

Health Savings Account

Application Booklet

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PRIVACY NOTICE

This Notice is provided on behalf of Trustar® Retirement Services, a trade name of Delaware Charter Guarantee & Trust Company

PROTECTING YOUR PRIVACY

This Notice is required by law. It tells how we handle personal information.

This Notice applies to:

- People, including IRA account holders, who own or apply for our products or services for personal use
- Employee benefit plan participants and beneficiaries

In this Notice, “you” refers to only these people. The Notice does not apply to an employer plan sponsor.

WE PROTECT INFORMATION WE COLLECT ABOUT YOU

We follow strict standards to protect personal information. These standards include limiting access to data and regularly testing our security technology.

HOW WE COLLECT INFORMATION

We collect data about you as we do business with you. Some of the sources of this data are as follows:

- **Information we obtain when you apply or enroll for products or services.** You may provide facts such as your name, address, Social Security number, and employment data.
- **Information we obtain from others.** This includes market value data about your account and similar data.
- **Information we obtain through our transactions and experience with you.** This includes investment records and account values.
- **Information we obtain through the Internet.** This includes data from online forms you complete. It also includes data we receive when you visit our website.

HOW WE SHARE INFORMATION WITH OTHERS

In the course of doing business we may share data with others. This could include personal information about you or about former customers, plan participants or beneficiaries. Personal information may be shared with others for the following purposes:

- in response to a subpoena,
- to prevent fraud,
- to comply with inquiries from government agencies or other regulators, or
- for other legal purposes.

We also may share personal information about you or former customers:

- with others that service your accounts, or that perform services on our behalf,
- with other companies with your consent, at your request or as allowed by law.

ACCURACY OF INFORMATION

We believe our records are accurate. Please tell us if you receive any incorrect materials from us. We will make the appropriate changes.

MORE INFORMATION

You can write to us if you have questions about our Privacy Notice. Contact our Privacy Officer at P.O. Box 8963, Wilmington, DE 19899-8963.

Receipt of this notice does not mean your application has been accepted.

We may change our privacy practices at times. We will give you a revised notice when required by law.

Our privacy practices comply with all applicable state laws. If a state’s privacy laws are more restrictive than those stated in this Notice, we comply with those laws.

Your agent, broker, registered representative, consultant or advisor may have a different privacy policy.

Application for Health Savings Account

I. DEPOSITOR INFORMATION				
NAME				
ADDRESS (REQUIRED)		CITY	STATE	ZIP
PHONE NUMBER	EMAIL ADDRESS	DATE OF BIRTH	SOCIAL SECURITY NUMBER	
II. BENEFICIARY INFORMATION (IF MORE THAN ONE PRIMARY BENEFICIARY IS LISTED, MAKE SURE PERCENTAGE IS NOTED AND TOTALS 100%)				
NOTE: Community and marital property state laws may require your spouse to be named as at least a 50% primary beneficiary. Check with your legal advisor if these state laws impact you.				
PRIMARY BENEFICIARY(IES)	PERCENTAGE	RELATIONSHIP	DATE OF BIRTH	SOCIAL SECURITY NUMBER
CONTINGENT BENEFICIARY(IES): (REPLACES PRIMARY NOTED ABOVE IF PRIMARY PREDECEASES THE CONTINGENT)				
III. PARTICIPANT ACKNOWLEDGEMENT				
I appoint Delaware Charter to serve as Trustee. By making this appointment, I agree to and acknowledge the following:				
<ul style="list-style-type: none"> • I have read and understand the Health Savings Account Trust Agreement and Disclosure Statement and agree to abide by the terms of these documents. • I agree to pay all applicable fees described in the Disclosure Statement, which may be changed from time to time. If I do not pay such Trustee fees directly, I agree to appoint an investment representative as "custodian" to debit such Trustee fees from my account by liquidating assets pro-rata by investment. • I understand Delaware Charter is not an investment advisor and does not supervise or control my investment representative. Delaware Charter does not review or endorse any particular investment. I agree to use independent judgment and to seek advice of legal or tax counsel as necessary in making my investment decisions. • I agree to resolve disputes with Delaware Charter through binding arbitration in accordance with the provisions of section 10.8 of the Health Savings Account Agreement. • I certify that the above social security number is true and correct. • I certify that I am eligible to contribute to a Health Savings Account when I meet the following requirements: <ul style="list-style-type: none"> ○ I am covered by a High Deductible Health Plan (HDHP) ○ I am not-covered by any other non-High Deductible Health Plan (HDHP), except for certain permissible benefits ○ I am not enrolled in Medicare ○ I am not being claimed as a dependent on another persons tax return • I certify that I understand that the eligibility to contribute to this HSA is determined on a monthly basis. 				
APPLICANT'S SIGNATURE			DATE	
TO BE COMPLETED BY REPRESENTATIVE:				
REPRESENTATIVE'S NAME			FIRM	
ADDRESS		CITY	STATE	ZIP
INDIVIDUAL'S ACCOUNT NUMBER	PHONE NUMBER	EMAIL ADDRESS		
APPROVAL OF TRUSTEE:				
The foregoing application is hereby approved by the Trustee this ____ day of ____, 20__				
Attest _____ by _____				

Mail to: Mesirow Financial Inc. Attn: IRA Department 350 N. Clark Street Chicago, IL 60610

INSTRUCTIONS FOR HEALTH SAVINGS ACCOUNTS

CONSULT WITH YOUR ATTORNEY

Carefully read the enclosed information. Please consult with your attorney or tax advisor if you are thinking about starting your own trust.

DISCLOSURE STATEMENT & TRUST AGREEMENT

Before you complete any forms, read the Disclosure Statement and Trust Agreement in their entirety.

