

Application Booklet

Health Savings Account

Delaware Charter Guarantee & Trust Company
d/b/a Principal Trust Company



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Principal Trust Company

A member of



Mailing Address:
P.O. Box 8963
Wilmington, DE 19899-8963
800-209-9010 Fax: 302-999-9554

Privacy Notice

This Notice is provided on behalf of Delaware Charter Guarantee & Trust Company d/b/a Principal 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, personal trust clients, grantors, beneficiaries, remaindermen, 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 safeguard 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 may include 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 others with your consent, at your request or as allowed by law.

Accuracy of Information

We strive for accurate records. 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:

Privacy Officer, 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 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.

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Application for Health Savings Account

Please Complete the Following Information

Name			
Street Address (Required)	City	State	ZIP Code
Mailing Address (if different may use P.O. Box)	City	State	ZIP Code
Phone No.	Email Address	Date of Birth	Social Security No.

Beneficiary(ies):

(If more than one Primary beneficiary is listed, make sure percentage is noted and totals 100%.)

Primary Beneficiary(ies):	Percentage	Relationship	Date of Birth	Social Security No.
_____	_____ %	_____	_____	_____
_____	_____ %	_____	_____	_____
_____	_____ %	_____	_____	_____
_____	_____ %	_____	_____	_____
_____	_____ %	_____	_____	_____

Contingent Beneficiary(ies): (Replaces Primary noted above if Primary predeceases the Accountholder)

_____	_____ %	_____	_____	_____
_____	_____ %	_____	_____	_____
_____	_____ %	_____	_____	_____
_____	_____ %	_____	_____	_____
_____	_____ %	_____	_____	_____

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 you are impacted by these state laws.

HSA Contributions:

Important Note: In order to make contributions you are certifying that you are currently covered by a High Deductible Health Plan (HDHP) as defined in sec. 223(c)(2) of the Internal Revenue Code.

Type	Amount	Date	Applicable Tax Year
Regular HSA Contributions	_____	_____	_____
Catch Up	_____	_____	_____
Rollover / Transfer from another HSA	_____	_____	_____
Rollover / Transfer from Archer Medical Savings Account (MSA)	_____	_____	_____

I appoint Delaware Charter Guarantee & Trust Company d/b/a Principal Trust Company (Principal Trust Company) to serve as Trustee. By making this appointment, I agree to and acknowledge the following:

- I have read and understand the Form 5305-B, Disclosure Statement, and Schedule of Trustee Fees and agree to abide by the terms of these documents.
- I have read and understand the information provided in the Instructions regarding float and agree with its treatment.
- I agree to pay all applicable fees described in the Schedule of Trustee Fees, which may be changed from time to time. If I do not pay such Trustee fees directly, I authorize my investment representative as "custodian" to debit such Trustee fees from my account by liquidating assets as directed by the Trustee
- I understand Principal Trust Company is not an investment advisor and does not supervise or control my investment representative. Principal Trust Company 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 Principal Trust Company through binding arbitration in accordance with the provisions of Section III (5) and (6) of the Disclosure Statement for Health Savings Accounts.
- I certify that the above Social Security numbers are true and correct.
- I certify that I am eligible to contribute to a Health Savings Account because I currently meet the following requirements:
 - Currently covered by a High Deductible Health Plan (HDHP)
 - Currently not-covered by any other non-High Deductible Health Plan (HDHP), except for certain permissible benefits
 - Currently not enrolled in Medicare
 - Currently may not be claimed as a dependent on another person's tax return
- I certify that I understand that the eligibility to contribute to this HSA is determined on a monthly basis.

Applicant's Signature

X

Date

To be Completed by Representative

Representative's Name		Firm	
Address		Individual's Account No	
Phone No.	Email Address		

Approval of Trustee

The foregoing Application is hereby approved by the Trustee this _____ day of _____, 20____

Attest _____ by _____

Please retain a copy for your records.

Principal Trust Company

A member of



Mailing Address:
P.O. Box 8963
Wilmington, DE 19899-8963
800-209-9010 Fax: 302-999-9554

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 & Form 5305-B

Before you complete any forms, read the Disclosure Statement and Form 5305-B in their entirety.

What is Required to Establish a Health Savings Account?

When you decide to start your program, complete the application and Form 5305-B found in this package and forward them with your \$25 acceptance fee check payable to Principal Trust Company.

Paying by check authorizes Delaware Charter Guarantee & Trust Company d/b/a Principal Trust Company (Principal Trust Company) to send the information from your check electronically to your bank for payment. You will not receive your original check back from your financial institution. For security reasons we will destroy your original check, but we will keep an electronic image of the check for recordkeeping purposes.

Application & Form 5305-B

The application and Form 5305-B are legal documents through which you join the Trust. They should be carefully considered. Please complete and sign the application and Form 5305-B. Send the originals to Principal Trust Company. Make one copy for your records and provide one copy to your investment executive. We cannot accept incomplete or unsigned documents.

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 Principal 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 Company, Trustee
FBO (Name of Account Holder), Health Savings Account

Account Executive Note:

Set the account up so that duplicate statements are sent to:

P.O. Box 8963
Wilmington, DE 19899-8963

Important Information on "Float"

Float is interest that is earned on funds held by service providers, generally in short term investments, pending investment for the cashing of outstanding benefit checks.

Principal Trust Company may earn float on:

- Contributions awaiting investment direction.
- Outstanding benefit distribution checks. Float is earned until the checks are cashed.
- Outstanding dividend checks. Float is earned until the checks are cashed.

Principal Trust Company tries to minimize float as much as possible. For instance:

- We mail checks the day we issue them. However, we do not have control over when the checks are cashed.
- Contributions and dividend checks are normally sent for investment on the day after they are received (hence, we would not earn float) or as soon as possible thereafter. Certain situations – e.g., lack of allocation or investment directions, etc. – slows down the allocation or investment of those funds.

We do not credit float directly to the plans or accounts for which we provide services because the cost to track the amount of float on a per plan or per account basis and allocate it to the plan participants or account would far exceed the amount of float earned. In the end, the amount that we earn on float helps us keep our fees down. Please contact your Principal Trust Company representative at (800) 209-9010 if you have any questions.

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.

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.

