive in the mail. Contributions can begin on the HealthEquity HSA platform. Consider contributing to your HealthEquity HSA prior to the HSA blackout date if you need access to funds during the HSA blackout period.
- **Mar. 28, 2024: At 2 p.m. ET** – If you have a BenefitWallet HSA investment account, this is the start of the investment blackout period. After this date, you will not be able to make changes to your investments until **April 12, 2024**, when the transition to HealthEquity is complete. This means it is the last date and time to change investments or liquidate investments in your BenefitWallet HSA investment account, and it is the last day BenefitWallet automated investments (i.e., sweep) or scheduled investments will be processed. Any investments remaining in your BenefitWallet HSA investment account will be subject to market conditions, including the risk of loss in your existing account value. If you do not want your HSA transferred to HealthEquity, this is the last day for Custodian to receive your request to liquidate your HSA or to transfer your HSA, using either of the options outlined below in “Other options available to you.”
- **Apr. 2, 2024: At 4 p.m. ET** - Final date and time to access your BenefitWallet HSA using the website or mobile app to initiate transactions of any type (e.g., contribution or distributions, other updates), except for debit cards. You should also stop presenting checks drawn against your BenefitWallet HSA. You will be able to view your balance, recent transaction activity and historical statements.
 - This is the start of the HSA blackout period. You will not be able to access your BenefitWallet HSA funds, except using your debit card as noted below, until April 12, 2024, following the transfer to HealthEquity. Whether or not you are planning to use your BenefitWallet HSA balance soon, we encourage you to carefully consider how this blackout period may affect your financial plan. Consider contributing to your HealthEquity HSA prior to this HSA blackout date and time if you need access to funds during the HSA blackout period.
 - Final date and time to make a prior year catch-up contribution for the 2023 tax year to your BenefitWallet HSA.
- **Apr. 4, 2024:** If your BenefitWallet HSA investment account holds the Fidelity Money Market Government Portfolio (FRGXX) or any other mutual funds not transferred in-kind, these holdings will be liquidated and proceeds will be moved to your cash account balance for the transfer.

- **Apr. 4, 2024: At 8 p.m. ET** - Final date and time to use your BenefitWallet HSA debit card.
- **Apr. 9, 2024:** Your BenefitWallet HSA is closed for transfer.
 - **NOTE: All prior transactions (e.g., checks) and any new transactions (e.g., ACH, EFT, Direct Deposit contributions or distributions) presented on your account will be rejected and returned. You will be responsible for any fees or penalties incurred as a result of any transactions being rejected and returned on your account.**
- **Apr. 11, 2024:** Account balances are transferred to the HealthEquity HSA platform. For members with investments, your in-kind investment holdings are transferred to the HealthEquity HSA platform.
- **Apr. 12, 2024:** Your funds will be available at HealthEquity, including your investment funds. Starting on this date, you will be able to invest in the mutual funds that are available on HealthEquity's platform. You will need to take action on or after this date if you want to change your cash allocation option or investment holdings. You will need to reestablish any recurring transactions and pre-scheduled investments on the HealthEquity system.

Other options available to you

If you do not want your HSA transferred to HealthEquity, Custodian must receive your request to liquidate your HSA or to transfer your HSA by March 29, 2024 (or by March 27, 2024 if you have investments), using either of the following options:

1. Request a complete distribution of your HSA funds by mailing to Custodian a completed HSA Account Close/Request to Disburse Funds form found in the Resource Center at <https://www.mybenefitwallet.com/>, OR
2. Provide Custodian with a written transfer request from a new custodian or trustee to transfer your HSA:
 - The request must be submitted on the new custodian's HSA transfer form.
 - Please send the transfer request to:

U.S. Mail:

BenefitWallet
P.O. Box 535161
Pittsburgh, PA 15253-5161

Courier/Overnight:

BenefitWallet/HSA Operations
500 Ross Street, Suite 154-0510
Pittsburgh, PA 15262-0001

By not choosing either of the options above, you will be electing HealthEquity as the new custodian of your HSA, and your HSA will be automatically transferred to HealthEquity. **If you want HealthEquity to be your new custodian, you do not need to do anything** with respect to your HSA funds held at Custodian, which will be automatically transferred to HealthEquity.

After the transfer, you will continue to have the right to transfer to another HSA vendor at any time.

Statements and tax reporting

You will receive a final HSA statement from Custodian in April (electronic or paper as you have elected for your account) reflecting any transactions that occurred before the transfer to HealthEquity. For tax year 2024, you will receive two sets of tax forms (i.e., Form 1099-SA and Form 5498-SA). Custodian will send a set of tax forms for the period for which Custodian was the custodian and HealthEquity will send a set of tax forms for the period for which they are the custodian.

If you have questions about this transition, call HealthEquity at 877-750-0524, where representatives will be available to assist you 24 hours per day, 7 days per week.

If you have questions about your BenefitWallet HSA or other accounts with BenefitWallet, please call 877-472-4200. It has been our pleasure to serve you.

Sincerely,

The Bank of New York Mellon

¹ This card is issued by The Bancorp Bank, N.A., Member FDIC, pursuant to a license from Visa U.S.A. Inc. Your card can be used everywhere Visa debit cards are accepted for qualified expenses. This card cannot be used at ATMs and you cannot get cash back, and cannot be used at gas stations, restaurants, or other establishments not health related. See Cardholder Agreement for complete usage restrictions.

EXHIBIT A: HealthEquity Fee Schedule as of January 1, 2024 (applicable to your HealthEquity HSA as of the Effective Date)

<u>Service</u>	<u>Fee</u>
Monthly admin fees	Same as your BenefitWallet HSA. ¹
Reimbursement check	\$2.00 for paper check. No fee for electronic funds transfer.
Payment to provider	No fee.
Electronic payment to self	No fee.
Health Account Card ²	3 free, then \$5.00 for each additional or replacement cards.
Card transaction	No Fee
Return deposited item	\$20.00 per item.
Stop payment request	\$20.00 per item.
Excess contribution correction	\$20.00 per request.
Account closure	\$25.00 (waived for 60 days following the transfer date).
Electronic statement	No fee.
Paper statement ³	\$1.50 per monthly statement, avoided with electronic statements (waived for 60 days following the transfer date).

¹Your HealthEquity welcome kit will outline your specific monthly admin fees.

²This card is issued by The Bancorp Bank, pursuant to a license from U.S.A. Inc. Your card can be used everywhere Visa debit cards are accepted for qualified expenses. This card cannot be used at ATMs and you cannot get cash back, and cannot be used at gas stations, restaurants, or other establishments not health related. See Cardholder Agreement for complete usage restrictions.

³If you elected to receive electronic statements from BenefitWallet, you will be set to receive electronic statements after your account is transferred to HealthEquity. If you were receiving a paper statement from BenefitWallet, you will have 60 days from the transfer date to elect electronic statements before you begin to incur the monthly paper statement fee. You can avoid this fee if you change your account preference settings to electronic statements. To do this, log in to your Member Portal and update your profile or call Member Services.