APPLICATION

This is the basic legal document through which you join the Trust. It should be carefully considered. Please complete and sign the application. Send the original to Mesirow Financial Inc. Make one copy for your records and provide one copy to your investment executive. We cannot accept an incomplete or unsigned application.

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 Delaware Charter Guarantee & Trust Company to obtain, verify, and record information that identifies each person who 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 may also ask to see your driver's license or other identifying documents.

TRUST INSTALLATION AND NOTICE

Individual accounts will be opened by your broker. The title of the account will be as follows:

Delaware Charter Guarantee & Trust Co., Trustee
FBO (Name of Account Holder), Health Savings Account

INVESTMENTS

It is your responsibility to direct the investment of the Trust funds. Investment directions may be given directly to your brokerage firm. Investment confirmations will be sent to you by the brokerage firm.

The facilities of your brokerage firm will be available to you so that you may obtain research material in connection with your investments. Your brokerage firm will receive only brokerage commissions or appropriate dealer markups for the purchase and sale of securities within your account.

The brokerage firm cannot exercise discretion or control over your account, unless you are using the services of a registered investment advisor. Although they may provide investment information and advice to you, they do not intend that any advice given by them will serve as the primary basis for your investment decisions. Furthermore, it is our understanding that you will exercise independent judgment in making your investment decisions.

CONTRIBUTIONS

Important: Forward all contributions to your brokerage firm. To make sure the contributions are associated with the proper tax year, the brokerage firm's cash statement must designate the tax year for which the contribution is made. If no year is designated, the contribution will be considered made in the tax year in which it is deposited. If you make a Rollover, the brokerage firm's cash statement must indicate "RO" next to the asset(s) received. Note: With the exception of rollovers, contributions in excess of the allowable amount per year (as indexed), plus excess of allowable catch-up contributions (as indexed) (or such limits as may be established by law) cannot be accepted. Do not over-invest as this will cause a debit balance and may disqualify your Plan. Commissions are part of the cost of the investment and may not be paid separately.

MAILING INSTRUCTIONS

Mesirow Financial Inc.
Attn: New Accounts
350 North Clark Street
Chicago, IL 60610

RECORDS

It is extremely important for you to keep good records covering your contributions and investments. **Remember that you assume the responsibility for filing all Federal and State tax returns and forms required as an Account Holder of a Health Savings Account.**

(Note: Our Federal Tax ID number should appear when opening cash accounts. It is 51-0099493. When a cash account is opened, both Trustee & Account Holder must receive a statement).

DISCLOSURE STATEMENT FOR HEALTH SAVINGS ACCOUNTS

We, as trustee of your Health Savings Account (“HSA”), are providing you with this Disclosure Statement about your HSA.

We provide the basic rules and benefits of your Delaware Charter Guarantee & Trust Company (conducting business as Trustar® Retirement Services) Health Savings Account Trust Agreement in this Disclosure Statement. It also contains important tax and legal information. However, the Health Savings Account Trust Agreement (“Trust Agreement”) issued by Delaware Charter Guarantee & Trust Company, conducting business as Trustar® Retirement Services (“Delaware Charter”) governs your HSA, and it will govern in the case of any discrepancy between the Trust Agreement and this Disclosure Statement.

When used in this document, the words you and your refer to you, the person for whom the HSA is established. We, us, and our refer to Delaware Charter as trustee of your HSA.

We are not licensed to practice law or give tax or financial advice. We strongly urge you to consult with your tax or legal advisor before you establish an HSA.

I. YOUR RIGHT TO REVOKE YOUR HSA

You can cancel your HSA within seven days of the date you adopt the Trust Agreement.

If you cancel or “revoke” your HSA, we will return all of your funds, including your acceptance fee, to you.

The notice of revocation must be in writing and signed by you. You can mail the notice to us at the following address:

HSA Processor
Mesirow Financial Inc.
Attn: New Accounts
350 North Clark Street
Chicago, IL 60610

If you mail the notice, we will use the date of the postmark (or the date of certification or registration for certified or registered mail) as the date of the notice.

II. IRS APPROVAL

The Trust Agreement was written to comply with section 223 of the Internal Revenue Code (“IRC”). However, at the time this Disclosure Statement was printed, there was no procedure for submitting the Trust Agreement to the Internal Revenue Service (“IRS”) for approval. Thus, the IRS has not approved the Trust Agreement.

If procedures for obtaining IRS approval become available at a later date or if the IRS subsequently releases a model HSA agreement, or issues updated tax and contributions reporting forms and instructions, we reserve the right to amend the Trust Agreement and this Disclosure Statement without your consent.

III. STATUTORY REQUIREMENTS

1. ELIGIBILITY TO ESTABLISH AN HSA

You represent that, unless this account is used solely to make rollover contributions from other HSAs or MSAs, you are an “eligible individual”

and may contribute to an HSA, beginning January 1, 2004, if you meet the following conditions:

- (a) you are covered under a high-deductible health plan (“HDHP”)
- (b) you are not also covered by any other health plan that is not an HDHP
- (c) you are not receiving benefits under Medicare
- (d) you may not be claimed as a dependent on another person’s tax return

You do not need permission or authorization from the IRS to establish the HSA. If you are employed, you do not need the involvement of your employer to establish an HSA.

You can establish an HSA with a qualified trustee or custodian who is different from the HDHP provider. As your trustee, we may require proof or certification that you are an eligible individual. Although we have no obligation to determine whether your health plan is an HDHP, we may require proof or certification that you are covered by a health plan that meets the requirements of an HDHP.

You have until your tax-filing deadline, not including extensions, to open and fund your HSA for the previous taxable year.