Mailing Instructions

If sent First Class, address to:
P.O. Box 8963
Wilmington, DE 19899-8963

If sent by a courier service, address to:
1013 Centre Road
Wilmington, DE 19805

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).

Principal Trust Company

A member of



Mailing Address:
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**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 d/b/a Principal Trust Company (Principal Trust Company) Health Savings Account Trust Agreement in this Disclosure Statement. It also contains important tax and legal information. However, the Form 5305-B Health Savings Account Trust Agreement (“Trust Agreement”) issued by Principal Trust Company 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 Principal Trust Company 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:

Principal Trust Company
P.O. Box 8963
Wilmington, DE 19899-8963

If you send the notice by courier, the address is:

Principal Trust Company
1013 Centre Road
Wilmington, DE 19805

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. You may call us at (800) 209-9010 or (302) 995-2131 if you have questions.

II. Statutory Requirements

1. Eligibility to Establish an HSA

You represent that, unless this account is used solely to make rollover contributions, you are an “eligible individual” and may contribute to an HSA if you meet the following conditions:

- a. you are covered under a high-deductible health plan (“HDHP”) on the first day of the month
- b. you are not also covered by any other health plan that is not an HDHP
- c. you are not enrolled in 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. High deductible health plan (HDHP). An HDHP has:

- A higher annual deductible than typical health plans, and
- A maximum limit on the sum of the annual deductible and out-of-pocket medical expenses that you must pay for covered expenses. Out-of-pocket expenses include copayments and other amounts, but do not include premiums.

The following table shows the minimum annual deductible and maximum annual deductible and other out-of-pocket expenses for HDHPs for 2010.

	Self-only coverage	Family coverage
Minimum annual deductible	\$1,200	\$2,400
Maximum annual deductible and other out-of-pocket expenses*	\$5,950	\$11,900

* This limit does not apply to deductibles and expenses for out-of-network services if the plan uses a network of providers. Instead, only deductibles and out-of-pocket expenses for services within the network should be used to figure whether the limit applies.

These amounts may change yearly. Please refer to the IRS Publication 969 for further details.

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 contribute to an HSA for an eligible individual.

Contributions to an HSA must be made in cash. Contributions of stock or property are not allowed. It can also accept rollovers of cash, securities, or other assets from another HSA or an Archer MSA, including HSA funding distribution.

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. Principal Trust Company is under no obligation to track the origination of any contribution.

4. Qualified HSA funding distribution. A qualified HSA funding distribution may be made from your traditional IRA or ROTH IRA to your HSA. This distribution cannot be made from an ongoing SEP IRA or SIMPLE IRA. For this purpose, a SEP IRA or SIMPLE IRA is ongoing if an employer contribution is made for the plan year ending with or within your tax year in which the distribution would be made.

The maximum qualified HSA funding distribution depends on the HDHP coverage (self-only or family) you have on the first day of the month in which the contribution is made and your age as of the end of the tax year. The distribution must be made directly by the trustee of the IRA to the trustee of the HSA. The distribution is not included in your income, is not deductible, and reduces the amount that can be contributed to your HSA. The qualified HSA funding distribution is shown on Form 8889, Part I, line 10 for the year in which the distribution is made.

You can make only one qualified HSA funding distribution during your lifetime. However, if you make a distribution during a month when you have self-only HDHP coverage, you can make another qualified HSA funding distribution in a later month in that tax year if you change to family HDHP coverage. The total qualified HSA funding distribution cannot be more than the contribution limit for family HDHP coverage plus any additional contribution to which you are entitled.

5. Contributions After Enrollment in Medicare

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

6. Limit on Contributions

The amount you or any other person can contribute to your HSA depends on the type of HDHP coverage you have, your age, the date you become an eligible individual, and the date you cease to be an eligible individual. For 2010, if you have self-only HDHP coverage, you can contribute up to \$3,050. If you have family HDHP coverage you can contribute up to \$6,150.

If you were, or were considered (under the last-month rule, discussed later), an eligible individual for the entire year and did not change your type of coverage, you can contribute the full amount based on your type of coverage. However, if you were not an eligible individual for the entire year or changed your coverage during the year, your contribution limit is the greater of:

1. The limitation shown on the last line of the *Line 3 Limitation Chart and Worksheet* in the Instructions for Form 8889, Health Savings Accounts (HSAs), or
2. The maximum annual HSA contribution based on your HDHP coverage (self-only or family) on the first day of the last month of your tax year.

Last-month rule. Under the last-month rule, if you are an eligible individual on the first day of the last month of your tax year (December 1 for most taxpayers), you are considered an eligible individual for the entire year. You are treated as having the same HDHP coverage for the entire year as you had on the first day of that last month.

Employer contributions. You must reduce the amount you, or any other person, can contribute to your HSA by the amount of any contributions made by your employer that are excludable from your income. This includes amounts contributed to your account by your employer through a cafeteria plan.

Reduction of contribution limit. You must reduce the amount that can be contributed (including any additional contribution) to your HSA by the amount of any contribution made to your Archer MSA (including employer contributions) for the year. A special rule applies to married people, discussed later, if each spouse has family coverage under an HDHP.

Additional contribution.

For 2010, if you are an eligible individual who is age 55 or older, your contribution limit is increased by \$1,000.

Rules for married people.

If either spouse has family HDHP coverage, both spouses are treated as having family HDHP coverage. You must reduce the limit on contributions, before taking into account any additional contributions, by the amount contributed to both spouse's Archer MSAs. After that reduction, the contribution limit is split equally between the spouses unless you agree on a different division.

If both spouses are 55 or older and not enrolled in Medicare, each spouse's contribution limit is increased by the additional contribution. If both spouses meet the age requirement, the total contributions under family coverage cannot be more than \$7,950. Each spouse must make the additional contribution to his or her own HSA.

Example.

For 2009, Mr. Auburn and his wife are both eligible individuals. They each have family coverage under separate HDHPs. Mr. Auburn is 58 years old and Mrs. Auburn is 53. Mr. and Mrs. Auburn can split the family contribution limit (\$5,950) equally or they can agree on a different division. If they split it equally, Mr. Auburn can contribute \$3,975 to an HSA (one-half the maximum contribution for family coverage (\$2,975) + \$1,000 additional contribution) and Mrs. Auburn can contribute \$2,975 to an HSA.

