

HEALTH SAVINGS ACCOUNT (HSA) APPLICATION

Section 1: Personal Information (Must be filled out completely)

First Name:	MI:	Last Name:
SSN/Tax ID:	Date of Birth:	
Mailing Address:		
Street Address (If different then above):		
City:	State:	Zip:
Home Phone:	Work Phone:	

Section 2: Beneficiaries (If applicable, will be divided equally unless otherwise stated)

Name:	SSN:	Date of Birth:
Name:	SSN:	Date of Birth:
Name:	SSN:	Date of Birth:

Section 3: Signature (Please read before signing)

By signing below I agree:

I have read and understand the Disclosure Statement on the reverse side of this form.

The account owner named above is establishing this health savings account (HSA) exclusively for the purpose of paying or reimbursing qualified medical expenses of the account owner, his or her spouse, and dependents. The account owner represents that, unless this account is used solely to make rollover contributions, he or she is eligible to contribute to this HSA; specifically, that he or she: (1) is covered under a high deductible health plan (HDHP); (2) is not also covered by any other health plan that is not an HDHP (with certain exceptions for plans providing preventive care and limited types of permitted insurance and permitted coverage); (3) is not enrolled in Medicare; and (4) cannot be claimed as a dependent on another person's tax return.

I am completely responsible for:

1. Determining that I am eligible for and HSA each year I make a contribution.
2. All contributions made are within the limits set by the tax laws.
3. The tax consequences of any contribution (including rollovers) and distributions.

This HSA deposit savings account is subject to the applicable rule and regulations of Four Points Federal Credit Union Bylaws.

Under Penalties of perjury, I certify that: (1) the number shown on this form is my correct taxpayer identification number (TIN), (2) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding and (3) that I am a U.S. person (including a U.S. resident alien).

Instructions to Signer: if you have been notified by the IRS that you are subject to backup withholding due to payee underreporting and you have not received a notice from the IRS that the backup withholding has terminated, you must strike out the language in Clause 2 of the certification above.

Signature _____ Date _____

Disclosure Statement

The account owner and the trustee make the following agreement:

Article I

1. The trustee will accept additional cash contributions for the tax year made by the account owner or on behalf of the account owner (by an employer, family member or any other person). No contributions will be accepted by the trustee for any account owner that exceeds the maximum amount for family coverage plus the catch-up contribution.

Article II

1. For the calendar year 2004, the maximum annual contribution limit for an account owner with single coverage is the lesser of the amount of the deductible under the HDHP but not more than \$2,600. For the calendar year 2004, the maximum annual contribution limit for an account owner with family coverage is the lesser of the amount of the deductible under the HDHP but not more than \$5,150. These limits are subject to cost-of-living adjustments after 2004. Eligibility and contribution limits are determined on a month-to-month basis.

Article III

It is the responsibility of the account owner to determine whether contributions to this HSA have exceeded the maximum annual contribution limit described in Article II. If contributions to this HSA exceed the maximum annual contribution limit, the account owner shall notify the trustee that there exist excess contributions to the HSA. It is the responsibility of the account owner to request the withdrawal of the excess contribution and any net income attributable to such excess contribution.

Article IV

The account owner's interest in the balance in this trust account is nonforfeitable.

Article V

1. No part of the trust funds in this account may be invested in life insurance contracts or in collectibles as defined in section 408(m).
2. The assets of this account may not be commingled with other property except in a common trust fund or common investment fund.
3. Neither the account owner nor the trustee will engage in any prohibited transaction with respect to this account (such as borrowing or pledging the account or engaging in any other prohibited transaction as defined in section 4975).

Article VI

1. Distributions of funds from this HSA may be made upon the direction of the account owner.
2. Distributions from this HSA that are used exclusively to pay or reimburse qualified medical expenses of the account owner, his or her spouse, or dependents are tax-free. However, distributions that are not used for qualified medical expenses are included in the account owner's gross income and are subject to an additional 10 percent tax on that amount. The additional 10 percent tax does not apply if the distribution is made after the account owner's death, disability, or reaching age 65.
3. The trustee is not required to determine whether the distribution is for the payment or reimbursement of qualified medical expenses. Only the account owner is responsible for substantiating that the distribution is for qualified medical expenses and must maintain records sufficient to show, if required, that the distribution is tax-free.

Article VII

If the account owner dies before the entire interest in the account is distributed, the entire account will be disposed of as follows: If the beneficiary is the account owner's spouse, the HSA will become the spouse's HSA as of the date of death. If the beneficiary is not the account owner's spouse, the HSA will cease to be an HSA as of the date of death. If the beneficiary is the account owner's estate, the fair market value of the account as of the date of death is taxable on the account owner's final return. For other beneficiaries, the fair market value of the account is taxable to that person in the tax year that includes such date.

Article VIII

The account owner agrees to provide the trustee with information necessary for the trustee to prepare any report or return required by the IRS. The trustee agrees to prepare and submit any report or return as prescribed by the IRS.

Article IX

Notwithstanding any other article that may be added or incorporated in this agreement, the provisions of Articles I through VIII and this sentence are controlling. Any additional article in this agreement that is inconsistent with section 223 or IRS published guidance will be void.

Article X

This agreement will be amended from time to time to comply with the provisions of the Code or IRS published guidance. Other amendments may be made with the consent of the persons whose signatures appear below.