2. DEFINITION OF A HIGH-DEDUCTIBLE HEALTH PLAN (“HDHP”)

In general, an HDHP is a health plan with an annual deductible of at least \$1,000 for self-only coverage and at least \$2,000 for family coverage. In addition, the maximum out-of-pocket expenses (e.g., deductibles, co-payments, and other amounts, but not premiums) must not be more than \$5,000 in the case of self-only coverage and \$10,000 in the case of family coverage. These deductibles and out-of-pocket amounts are indexed for inflation.

In the case of a “network plan”, the annual deductible for services provided outside the network is disregarded and the annual out-of-pocket limitation for such expenses will not cause the plan to fail to be treated as an HDHP.

Please see IRC section 223 and IRS Notice 2004-2 for further details on the definition of an HDHP.

We strongly urge you to verify with your insurance carrier, a licensed insurance professional, or your legal or tax counsel that the health plan in question is actually an HDHP. You may be subject to penalties if you contribute to an HSA without an appropriate HDHP.

3. CONTRIBUTIONS TO AN HSA

The employee, the employer, or both the employer and the employee may contribute to the employee’s HSA for the same year.

You do not have to have compensation to contribute to your own HSA.

A self-employed or unemployed individual may contribute to that individual’s HSA. Any person may make contributions to an HSA for an eligible individual.

Your HSA can accept cash, checks, money order, or electronic fund transfers for regular contributions. It can also accept rollovers of cash, securities, or other assets from another HSA or an Archer MSA.

Contributions for a particular year cannot be made earlier than the first day of such year. The latest time to make a contribution is your tax-filing deadline (without extensions). Thus, if you are a calendar year taxpayer, the latest time to make a contribution for a year is April 15 following such year. Although the annual contribution is determined monthly, the maximum contribution may be made on the first day of the year or at any time during the year.

Trustar is under no obligation to track the origination of any contribution.

4. CONTRIBUTIONS AFTER ENROLLMENT IN MEDICARE

No contributions may be made to your HSA after you enroll in Medicare.

5. CONTRIBUTION LIMITS

All HSA contributions made by or on behalf of an eligible individual must be aggregated for purposes of the contribution limits. The annual limit is also decreased by the aggregate contributions to an Archer MSA.

The maximum annual contribution limit is the sum of the limits determined separately for each month, based on status, eligibility, and health plan coverage as of the first day of the month.

It is the lesser of 100% of the annual deductible under your HDHP or an indexed amount (for 2004, this amount is \$2,600 for self-only coverage and \$5,150 for family coverage).

Example (1):

The HDHP coverage is effective on January 1, 2004, and continues to be effective for the rest of the year:

- Self-only: Either your HDHP deductible or \$2,600, whichever is LESS
- Family: Either your HDHP deductible or \$5,150, whichever is LESS

Example (2):

The HDHP coverage is effective anytime after January 1, 2004, and continues to be effective for the rest of the year:

- Contributions are pro-rated based upon the number of whole months covered under the HDHP (e.g., 1/12 for every month). Thus, if coverage began on June 1, only 7/12ths of the maximum amount is permitted.

For example, for an individual with a self-only HDHP coverage with an annual deductible of \$5,000, the lesser of the annual deductible and \$2,600 is \$2,600. The monthly contribution limit is \$216.67 (\$2,600/12). For Example the annual contribution limit is \$1,516.69 (\$216.67 x 7).

While annual contributions are limited based upon the deductible under the HDHP, there is no maximum limit on the accumulated balance of the trust account.

6. CATCH-UP CONTRIBUTIONS

Individuals (and their spouses covered under the HDHP) who are over the age of 55 and not enrolled in Medicare, may make "catch-up" contributions to their HSA. The catch-up contribution is \$500 in calendar year 2004. It will increase in \$100 increments annually until it reaches \$1,000 in calendar year 2009. As with the annual contribution limit, the catch-up contribution is also calculated on a monthly basis.

Example:

An individual who had been covered under a self-only HDHP with an annual deductible of \$1,000 enrolls in Medicare in July 2004.

The monthly contribution limit is \$125 (\$1,000:12 + \$500:12). The individual may make contributions for January through June totaling \$750 (\$125 x 6 months) but must stop making contributions after June 2004.

7. CONTRIBUTION LIMITS FOR MARRIED INDIVIDUALS WITH FAMILY COVERAGE

If either spouse has family coverage under an HDHP, both spouses are treated as having family coverage.

If each spouse has coverage under a separate HDHP, both spouses are treated as covered under the HDHP with the lowest deductible. The spouses' contribution limit is the lowest deductible amount divided equally between them unless they agree on a different division. The family coverage limit is further reduced by any contribution to an Archer MSA. However, both spouses may make catch-up contributions if they are age 55 or over.

Example (1):

John and Mary are married to each other. John is 58 and Mary is 53. They both have family coverage under separate HDHPs. John has a \$3,000 deductible under his HDHP. Mary has a \$2,000 deductible under her HDHP. John and Mary are treated as covered under the HDHP with the \$2,000 deductible.

John and Mary can each contribute \$1,000 to an HSA (\$2,000:2) unless they agree to a different division. In addition, John can contribute an additional \$500 catch-up contribution to his HSA because he is over 55.

Example (2):

John and Mary are married to each other. John is 35 and Mary is 33. Each is covered under a self-only HDHP. John has a \$1,000 deductible under his HDHP and Mary has a \$1,500 deductible under her HDHP. John can contribute \$1,000 to an HSA. Mary can contribute \$1,500 to an HSA.

8. EXCESS CONTRIBUTIONS

Excess contributions are those that exceed the limits in sections 5 and 6 above. Contributions made by your employer to your HSA are included in your gross income if (i) they exceed your allowable contribution limits, or (ii) are made on your behalf when you are not eligible for the HSA. Excess contributions that are not withdrawn by the due date of your tax return (including extensions) are taxed twice (once for the year during which they are made and again when they are distributed). They are also subject to a 6% excise tax.