7. Excess Contributions

You will have excess contributions if the contributions to your HSA for the year are greater than the limits discussed above. Excess contributions are not deductible. Excess contributions made by your employer are included in your gross income. If the excess contribution is not included in box 1 of Form W-2, you must report the excess as "Other income" on your tax return.

Generally, you must pay a 6% excise tax on excess contributions. See Form 5329, Additional Taxes on Qualified Plans (including IRAs) and Other Tax-Favored Accounts, to figure the excise tax. The excise tax applies to each tax year the excess contribution remains in the account.

You may withdraw some or all of the excess contributions and not pay the excise tax on the amount withdrawn if you meet the following conditions.

- You withdraw the excess contributions by the due date, including extensions, of your tax return for the year the contributions were made.
- You withdraw any income earned on the withdrawn contributions and include the earnings in “Other income” on your tax return for the year you withdraw the contributions and earnings.

If you fail to remain an eligible individual during any of the testing periods, discussed earlier, the amount you have to include in income is not an excess contribution. If you withdraw any of those amounts, the amount is treated the same as any other distribution from an HSA.

Deducting an excess contribution in a later year. You may be able to deduct excess contributions for previous years that are still in your HSA. The excess contribution you can deduct for the current year is the lesser of the following two amounts.

- Your maximum HSA contribution limit for the year minus any amounts contributed to your HSA for the year.
- The total excess contributions in your HSA at the beginning of the year.

Amounts contributed for the year include contributions by you, your employer, and any other person. They also include any qualified HSA funding distribution made to your HSA. Any excess contribution remaining at the end of a tax year is subject to the additional tax.

8. 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.

9. 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.

10. 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.

11. Rollovers to Your HSA

Your HSA may accept rollovers from other HSAs or from Archer Medical Savings Accounts. 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.

12. 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 you and the HSA.
- Lending of money between you and the HSA.
- Furnishing of goods, services, or facilities, between your HSA and a party-in-interest.

- Transfer to or use by you, or for your benefit, of any assets of the HSA.
- 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.

13. Distributions From Your HSA

You may withdraw funds from your HSA at any time to pay for “qualified medical expenses”.

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

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.

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.

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.

14. Definition of Qualified Medical Expenses

“Qualified medical expenses” are expenses that you, your spouse, or your dependents pay for medical care as defined in IRS Publication 502, 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.

Beginning after December 31, 2010, expenses incurred for medicines or drugs may be paid or reimbursed by an employer-provided plan only if (1) the medicine or drug requires a prescription, (2) is available without a prescription (an over-the-counter medicine or drug) and the individual obtains a prescription, or (3) is insulin.

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.

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 may 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.

15. 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.

16. 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.

III. 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.

We charge annual and other fees for your HSA. Please refer to the attached fee schedule.

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.

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. To the extent permitted by the Trustee, investments may include offshore or foreign securities.

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 Principal Trust Company, and Principal Trust Company 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. Other Compensation

We may earn compensation in the form of short-term interest ("float") on things like uncashed distribution checks (from the date issued until the date cashed). We may also earn "float" on deposits awaiting investment direction or outstanding dividend checks. Distribution checks are normally mailed the day they are issued. The timing of when checks are cashed is beyond our control. Deposits and dividend checks are normally sent for investment on the day after they are received (hence we would not earn float) or as soon thereafter as possible. Certain situations - e.g., lack of investment direction, etc.- slow down the investment of those funds. Float is not directly credited to accounts for which we provide services because the cost to track and allocate float on a per account basis would far exceed the amount of float earned. In the end, the amount that we earn on float helps keep our fees down. Please contact your Principal Trust Company representative at 800-209-9010 if you have questions.

4. IRS Forms

IRS Forms 5498-SA and 1099-SA are required to report contributions, additions, withdrawals or other activity for this account. We will complete and mail them 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.

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 the Form 5305-B provided by Principal Trust Company 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 the Form 5305-B and Disclosure Statement is not enforceable in accordance with its terms in a particular jurisdiction shall not affect the validity or enforceability of the remaining provisions of the Form 5305-B and Disclosure Statement 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 the Form 5305-B and Disclosure Statement, 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.

7. State Laws.

The tax laws of certain states and local governments may be different from the federal tax laws for Health Savings Accounts. State and local laws are not covered in this disclosure statement.

8. Definition of Spouse.

As required by federal tax law, when the term "spouse" is used in this disclosure statement, it is limited to the person of the opposite sex to whom you are legally married.

9. Legal Incapacity.

If you (or after your death, your beneficiary) is legally incapacitated, then we may require that any and all rights that the incapacitated individual could exercise under the trust agreement or at law be exercised by the incapacitated individual's representative. We may rely on the authority and direction of such representative for all action taken with respect to the Health Savings Account.

10. IRS Information.

The IRS has helpful information on Health Savings Accounts, including IRS Publication 969. This publication is available at any IRS district office, on line at www.irs.gov or by calling 1-800-TAX-FORM.

11. Legal and Tax Advice.

You are responsible for determining the legal and tax implications of (i) the type of Health Savings Account you have selected, (ii) your eligibility to contribute to, or receive contributions under, such Health Savings Account, (iii) the amount of contributions made to the Health Savings Account and whether such contributions are deductible, (iv) the tax treatment of any withdrawals from your Health Savings Account, and (v) any other tax treatment. We have not, and may not, provide you with legal or tax advice.

12. Written Notices.

Any required notice regarding the trust will be considered effective when we (or our designated agent) mail it to the last address of the intended recipient which is contained in our records. We may provide notice to you in another format, including but not limited to electronic mail. Any electronic notice will be deemed effective when transmitted to the last e-mail or other electronic address in our records. You acknowledge that any notice provided electronically to you (or your beneficiary) will be deemed to have been provided in writing for purposes of this Health Savings Account and applicable federal and state laws. Any notice to be given to us must be provided in writing and will be considered effective when we actually receive it. You and/or your beneficiaries must notify us (or our designated agent) of any change of address in a manner acceptable to us.

13. Future Amendments.

We may make any amendments to the trust agreement we deem advisable, including but not limited to, changes that are required to keep your Health Savings Account in compliance with applicable laws. You will be notified of any such amendments.