9. CORRECTING EXCESS CONTRIBUTIONS

You can withdraw excess contributions (plus attributable earnings) by the due date of your tax return, including extensions, for such year. You must include the earnings from the excess contributions in your gross income for the tax year in which the distribution is made. The 6% excise tax is not imposed on the excess contributions and the distribution of the excess contributions is not taxed.

You are responsible for calculating the excess contributions and their earnings. You must provide them to us on your completed distribution form.

10. TAX TREATMENT OF YOUR HSA CONTRIBUTIONS

You can deduct contributions that you or another individual makes on your behalf to your HSA (subject to the above contribution limits) from your adjusted gross income. Your HSA contributions are deductible whether or not you itemize deductions. But you cannot also deduct the contributions as medical expenses under IRC section 213.

Contributions that your employer makes to your HSA (subject to the above contribution limits) are treated the same as employer-provided health insurance premiums and are excludable from your gross income. They are not subject to withholding from wages for income tax or subject to the Federal Insurance Contributions Act ("FICA"), the Federal Unemployment Tax Act ("FUTA"), or the Railroad Retirement Tax Act. Contributions to your HSA through a cafeteria plan are treated as employer contributions. You cannot deduct employer contributions on your federal income tax return as HSA contributions or as medical expenses under IRC section 213.

11. TAX TREATMENT OF YOUR HSA

Your HSA is generally exempt from tax unless it has ceased to be an HSA. Earnings on contributions are not taxable while held in the HSA.

12. ROLLOVERS TO YOUR HSA

Your HSA may accept rollovers from other HSAs or from Archer Medical Savings Accounts (MSA). Rollover contributions need not be in cash. Rollovers are not subject to the annual contribution limits. Rollovers from an IRA, a health reimbursement plan ("HRA"), or a flexible spending arrangement ("FSA") are prohibited.

13. PROHIBITED TRANSACTIONS

You may lose the tax-free status of your HSA and be subject to penalties if you engage in certain prohibited transactions. Generally, those prohibited transactions are:

- Sale, exchange, or leasing of any property between your HSA and a party-in-interest.
- Lending money or any other extension of credit to a party-in-interest.
- Furnishing of goods, services, or facilities, between your HSA and a party-in-interest.
- Transfer to or use for the benefit of a party-in-interest of the income or assets of the HSA in his or her own interest or for his or her own account.
- Receipt of any consideration for his or her own personal account by a party-in-interest that is a fiduciary dealing with the plan concerning the transaction involving the income or assets of the plan.
- Pledging the account or part of the account as security for a loan.
- Investing in collectibles such as works of art, rugs, antiques, certain metals, gems, stamps, most coins, or alcoholic beverages.

See IRC section 4975 for more information on prohibited transactions. No part of your account may be invested in life insurance or commingled with other property except in a common trust fund or common investment fund.

14. DISTRIBUTIONS FROM YOUR HSA

You may withdraw funds from your HSA at any time.

Amounts that are used to pay for qualified medical expenses for you, your spouse, or your dependents are not includible in your gross income for federal income tax purposes. This is true even if, at the time of the distribution, you are not currently eligible to contribute to your HSA.

Amounts that are used exclusively to pay for qualified medical expenses continue to be excludable from your gross income even if you are no longer an eligible individual because you are over age 65 and enrolled in Medicare or are no longer covered under an HDHP.

Amounts that are not used to pay for qualified medical expenses for you, your spouse, or your dependents are includible in your gross income. They are also subject to a 10% additional excise tax except when they are made after your death, disability, or attainment of age 65.

You are solely responsible for determining whether distributions from your HSA are used for qualified medical expenses. You should maintain adequate records and retain receipts of your medical expenses to verify that distributions were used to pay for qualified medical expenses.

We are not responsible for determining whether an expense is a qualified medical expense. We are also not responsible for verifying whether distributions from your HSA are used for qualified medical expenses.

15. DEFINITION OF QUALIFIED MEDICAL EXPENSES

"Qualified medical expenses" are expenses that you, your spouse, or your dependents pay for medical care as defined in IRC section 213(d), including over-the-counter drugs as described in Revenue Ruling 2003-12, but only to the extent that these expenses are not covered by insurance or otherwise. For purposes of determining the itemized deduction for medical expenses, medical expenses paid or reimbursed by distributions from your HSA are not treated as expenses paid for medical care under IRC section 213.

Generally, health insurance premiums are not qualified medical expenses. However, the following are qualified medical expenses: qualified long-term care insurance, COBRA health-care continuation coverage, and health care coverage while an individual is receiving unemployment compensation. Individuals over age 65 can use amounts from their HSA to pay premiums for Medicare Part A or B, Medicare HMO, and the employee share of premiums for employer-sponsored health insurance, including premiums for employer-sponsored retiree health insurance. Premiums for Medigap policies are not qualified medical expenses.

A qualified medical expense may only be paid or reimbursed from your HSA if it was incurred after the time your HSA was established. The IRS, however, provided a transitional relief for calendar year 2004. Under the relief, an HSA that is established by an eligible individual before April 15, 2005, may pay or reimburse, on a tax-free basis, any qualifying medical expenses that are incurred on or after the later of January 1, 2004, or the first day of the month that the individual is an eligible individual.

We strongly urge you to verify with your insurance carrier, a licensed insurance professional, or your legal or tax counsel that the medical expense in question is actually a qualified medical expense. You will be subject to penalties (inclusion of the distribution in your gross income and imposition of an additional 10% excise tax by the IRS) on any distribution amount that is not used to pay qualified medical expenses.

16. TAX TREATMENT OF YOUR HSA AFTER DEATH

Upon your death, any amount remaining in your HSA becomes the property of the beneficiary that you named in your HSA application.