Health Savings Trust Account

(Under section 223(a) of the Internal Revenue Code)

**Do not file with the
Internal Revenue
Service**

Name of account owner (grantor)

Date of birth of account owner

Identifying number (see instructions)

Address of account owner (Street address, city, state, ZIP code)

Name of trustee

Address or principal place of business of trustee

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.

\$ _____ dollars in cash is assigned to this trust account.

The account owner and the trustee make the following agreement:

Article I

- 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.
- Contributions for any tax year may be made at any time before the deadline for filing the account owner's federal income tax return for that year (without extensions).
- Rollover contributions from an HSA or an Archer Medical Savings Account (Archer MSA) (unless prohibited under this agreement) need not be in cash and are not subject to the maximum annual contribution limit set forth in Article II.
- Qualified HSA distributions from a health flexible spending arrangement or health reimbursement arrangement must be completed in a trustee-to-trustee transfer and are not subject to the maximum annual contribution limit set forth in Article II.
- Qualified HSA funding distributions from an individual retirement account must be completed in a trustee-to-trustee transfer and are subject to the maximum annual contribution limit set forth in Article II.

Article II

- For calendar year 2007, the maximum annual contribution limit for an account owner with single coverage is \$2,850. This amount increases to \$2,900 in 2008. For calendar year 2007, the maximum annual contribution limit for an account owner with family coverage is \$5,650. This amount increases to \$5,800 in 2008. These limits are subject to cost-of-living adjustments after 2008.
- Contributions to Archer MSAs or other HSAs count toward the maximum annual contribution limit to this HSA.
- For calendar year 2007, an additional \$800 catch-up contribution may be made for an account owner who is at least age 55 or older and not enrolled in Medicare. The catch-up contribution increases to \$900 in 2008 and \$1,000 in 2009 and later years.
- Contributions in excess of the maximum annual contribution limit are subject to an excise tax. However, the catch-up contributions are not subject to an excise tax. The account owner's interest in the balance in this trust account is non forfeitable.

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

- 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).
- The assets of this account may not be commingled with other property except in a common trust fund or common investment fund.
- 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

- 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:

1. If the beneficiary is the account owner's spouse, the HSA will become the spouse's HSA as of the date of death.
2. 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

1. The account owner agrees to provide the trustee with information necessary for the trustee to prepare any report or return required by the IRS.
2. 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.

Article XI

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 XII **Definitions**

The following definitions shall apply to terms used in this Trust Agreement:

"Account Holder" means the individual whose name appears on the Trust accepted application and for whom the Health Savings Account has been established. A Beneficiary is not an Account Holder for purposes of this Agreement, except as otherwise may be allowed under the Code with respect to a surviving Spouse. References to "you" or "your" means the Account Holder.

"Application" means the Application and accompanying instructions, as may be amended from time to time, by which this Trust Agreement is established between the Account Holder (or following the death of the Account Holder his or her beneficiary) and the Trustee. The statements contained therein shall be incorporated into this Trust Agreement.

"Beneficiary" means the person(s) or entity (ies) (including a trust or estate) designated by the Account Holder in the Application or in a form acceptable to the Trustee to receive the balance in the Account upon the Account Holder's death.

"Brokerage Firm" means the investment agent selected in the application or through other means acceptable to the Trustee.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute.

"High-Deductible Health Plan (HDHP)" means a health plan as defined in Section 223(c)(2) of the code.

"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.

"IRS" means the Internal Revenue Service.

"Regulations" mean the Treasury regulations, as amended from time to time.

"Spouse" for purposes of this Trust Agreement is limited to the person of the opposite sex to whom the Account Holder is legally married, as required by federal tax law.

"Trustee" means Delaware Charter Guarantee & Trust Company d/b/a Principal Trust Company (Principal Trust Company) and any successor Trustee under the trust. The Trustee is a directed Trustee. Any references to "we", "us" and "our" means the Trustee.

"Trust" means this Trust established for the benefit of the Account Holder or after the death for the Account Holder, the Beneficiary.

"Trust Agreement" means this document (and any amendment hereto) which establishes and sets forth the terms of the Health Savings Account, as amended from time to time and includes the Application and designation of Beneficiary.

Article XIII

A. Contributions and Rollovers

Contributions. You are responsible for determining whether any contribution, transfer or rollover to this Health Savings Account (HSA) complies with the terms of this Trust Agreement and the Internal Revenue Code. We are not responsible for any taxes, penalties, judgments or expenses incurred in connection with this Health Savings Account and we are under no duty to determine whether the amount of any contribution, transfer or rollover is in accordance with the Trust and the Code or exceed the limits of the Code. Contributions made to this Trust by or for the Account Holder are fully vested and non-forfeitable at all times.

Form of Contributions. All annual contributions to this Trust must be in the form of cash, checks, or electronic fund, except as otherwise allowed by law.

Deadline for Contributions. Contributions made to this Trust by the Account Holder must be made to, or for the account, no later than April 15th of the year following the year to which the contribution relates. Except as provided below, if you make an annual contribution to your Health Savings Account, we will treat the contribution as made for the year in which it is received in our office. If the contribution is for a prior year, you must clearly indicate in writing, that the contribution is intended for the prior calendar year and the contribution must be received by us by your tax filing date (excluding extensions).

Rollovers and Transfers. We may accept rollovers and transfer of other Health Savings Account or Archer MSA assets (whether in cash or in-kind, subject to our policies), provided that you have provided all requested information regarding the rollover/transfer.

B. Investments

Investment Control.

Investment Control- Notwithstanding any other provision of this Trust Agreement, the Trustee shall exercise all investment and management powers granted to it hereunder including, but not limited to all powers related to the acquisition, disposition, retention, exchange, change in character, lending, borrowing, pledging, mortgaging, managing leasing, granting of options with respect to, insuring, abandoning, or in any way relating to the investment of management of trust assets, only upon the direction of the Investment Director (the "Investment Director"). The Account Holder will be the initial Investment Director and shall have power, in a writing delivered to the Trustee, to designate any successor Investment Director to serve upon the Account Holder's death or during the Account Holder's incapacity; failing any such designation, the successor Investment Director will be the Beneficiary or Beneficiaries who are not under any incapacity, who will be solely responsible for the investment direction of the account.

As provided in Section 3313(b) of Title 12 of the Delaware Code, in no event shall any Trustee hereunder be liable for any matter with respect to which it is directed pursuant to this Section B of Article XIII except in cases of such Trustee's own willful misconduct. The Trustee shall be under no duty to inquire into or monitor the investment of the trust assets or the directions of the Investment Director. The Investment Director will direct the Trustee with respect to the investment of all contributions and the earnings under the trust. Such direction will be limited to securities obtainable through the brokerage firm designated in the application (or other stockbroker selected by the Investment Director and approved by the Trustee) for reinvestment in accordance with the instructions of the Investment Director. Notwithstanding the above, the Investment Director may direct contributions and earnings to be placed in a savings account or a Certificate of Deposit with an institution approved by the Trustee. If at any time there is no Investment Director serving hereunder, (i) the Trustee shall have no duty to make any investment decisions or to monitor the investment of trust assets pursuant to decisions previously made at the direction of the Investment Director and (ii) any interested party may petition the Court of Chancery of the State of Delaware for the appointment of a successor Investment Director. Any Investment Director, other than the Account Holder or a Beneficiary, may resign at any time upon thirty (30) days written notice to the Trustee. The Investment Director need not inquire into the Trustee's performance of its duties, and shall not be held liable for any loss whatsoever to the trust, unless it results from actions taken in bad faith or its own willful misconduct.

It is the Investment Director's responsibility to select and direct the investments of the Trust, either in person or through a broker, account executive or investment adviser. The Trustee in its discretion reserves the right to return contributions received without the proper investment instructions to the payer or deposit such contributions to a money market account of the Trustee's choice.

All contributions received, together with the income therefrom, and any other amounts will be held and administered by us pursuant to the terms of the Trust without distinction between principal and income and without liability for the payment of interest.

The Trustee shall be under no duty to question any direction from the Investment Director or the Investment Director's agent with respect to any investments, to review or monitor any securities or other property held in Trust, or to make suggestions to the Investment Director or the Investment Director's agent with respect to investment, retention, or disposition of any assets held in the Trust. The Trustee shall be indemnified from the Trust and by the Account Holder and held harmless from and against any claim or liability which may be asserted against the Trustee by reason of its acting or not acting pursuant to any direction from the Investment Director or failing to act in the absence of any such direction.

The Trustee shall be under no duty to receive, mail, forward or vote proxies.

Limitations on Available Investments. Pursuant to the Investment Director's written directions (or those of the Investment Director's agent, if applicable), the Trust may be invested in (i) cash, cash equivalents, exchange traded debt or equity securities (including options thereon and collectively defined as securities), mutual fund shares, savings media, and any other investment for the Trust under applicable law, to the extent they are not prohibited by Section 408(m) and the regulations thereunder, to the extent we agree, in our sole discretion, to accept trusteeship of such assets. The allowable investments shall include, without limitation, any options on any security that may be held by the Trust under this Trust Agreement and applicable law which is obtainable through the Brokerage Firm designated in the Application, either "over the counter" or on a recognized exchange. To the extent permitted by the Trustee, investments may include offshore or foreign securities. Any and all such investments and reinvestments must be acceptable to the Trustee without any duty on the part of the Trustee to diversify the investments or to make inquiry with regard to the investments or the written directions of the Investment Director, and without any duty or obligation to comply with the provisions of Section 3302(f), Section 3307, or Section 3312 of Title 12 of the Delaware Code or other provisions of law, other than the Code, that otherwise might restrict, limit, or impose conditions upon the Trustee's power or authority to invest in common or collective trust funds or other entities formed principally for the commingling of assets for investment but only to the extent that such provisions of law may be waived or overridden by the express terms of this Trust Agreement. The Trustee may absolutely rely on such written directions from the Investment Director that the Trustee believes to be genuine and will be fully protected in doing so.

Notwithstanding any thing to the contrary, investments in life insurance or insurance contracts are not permitted under this Trust. In addition, investments in collectibles are not permitted except as provided in Article V.

Appointment or Investment Manager. The Investment Director 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 Investment Director 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 Investment Director.

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 nor 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, and in accordance with Section 405 (d) (1) under the 1940 Act and Section 3313 (b) of Title 12 of the Delaware Code, 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, except in cases of the Trustee's own willful misconduct. The Trustee shall be indemnified from the Trust and by the Account Holder and held harmless from and against any claim or liability which 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.

Brokerage Firm. You may designate a Brokerage Firm on your Health Savings Account Application to process trades in your account. If no Brokerage Firm is currently selected, the Trustee may, in its discretion, appoint another stockbroker or dealer to handle investments in securities under the Trust. The Brokerage Firm named in the Application will have authority to provide the Trustee with instructions, via confirmations or otherwise, implementing the Investment Director's directions to the Brokerage Firm to purchase and sell securities for your account. Before the entry of any orders to purchase or sell securities in this account, the Investment Director shall approve beforehand all such orders and direct the Brokerage Firm to implement the Investment Director's instructions. You authorize the Trustee to honor trades within your account without obligation to verify prior authorizations of such trades. The Brokerage Firm shall receive advices of available cash in this account and shall forward confirmation of purchases and sales to the Trustee. All investments outside of the brokerage account shall be accompanied by additional written instructions.

Prohibited Transactions. If you, your Beneficiary or a disqualified person engages in a prohibited transaction with the account, within the meaning of Section 4975, the Trust will lose its exemption for federal income tax purposes and part or all of the assets of the Trust will be deemed distributed to you, with tax consequences. Prohibited transactions include, but are not limited to, using the account as security for a loan, borrowing from the account, and buying from or selling assets to the account.

C. Distributions

You are responsible for determining whether any distribution, transfer or direct rollover from this Health Savings Account Trust complies with the terms of this Trust Agreement and the Internal Revenue Code. We are not responsible for any taxes, penalties, judgments or expenses incurred in connection with this Health Savings Account.

The Account Holder may elect to receive a distribution of the balance of the Trust at any time, upon written notice to the Trustee. All requests for withdrawals will be in writing and in a form acceptable to the Trustee. A withholding election and the tax identification number of the recipient will be provided to the Trustee before the Trustee makes a payment. All payments are subject to applicable taxes and penalties. If no withholding election is provided to the Trustee, taxes will be withheld in accordance with applicable laws.