If your beneficiary is your surviving spouse, your HSA will become the HSA of your surviving spouse. The surviving spouse is subject to income tax only for those distributions from the HSA that are not used to pay qualified medical expenses.

If your beneficiary is not your surviving spouse, your HSA ceases to be an HSA on the date of your death. The fair market value of your HSA as of the date of your death must be included in the gross income of your non-spouse beneficiary in the taxable year of your death. Distributions from the HSA that are made within one year of your death to pay for your qualified medical expenses are excluded from the amount to be included in the gross income of the non-spouse beneficiary.

17. TAX TREATMENT OF YOUR HSA AFTER DIVORCE

If you transfer any amount in your HSA to your spouse or ex-spouse under a divorce decree or separation agreement described in IRC section 71(b)(2), the transferred amount is not considered a taxable transfer. The transferred amount will be treated as the HSA of the spouse or ex-spouse receiving it.

IV. ADDITIONAL INFORMATION

1. FINANCIAL DISCLOSURE

The amount of money in your HSA at any period of time depends on the amount of contributions to the account, the total years of its existence, earnings (including interest, dividends, realized and unrealized gains and losses), and expenses (incurred for brokerage commissions and applicable Trustee fees). Due to the many kinds of investments that you may choose, neither a guaranteed return nor a projected amount can be practically furnished.

The fees charged by the Trustee are:

Initial Acceptance fee:	\$45
Annual fee:	\$45
Termination or Transfer fee:	\$50

(In addition to annual fees)

If you fail to pay our compensation, taxes, and/or expenses within a reasonable time after demand for payment is made, we reserve the right to charge the expenses to the trust and liquidate such assets of the trust pro-rata by investment as needed to satisfy the demand. The custodian will collect all fees, expenses, and taxes for us as directed by us. Such collection of fees by the custodian may be made without your approval or direction.

We reserve the right to revise the fee schedules and will provide you sufficient advance written or electronic notice of any revision.

Brokerage commissions are considered a separate cost and are in addition to the above fees charged by the Trustee. Questions about brokerage commissions should be discussed with your broker or account executive before any orders are executed.

To compute and allocate annual earnings:

- Compare the year-end market value to the prior year's market value
- Add any interest or dividends earned for your total account

2. INVESTMENTS

It is your responsibility to select and direct the investments of your HSA, either in person or through a broker, account executive or investment advisor. The investments you choose must conform to the Trust Agreement. Investments that do not generate confirmations must be accompanied by additional written instructions.

No part of your HSA may be invested in collectibles (within the meaning of Code Section 408(m)) except for certain coins and bullion defined in Code Section 408(m)(3). Any investments in collectibles will be treated as a distribution that is not used for qualified medical expenses and therefore includible in your gross income and subject to the additional 10% excise tax.

No part of your HSA may be invested in life insurance contracts or commingled with other property, except in a common trust or investment fund.

Although the Brokerage Firm may provide investment information to you, any information given by them should not serve as a primary basis for your investment decisions. Any questions about the authority of your broker should be directed to the Brokerage Firm. The broker is not an employee of Delaware Charter, and Delaware Charter does not supervise or control the activity of the broker. Furthermore, it is our understanding that you will exercise independent judgment when you make your investment decisions.

3. IRS FORMS

The IRS has announced that information reporting requirements for the newly-created HSAs would be similar to existing Archer MSA requirements but has yet to release all forms and instructions that are required for HSAs. If an IRS Form is required to report contributions, additions, withdrawals or other activity for this account, we will complete it and mail it to the IRS each year. To ensure accuracy, the cash statement from the Brokerage Firm must reflect the applicable tax year for each contribution and note whether the contribution is a regular or rollover contribution. Forms reflecting no specific tax year will default to the year in which the contribution is made.

4. COMMUNICATION

Any communication or notification from us to you can take the form of a written communication or notification, facsimile transmission, telephone, or electronic transmission. It can be sent to your address, e-mail address, fax or telephone number that you previously communicated to us. It will be sufficient in whatever form we send it.

5. ARBITRATION

You agree that all controversies between you and/or your beneficiaries and us and/or any of our officers, directors, or employees (present or former) concerning or arising from:

- The HSA that you maintain with us;
- Any transaction involving your HSA, whether or not such transactions occurred in such HSA or HSAs; or
- The construction, performance, or breach of this Trust Agreement provided by Delaware Charter between us, whether such controversy arose prior, on, or subsequent to the date hereof, shall be determined under the commercial arbitration rules of the American Arbitration Association. Any disputes as to the arbitrability of a matter or the manner of such arbitration will be determined in such arbitration. The arbitration will be held in Wilmington, Delaware.

6. ARBITRATION DISCLOSURES:

- a. Arbitration is final and binding on the parties,
- b. The parties are waiving their right to seek remedies in court, including the right to jury trial,
- c. Pre-arbitration discovery is generally more limited than and different from court proceedings,
- d. The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited,
- e. The panel of arbitrators will consist of arbitrators from the American Arbitration Association,
- f. The arbitration will be under the commercial arbitration rules of the American Arbitration Association,
- g. The arbitration will be held in Wilmington, Delaware,
- h. Any disputes as to such arbitration or the manner thereof will be determined in such arbitration.

The determination that any provision of this Trust Agreement is not enforceable in accordance with its terms in a particular jurisdiction shall not affect the validity or enforceability of the remaining provisions of this Trust Agreement ("Agreement") generally or in any other jurisdiction or as to any other parties, but rather such unenforceable provisions shall be stricken or modified in accordance with such determination only as to such parties and this Trust Agreement, as modified, shall continue to bind the specific parties involved therein and otherwise all other parties in unmodified form.

Further information can be obtained from any district office of the Internal Revenue Service as applicable.

Please check with your legal and/or tax counsel if you have any questions about how this information applies to your particular situation.

HEALTH SAVINGS ACCOUNT TRUST AGREEMENT

ARTICLE I

The Account Holder establishes a Health Savings Account (HSA) under section 223 of the Code. The Account Holder has appointed the Trustee and has deposited or has caused to be deposited a contribution to the Trust.

ARTICLE II

DEFINITIONS

- 2.1 "Act" means the Employee Retirement Income Security Act of 1974, as amended.
- 2.2 "Account Holder" means the individual whose name appears on the Application that has been accepted by the Trustee and for whom contributions have been received by this Trust.
- 2.3 "Application" means the Application through which the Account Holder adopts this Trust, as may be amended from time to time, and thereby agrees to be bound by all terms and conditions of this Agreement.
- 2.4 "Beneficiary" means the person(s) or entity (entities) properly designated by the Account Holder in the Application or in a form acceptable to the Trustee.
- 2.5 "Investment Firm" means the investment agent selected in the Application or through other means acceptable to the Trustee.
- 2.6 "Code" means the Internal Revenue Code of 1986, as amended.
- 2.7 "High-Deductible Health Plan" (HDHP) means a health plan as defined in section 223(c)(2) of the Code.
- 2.8 "IRS" means the Internal Revenue Service.
- 2.9 "Qualified Medical Expenses" means expenses paid by the Account Holder, his spouse, or dependents for medical care as defined in section 223(d)(2) of the Code.
- 2.10 "Trust" means this Trust established hereunder as it may be amended from time to time, including the Application, which is part of the Trust.
- 2.11 "Trust Agreement" means this document that establishes and sets forth the material terms of the Health Savings Account Trust Agreement.
- 2.12 "Trust Fund" means the total funds held under the Trust.
- 2.13 "Trust Year" means the calendar year from January first (1) to December thirty-first (31).
- 2.14 "Trustee" means Delaware Charter Guarantee & Trust Company, doing business as Trustar® Retirement Services and any successor Trustee under the Trust.

ARTICLE III

ELIGIBILITY

3.1 An individual eligible to contribute means, with respect to any month, an individual who (1) is covered by a HDHP; (2) is not also covered by another health plan that is not an HDHP; (3) is not enrolled in Medicare; and (4) cannot be claimed as a dependent on another person's tax return.

3.2 As a condition of participation, the Account Holder is required to consent to the terms and conditions of this Trust, as may be amended from time to time. Agreement need not be in writing.

ARTICLE IV

CONTRIBUTIONS

- 4.1 Except in the case of rollover contribution, contributions must be made in cash. Contributions can also be made through a cafeteria plan.
- 4.2 This Trust will only accept rollover contributions from other HSAs or from Archer MSA.
- 4.3 Other individuals or the employer may make contributions on behalf of the Account Holder. Catch up contributions for individuals over the age of 55 and not enrolled in Medicare are permitted. Total annual contributions for each tax year may not exceed the amount allowable as a deduction under section 223 of the Code for such tax year. Rollovers are not subject to the annual contribution limit.
- 4.4 Contributions made to this Trust by or for the Account Holder are fully vested and nonforfeitable at all times.
- 4.5 The Account Holder is solely responsible for determining the contribution limit.

ARTICLE V

DISTRIBUTIONS

- 5.1 The Account Holder may elect to receive a distribution of all or part of the balance of the Trust Fund at any time, upon written notice to the Trustee.
- 5.2 To receive favorable tax treatment on distributions from the Trust Fund, the distribution amount(s) must be used exclusively to pay for Qualified Medical Expenses of the Account Holder, his spouse, or dependents.
- 5.3 The Account Holder is solely responsible for determining whether distributions from the Trust Fund are used exclusively for Qualified Medical Expenses.
- 5.4 Upon the death of the Account Holder, the assets remaining in the Trust Fund become payable to the Beneficiary and the Trust will terminate. If the Beneficiary is the spouse of the Account Holder, the Beneficiary will become the new Account Holder, subject to executing a new Application and approval by the Trustee.
- 5.5 If the designation of a Beneficiary has not been made by the Account Holder at the time of the Account Holder's death, the Beneficiary shall be the spouse of the Account Holder, or if there is no spouse living at the time of the Account Holder's death, the Beneficiary will be the estate of the Account Holder.

ARTICLE VI

RESPONSIBILITIES OF THE TRUSTEE

6.1 The Trustee's duties and obligations under this Trust Agreement are all ministerial and do not give the Trustee knowledge of any underlying fault or problem. Nothing in this Trust Agreement, nor in the

provisions of services makes the Trustee a party to, or a fiduciary or administrator regarding, the Trust or the Trust Fund.

6.2 The Trustee shall receive all contributions, and shall make all distributions from the Trust Fund.

6.3 The Trustee may absolutely and conclusively rely on written instructions from the Account Holder (or those of his agent) that the Trustee believes to be genuine and will be fully protected in doing so.

6.4 The Trustee has no duty under this Trust Agreement and no responsibility for the administration of the Trust Fund.

6.5 The Trustee has no responsibility or duty to monitor contributions or distributions or to determine whether contributions to or distributions from the Trust Fund comply with the laws or regulations governing HSAs, or this Trust Agreement.

6.6 The Trustee will not have any responsibility to the Account Holder or the Beneficiary or any other entity for the tax treatment of the HSA, the Trust Fund, the Account Holder, or the Beneficiary.

6.7 Pursuant to the Account Holder's written directions (or those of his agent, if applicable), the Trustee shall invest and reinvest all or any part of the Trust in any investments or reinvestments that are acceptable to the Trustee and that are not prohibited by the Code and the regulations there under. The Trustee shall have no duty to diversify the investments or to make inquiry with regard to the investments or the written directions.