The Trustee will not be liable for the proper application of any part of the Trust if distributions are made in accordance with the written directions of the Account Holder as provided, nor will the Trustee be responsible for the adequacy of the Trust to meet and discharge any and all distributions and liabilities.

D. Beneficiaries

Naming Beneficiaries. You may designate one or more beneficiaries on the Health Savings Account Application to receive your account in the event of your death before the complete distribution of your account. You may change your beneficiary designation, at any time, by filing a written notice with us (or our designated agent) in such manner as we deem acceptable. Changes to your beneficiary designation must be signed by you and received by us or our designated agent during your lifetime and are considered valid when they have been received in the applicable office.

Unless you properly designate how distributions are to be paid, the interest in the account will be paid equally, per capita to all primary beneficiaries, or to your contingent beneficiaries, if all primary beneficiaries have died before you.

Default Beneficiary. If you have not designated a beneficiary prior to your death, the beneficiary will be your Spouse, or if your Spouse is not living or you have none, the beneficiary will be your estate.

Minor or Incapacitated Beneficiary. If the beneficiary designated to receive payments is a minor child or declared incapacitated or incompetent by the court, the Trustee may follow the direction of a court appointed guardian or legally appointed representative, including payment and investment direction. The Trustee will not be liable for any loss which may result from any investment, liquidation, or distribution made by us in good faith under this paragraph.

Disclaimers by Beneficiary. Your designated beneficiary may disclaim his or her interest in the account provided the disclaimer is in a form acceptable to us and complies with Code Section 2518(b) and applicable state law. Any such disclaimer will be irrevocable upon receipt by us. We may require a written instrument executed by the beneficiary indemnifying us and holding us harmless from any and all liability or responsibility arising out of or in connection with any action we may take in reliance on the disclaimer.

Beneficiary Responsibility for Account. Following your death, the Beneficiary is responsible for paying any fees and expenses of the Trust in the same manner and time frame as if he or she were the original Account Holder. The Beneficiary shall be bound by the terms of this Trust Agreement. A Beneficiary also becomes liable for all taxes, including penalties that may be due on the account.

Disputes as to Beneficiary. In the event of a dispute between two or more beneficiaries (or purported beneficiaries), the Trustee retains the right to arbitration or the right to apply to a court of competent jurisdiction for judicial settlement or to arbitration. All fees and expenses incurred by the Trustee in connection with either such action will be deducted from the assets of the Trust after reasonable notice is given to the beneficiaries. Such fees and expenses do not have to be approved by the court or an arbitrator.

Effect of Divorce. If your designated beneficiary is your Spouse and you divorce, it is your responsibility to properly revise your beneficiary designation if you do not want your ex-spouse to remain as your designated beneficiary.

Missing Beneficiaries. It is your responsibility (and after your death, your beneficiaries' responsibility) to provide updated contact information for all named beneficiaries.

E. Trustee Compensation

The Trustee shall be paid such reasonable compensation as shall from time to time be communicated to you by the Trustee, and such compensation shall be chargeable to you, including minimum fees and additional compensation for special investments and services, notwithstanding that such stipulated compensation shall be greater than that now in effect or than that provided from time to time under applicable law, and such compensation may be paid at any time without court approval. You hereby covenant and agree to pay the same.

The Trustee shall charge you with any taxes paid by it which may be imposed upon the Trust or the income thereof or upon which the Trustee is required to pay, as well as all expenses of administration of the Trust, including but not limited to transaction costs, distributions, postage, commissions, fees, and reasonable attorney fees. You hereby covenants and agrees to pay the same.

Legal Fees. To the extent the Trustee is engaged in any form of litigation, arbitration, or dispute resolution concerning the Trust assets or the interest of the Trust, the Trustee shall be entitled to recover all costs, fees and expenses, including reasonable attorney's fees, directly from the Trust assets.

Payments from the Trust. In the event you shall at any time fail to pay the Trustee's compensation, taxes, and expenses within a reasonable time after demand for such payment has been made by the Trustee from you, the Trustee will charge the Trust such compensation, taxes and expenses and may liquidate assets of the Trust for such purposes, as in its sole discretion, it shall determine.

Notwithstanding any other provision contained in this Trust Agreement, all payments under this Section and the liquidation of assets to obtain funds therefore may be made without the approval or direction from you. If the Trust is not sufficient to satisfy the Trustee's compensation, fees, taxes, and expenses, then the Trustee will charge you for such unpaid compensation, fees, taxes, and expenses.

F. Amendment and Termination

Power to Amend. The Account Holder (and Beneficiaries, after the Account Holder's death) cannot amend this Trust Agreement, other than as allowed on the Application. Each individual who adopts this Trust delegates to the Trustee the power to amend this Trust Agreement, including any retroactive amendments, by submitting a copy of such amendments to you. You shall be deemed to have consented to any and all such amendments. In addition, the Trustee may amend the fee schedule from time to time with an advance thirty (30) days written notice to you.

Revocation Right. You may revoke this Trust in writing within seven (7) days after the date that you signed the Application. In the event of such revocation, the Trustee will return the entire account plus any Trustee compensation, taxes and expenses as soon as practical.

Termination. You shall have the right to terminate this Trust Agreement at any time and from time to time, by delivering to the Trustee a signed copy of a statement of termination. In addition, this Trust Agreement and the Trust created hereby will be terminated in the case of complete distribution of the Trust.

Successor Trustee. The Trustee may, without leave of court at any time and for any reason, resign as Trustee of the Trust upon thirty (30) days written notice to you or, upon your death, to the beneficiary; you may, without leave of court at any time and for any reason, remove the Trustee upon thirty (30) days written notice to the Trustee. Upon resignation or removal of the Trustee, you shall appoint a successor Trustee that shall have the same powers and duties as are conferred upon the Trustee hereunder and in default thereof, such successor Trustee may be appointed by a court of competent jurisdiction.

In the event of removal or resignation of the Trustee, if you fail to appoint a successor Trustee and complete the transfer of assets within thirty (30) days of the date the Trustee mails notice of its resignation to your last address on file or, following your death, the beneficiary's last address on file or you mail notice of its removal to the Trustee, 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 you. The Trustee will not be responsible for any penalties, fines, taxes, or tax consequences that may result from such distribution or transfer.