6.8 The Trustee shall be fully protected in acting upon any instrument, certificate, or paper believed by it to be genuine and to be signed or presented by the Account Holder or such proper person or persons, and the Trustee shall be under no duty to make any investigation or inquiry as to any statement contained in any such writing but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

6.9 The Trustee shall be under no duty to question any direction of the Account Holder or his agent with respect to any investments, to review or monitor any securities or other property held in Trust, or to make suggestions to the Account Holder or his agent with respect to investment. The Trustee will not be liable for any loss that may result by reason of investments made in accordance with the directions of an Account Holder or his agent;

6.10 The Trustee shall have the authority to invest contributions for the Account Holder through the facilities of the Investment Firm designated in the Application (or equivalent facilities maintained by any other stockbroker or investment agent selected by the Account Holder and administratively pre-approved by the Trustee).

6.11 The Investment Firm named in the Application is designated by the Account Holder with authority to provide the Trustee with instructions, via confirmations or otherwise, implementing his directions to the Investment Firm to purchase and sell securities for his account. The Account Holder shall approve beforehand any and all orders to purchase or sell securities in his account and shall direct the Investment Firm to implement his instructions. The Account Holder authorizes the Trustee to honor trades within his account without obligation to verify prior authorization of such trades. The Investment Firm shall receive advices of available cash in this account and shall promptly forward confirmation of purchases and sales to the Trustee.

All investments outside of the brokerage account shall be accompanied by additional written instructions and must be acceptable to the Trustee.

6.12 Selling short and executing purchases in an amount greater than available cash are prohibited transactions. No part of the Trust Fund may be invested in life insurance contracts or in any other types of investments not allowed by law or regulations for HSAs. No assets will be commingled except in a common trust fund or common investment fund.

6.13 The Trustee shall not make any investment or dispose of any investment held in the Trust except upon the direction of the Account Holder or his agent. The Trustee shall be under no duty to question such direction of the Account Holder, to review any securities or other property held in the Trust, or to make suggestions to the Account Holder with respect to the investment, retention, or disposition of any assets held in the Trust. The Account Holder hereby agrees to indemnify the Trustee and hold it harmless from and against any claim or liability that may be asserted against the Trustee by reason of it acting or not acting pursuant to any direction from the Account Holder or failing to act in the absence of such direction.

6.14 The Account Holder may appoint in writing an Investment Manager or Managers to manage (including power to acquire and dispose of) any assets of this Trust. Any such Investment Manager shall be registered as an Investment Adviser under the Investment Advisers Act of 1940 ("1940 Act"). If investment of the Trust is to be directed by an Investment Manager, the Account Holder shall deliver to the Trustee a copy of the instruments appointing the Investment Manager and evidencing the Investment Manager's acceptance of such appointment, an acknowledgment by the Investment Manager that it is a fiduciary of the Trust, and a certificate evidencing the Investment Manager's current registration under the 1940 Act. The Trustee shall be fully protected in relying upon such instruments and certificate until otherwise notified in writing by the Account Holder.

The Trustee shall follow the directions of the Investment Manager regarding the investment and reinvestment of the Trust, or such portion thereof as shall be under management by the Investment Manager. The Trustee shall be under no duty or obligation to review any investment to be acquired, held or disposed of pursuant to such directions or to make any recommendations with respect to the disposition or continued retention of any such investment or the exercise or non-exercise of the powers. Therefore, the Trustee shall have no liability or responsibility for acting or not acting pursuant to the direction of, or failing to act in the absence of any direction from, the Investment Manager. The Account Holder hereby agrees to indemnify the Trustee and hold it harmless from and against any claim or liability that may be asserted against the Trustee by reason of its acting or not acting pursuant to any direction from the Investment Manager or failing to act in the absence of any such direction.

The Investment Manager at any time and from time to time may issue orders for the purchase or sale of securities directly to a broker; and in order to facilitate such transaction, the Trustee upon written request shall execute and deliver appropriate trading authorizations. Written notification of the issuance of each such order shall be given promptly to the Trustee by the Investment Manager, and the execution of each such order shall be confirmed by written advice via confirms or otherwise to the Trustee by the broker.

In the event that an Investment Manager should resign or be removed by the Account Holder, the Account Holder shall manage the investments

pursuant to the terms of this Trust unless and until the Trustee shall be notified of the appointment of another Investment Manager with respect thereto as provided in this section.

The Trustee shall be under no duty to question any such direction of the Account Holder or Investment Manager to review any securities or other property held in the Trust or to make suggestions to the Account Holder or Investment Manager with respect to the investment, retention, or disposition of any assets held in the Trust.

ARTICLE VII

TRUSTEE'S COMPENSATION

7.1 The Trustee shall be paid such reasonable compensation as shall from time to time be communicated to the Account Holder by the Trustee. Such compensation shall be chargeable to the Account Holder and the Account Holder hereby covenants and agrees to pay the same.

7.2 The Account Holder hereby covenants and agrees to pay all taxes which may be imposed upon the Trust or the Trustee, as well as all expenses of administration of the Trust, including, but not limited to transaction costs, fair market valuation of assets costs, distributions, postage, commissions, fees, and attorney's fees.

7.3 If the Account Holder fails at any time to pay the Trustee's compensation, taxes, and expenses within thirty (30) days after demand for such payment has been made by the Trustee on the Account Holder, the Trustee will charge the Trust such compensation, taxes, and expenses and will liquidate assets of the Trust pro-rata by investment for such purposes. The custodian, including the financial institution and the Investment Firm that holds or manages the assets of the Trust, shall, and hereby agrees to, collect such compensation, taxes, and expenses for the Trustee as so directed by the Trustee in writing.

7.4 Notwithstanding any other provisions contained in this Trust Agreement, all payments under this Article VII and the liquidation of assets to obtain funds thereof shall be made without the approval or direction of the Account Holder. If the Trust Fund is not sufficient to satisfy the Trustee's compensation, fees, taxes, and expenses, then the Trustee will charge the Account Holder for such unpaid compensation, fees, taxes, and expenses.

ARTICLE VIII

RESIGNATION, REMOVAL, AND APPOINTMENT OF TRUSTEE

8.1 Either the Trustee or the Account Holder may terminate this Trust upon thirty (30) days written notice to the other.

8.2 Upon resignation or removal of the Trustee, the Account Holder shall appoint a successor trustee and shall complete the transfer of assets within 30 days of the date the Trustee mails the termination notice to the Account Holder or the Account Holder mails such notice to the Trustee.

If the Account Holder fails to do so, the Trustee may, in its discretion, transfer the assets to a successor trustee of its choosing, or liquidate and distribute the assets, less any amounts withheld for Trustee compensation, taxes, and expenses, to the Account Holder. The Trustee will not be responsible for any penalties, fines, taxes, or tax consequences that may result from such transfer or distribution.

ARTICLE IX

AMENDMENTS

9.1 The Trustee has the right to amend this Trust Agreement at any time, including any retroactive amendments, to comply with all existing, or future changes to, applicable laws, regulations, or other published guidance without the consent of the Account Holder. The Trustee will mail a copy of such amendments to each Account Holder.

9.2 The Trustee has the right to amend this Trust Agreement for any other reason. The Account Holder is deemed to have consented to any amendment unless the Account Holder notifies the Trustee, in writing, that the Account Holder does not consent to the amendment within 30 days after the Trustee mails a copy of the amendment to the Account Holder and the Trust will then be terminated.

9.3 The Trustee may amend the fee schedule from time to time by mailing a 30-day advance notice to the Account Holder.

ARTICLE X

MISCELLANEOUS

10.1 The Trustee shall mail, or shall direct the Investment Firm or the financial institution to mail, an accounting, valuing the assets at fair market value, to the Account Holder, within ninety (90) days from the close of the Trust Year. If the Investment Firm or financial institution does not supply such fair market value, the Trustee reserves the right to retain a third party to value the investment. The Account Holder will be responsible for any charges associated with the valuation.

10.2 The Trustee shall not be liable for any act or omission made in connection with the Trust except for its intentional misconduct or negligence. Any required notice regarding the Trust will be considered effective when the Trustee mails it to the last address (including, as applicable, an electronic address) of the intended recipient which is contained in the Trustee's records. Any notice to be given to the Trustee will be considered effective when the Trustee actually receives it. The Account Holder and/or Beneficiaries must notify the Trustee of any change of address promptly and in a manner acceptable to the Trustee.

10.3 The captions of Articles in this Trust Agreement are included for convenience only and shall not be considered a part of, or an aid to, the construction of this Trust.

10.4 To the extent the Trustee is engaged in any form of litigation, or dispute resolution concerning the Trust Fund or the interest of the Trust, the Trustee shall be entitled to recover all costs, fees and expenses, including attorney's fees, directly from the Trust Fund without the approval or direction of the Account Holder. If necessary, the Trustee shall liquidate Trust assets pro-rata by investment in order to be reimbursed.

10.5 The terms and conditions of this Trust Agreement shall be applicable without regard to the community property laws of any state.

10.6 This Trust Agreement is made pursuant to and shall be construed in accordance with the laws of the State of Delaware. Jurisdiction and venue of any matter not subject to the arbitration provisions of this Trust Agreement shall lie solely in the courts of the State of Delaware.

10.7 All contributions to this Trust shall be deemed to take place in the State of Delaware.

10.8 The Account Holder agrees that all controversies between the Account Holder and/or Beneficiaries and the Trustee and any of its present or former officers, directors, agents, or employees concerning or arising from (i) any account maintained with the Trustee by the Account Holder; (ii) any transaction involving the Account Holder's account, whether or not such transaction occurred in such account or accounts; (iii) or the construction, performance, or breach of this Trust Agreement, whether such controversy arose prior, on, or subsequent to the date hereof, shall be determined by arbitration under the commercial arbitration rules of the American Arbitration Association disclosed below.

Any disputes as to the arbitrability of a matter or the manner of such arbitration shall be determined in such arbitration. Such arbitration shall be held in Wilmington, Delaware.

Arbitration Disclosures: Arbitration is final and binding on the parties except to the extent superseded by the Code or the Act; the parties are waiving their rights to seek remedies in court, including the right to jury trial; pre-arbitration is generally more limited than and different from court proceedings; the arbitrator's award is not required to include factual findings or legal reasoning, and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited; the panel of arbitrators will consist of arbitrators from the American Arbitration Association; the arbitration will be under the commercial arbitration rules of the American Arbitration Association; the arbitration shall be held in Wilmington, Delaware; and any disputes as to such arbitration or the manner thereof shall be determined in such arbitration.

10.9 If any provision of this Trust Agreement is held to be unenforceable or invalid in a particular jurisdiction, the remaining provisions shall not be affected. The invalid or unenforceable provisions shall be stricken or modified in accordance with such determination only as to such parties. This Trust Agreement, as so modified, shall continue to bind the specific parties involved therein and otherwise all other parties in unmodified form.

ARTICLE XI

WORD USAGE

The masculine gender, where used in this Trust Agreement, shall include the feminine gender, and singular words, as used in this Trust Agreement, may include the plural unless the context indicates otherwise.

The words "mail", "mails", "mailing", "in writing", and "written," where used in this Trust Agreement, shall include the United States Postal Services, any nationally recognized parcel delivery services, or any other forms of delivery such as voice response or other means of electronic mail notification or messaging system.

DO NOT FILE THIS TRUST AGREEMENT WITH THE IRS. KEEP IT WITH YOUR RECORDS.

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