Upon receipt of the property of the Trust, the successor Trustee shall thereupon have the same powers and duties as are conferred upon the initial Trustee under this Trust Agreement.

Except as provided below, no successor Trustee shall have any obligation or liability with respect to the acts or omissions of its predecessors. Upon delivery of the trust property to a successor Trustee the predecessor Trustee shall have no further liability of responsibility with respect thereto. A successor Trustee shall have no duty to examine, or inquire into, the acts or omissions of its immediate predecessor Trustees, and any successor Trustee shall have responsibility only with respect to the property actually delivered to it by its predecessor Trustee. The actual appointment and qualification of a successor Trustee to whom the Trust assets may be transferred are conditions which must be fulfilled before the resignation or removal of the Trustee shall become effective. The resigned or removed Trustee shall endorse, transfer, convey and deliver to the successor trustee all of the funds, securities or other property then held by it under the Trust, together with such records as may be reasonably required in order that the successor Trustee may properly administer the Trust.

Any corporation resulting from any merger, conversion, reorganization or consolidation to which any corporation acting as Trustee hereunder shall be a party, or any corporation to which shall be transferred all or substantially all of any such corporation's trust business, shall be the successor of such corporation as Trustee hereunder, without the execution of filing of any instrument or the performance of any further act and shall have the same powers, authorities, and discretions as though originally named in this Agreement; provided, however, that in the case of any corporation that is acting as a Trustee hereunder, the provisions of this paragraph shall apply only if the resulting or transferee corporation is domiciled in the same jurisdiction as the corporation that was acting as Trustee.

Limitations on Amendments or Terminations. Neither you nor the Trustee shall have the right to amend or terminate this Trust in such a manner as would cause or permit all or part of the entire interest of the Account Holder to be diverted for purposes other than your exclusive benefit or that of your Beneficiary.

The Trustee shall not have the right to modify or to amend this Trust retroactively in such a manner as to deprive you or your Beneficiary of any benefit to which you may be entitled under this Trust Agreement by reason of contributions made prior to the modification or amendment, unless such modification or amendment is necessary to conform this Trust to, or satisfy the conditions of, any law, governmental regulation or ruling, or to permit this Trust to meet the requirements of Section 223 of the Code.

G. Arbitration Provisions

You agree that all controversies between you and/or your Beneficiaries and the Trustee and any of its officers, directors, agents or employees (present or former) concerning or arising from (i) any account maintained with the Trustee for you; (ii) any transaction involving your account, whether or not such transaction occurred in such account or accounts; or (iii) 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 superceded by the Code; the parties are waiving their right to seek remedies in court, including the right to jury trial; pre-arbitration discovery is generally more limited than and different from court proceedings; the arbitrators' 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 for 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.

H. Miscellaneous

Exclusive Benefit. Except as specifically provided in this Trust Agreement, no part of the Trust shall be used for, or diverted to, purposes other than for the exclusive benefit of the Account Holder or their Beneficiaries.

Trustee Liability. Except as otherwise expressly provided in this Trust Agreement, the Trustee shall not be liable for any act or omission made in connection with the Trust except for its intentional misconduct or negligence. The Trustee acts in a non-discretionary trustee capacity and has no fiduciary capacity or authority with respect to any matter involving the trust or trust fund.

Interested Party Transactions.

Subject to the limitations of Section B of Article XII, the Trustee shall have power to invest in any money market deposit or similar account or securities of the Trustee or any affiliate thereof, of in one or more limited partnerships, joint ventures, investment trusts, mutual funds or similar investment funds (each such enumerated investment is hereinafter referred to in this paragraph as an "investment fund"), whether or not the Trustee, or any affiliate thereof, renders services to such investment fund and receives compensation therefrom. The Trustee shall be entitled to receive such compensation as is provided in Section E of Article XII for serving as Trustee as to amounts invested in such investment fund, even though the Trustee, or any affiliate thereof, may receive additional fees from such investment fund and the Trustee shall have no duty or obligation to make the disclosure described in Section 3312 of Title 12 of the Delaware Code or any other provision of law generally would be applicable to the Trustee but that may be waived by the express terms of this Trust Agreement.

The Trustee shall also have power to enter into transactions with, and to retain the services of, any entity affiliate with the Trustee, upon such terms and conditions as the Trustee deems advisable, including but not limited to transactions or services in which the Trustee or its affiliated entity (i) is a broker or dealer retained to execute security transactions on behalf of the Trust; (ii) purchases assets from or sells assets to the Trust; (iii) lends money to the Trust; (iv) engages in any other transactions (whether as an agent, as a principal, as a counterparty or in any other capacity) with, or renders any other services to, the Trust. In such instances, the affiliated entity shall be entitled to receive fees or other compensation from the Trust without any reduction of the fees which the Trustee shall be otherwise entitled to receive from the Trust.

Notices. Any required notice regarding the Trust will be considered effective when the Trustee (or our designated agent) mails it to the last address of the intended recipient which is contained in the Trustee's records. We may provide notice to you in another format, including but not limited to electronic mail. Any electronic notice will be deemed effective when transmitted to the last e-mail or other electronic address in the Trustee's records. You acknowledge that any notice provided electronically to you (or your beneficiary) will be deemed to have been provided in writing for purposes of this Health Savings Account and applicable federal and state laws. Any notice to be given to the Trustee must be provided in writing and will be considered effective when the Trustee actually receives it. You and/or your beneficiaries must notify the Trustee (or our designated agent) of any change of address in a manner acceptable to the Trustee.

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

Headings. The captions of Articles and Sections 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.

Severability. 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 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 so modified, shall continue to bind the specific parties involved therein and otherwise all other parties in unmodified form.

Applicable Law. The validity, construction and effect of the provisions of this Trust Agreement in all respects shall be governed and regulated according to and by the laws of the State of Delaware, except as superseded by federal law. The Trust shall be administered in accordance with the laws 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, and the Trustee shall not be required to account in any court other than one of the courts or Delaware.

Inalienability of Assets. No individual shall have the right to sell, assign, discount, or pledge as collateral for a loan any asset of this Trust. In accordance with applicable law, including Section 4915 of Title 10 of the Delaware Code, the assets of this Trust are not subject to garnishment, attachment, execution or levy of any kind, except as may be required by law. However, you may transfer your account to your former Spouse under a divorce decree or under a written instrument incident to such divorce.

Annual Reports. The Trustee shall furnish such reports to you and to the Internal Revenue Service as prescribed by the Commissioner of Internal Revenue or the Secretary of Treasury. The Trustee will rely on the regularly issued brokerage/investment statements that are issued by the Brokerage Firm or other investment sponsor.

Unless you file a written objection to the report within thirty (30) days after it is mailed, it will be deemed to have been approved and we will be released from any and all liability to anyone with respect to all matters set forth in the report as though such matter had been settled by the decree of a court of competent jurisdiction in a contested proceeding.

No Periodic Accounts or Bond.

No Trustee shall be required to file or render periodic accounts in or to any court other than for good cause shown. No Trustee shall be required to give any bond.

No Third Party Beneficiaries. No person other than you or, following your death, the beneficiary may bring any action against the Trustee with respect to the Trust or its actions as Trustee.

Right to Rely. 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 you 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.

**Article XIV
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", "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 form 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.

Account owner's signature _____ Date _____

Trustee's signature _____ Date _____

Witness' signature _____

(Use only if signature of account owner or trustee is required to be witnessed.)

General Instructions

Section references are to the Internal Revenue Code.

Purpose of Form

Form 5305-B is a model trust account agreement that has been approved by the IRS. An HSA is established after the form is fully executed by both the account owner and the trustee. The form can be completed at anytime during the tax year. This account must be created in the United States for the exclusive benefit of the account owner.

Do not file Form 5305-B with the IRS. Instead, keep it with your records. For more information on HSAs, see Notice 2004-2, 2004-1 C.B. 269, Notice 2004-50, 2004-2 C.B. 196, Publication 969, Health Savings Accounts and Other Tax-Favored Health Plans, and other IRS published guidance.

Definitions

Identifying Number. The account owner's social security number will serve as the identification number of this HSA. For married persons, each spouse who is eligible to open an

HSA and wants to contribute to an HAS must establish his or her own account. An employer identification number (EIN) is required for an HSA for which a return is filed to report unrelated business taxable income. An EIN is also required for a common fund created for HSAs.

High Deductible Health Plan (HDHP). For calendar year 2007, an HDHP for self-only coverage has a minimum annual deductible of \$1,100 and an annual out-of-pocket maximum (deductibles, co-payments and other amounts, but not premiums) of \$5,500. In 2008, the \$1,100 minimum annual deductible remains the same and the annual out-of-pocket maximum increases to \$5,600. For calendar year 2007, an HDHP for family coverage has a minimum annual deductible of \$2,200 and an annual out-of-pocket maximum of \$11,000. In 2008, the \$2,200 minimum annual deductible remains the same and the annual out-of-pocket maximum increases to \$11,200. These limits are subject to cost-of-living adjustments after 2008.

Self-only coverage and family coverage under an HDHP. Family coverage means coverage that is not self-only coverage.

Qualified medical expenses. Qualified medical expenses are amounts paid for medical care as defined in section 213(d) for the account owner, his or her spouse, or dependents (as defined in section 152) but only to the extent that such amounts are not compensated for by insurance or otherwise. With certain exceptions, health insurance premiums are not qualified medical expenses.

Trustee. A trustee of an HSA must be a bank, an insurance company, a person previously approved by the IRS to be a trustee of an individual retirement account (IRA) or Archer MSA, or any other person approved by the IRS.

Specific Instructions

Article XI. Article XI and any that follow it may incorporate additional provisions that are agreed to by the account owner and trustee. The additional provisions may include, for example, definitions, restrictions

on rollover contributions from HSAs or Archer MSAs (requiring a rollover not later than 60 days after receipt of a distribution and limited to one rollover during a one-year period), investment powers, voting rights, exculpatory provisions, amendment and termination, removal of trustee, trustee's fees, state law requirements, treatment of excess contributions, distribution procedures (including frequency or minimum dollar amount), use of debit, credit, or stored-value cards, return of mistaken distributions, and descriptions of prohibited transactions. Attach additional pages if necessary.

Principal Trust Company

A member of



Mailing Address:
P.O. Box 8963
Wilmington, DE 19899-8963
800-209-9010 Fax: 302-999-9554

**Schedule of Standard
Trustee Fees
Effective January 1, 2010**

Acceptance Fee

Opening the Trust account.....	\$ 25
The acceptance fee will be refunded if you revoke the Trust within seven (7) days from the date of adoption	
Service charge if acceptance fee does not accompany application	\$ 12

Annual Fees

Annual Fee.....	\$ 150
Annual fees are charged on a calendar year basis and are not pro-rated. There is no percentage charge based on cumulative assets	
Late payment or directive to debit your account for Trustee fees (after 30 days)	\$ 10
Assets held outside the brokerage account.....	\$ 75
Investment holding fee.....	\$ 15

Fees for Disbursement from Trust

Partial distribution	\$ 15
Includes refund/reallocation of excess	

Other Charges

Transfer or termination of an existing Trust in addition to annual fees.....	\$ 75
Change in brokerage firm	\$ 15
Transaction requiring trustee processing.....	\$ 15
No charge for buys and sells in the brokerage account	
Processing on terminated Trust.....	\$ 25
Processing of checks or securities after the account has been closed more than 6 months	
Reissue of check over 6 months old.....	\$ 30
Returned check.....	\$ 25
Additional managed account	\$ 25
Investment review	\$ 150
Research of transaction over 6 months old per hour (minimum 1/2 hour)	\$ 80
Affidavit of loss.....	\$ 50
Never funded account, after one year	\$ 50
Reinstatement of closed account.....	\$ 50
Forms 2439 filing	\$ 50
Preparing and signing Form 990-T	\$ 150
Signing Form 990-T only	\$ 25
Outgoing wire processing	\$ 25

Special services not otherwise provided above As agreed

In the event the fees become delinquent and it becomes necessary to collect the balance through the services of a collection agency, you will be held responsible for their fees.

Your Trustee fees depend on the Brokerage Firm who services your account. Please check with your Brokerage Firm for all fees applicable to your account. If you transfer your account to another Brokerage Firm, you will need to obtain another schedule of fees.

Principal Trust Company

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WE'LL GIVE YOU AN EDGE®

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