

15 West Scenic Pointe Drive, Suite 100
Draper, UT 84020

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

March 20, 2020

Dear «First_Name»,

We are writing to notify you of an important change to your Health Savings Account (“HSA”) offered through WageWorks. This letter includes important information and might require action by May 11, 2020. If you have questions, please contact 844.351.6849, where representatives will be available to assist you 24 hours per day, 7 days per week.

HSA Custodian Resignation and Appointment of Successor Custodian

On May 21, 2020 (“Effective Date”), the custodian of your WageWorks HSA program, BNY Mellon Investment Servicing Trust Company (“Trust Company”), will resign as the custodian of your HSA and HealthEquity, Inc., an IRS-approved HSA non-bank custodian, will serve as the successor Custodian to your HSA. If you do not want your HSA to be transferred to HealthEquity, please follow the steps outlined below under “Other options available to you.” **If after reviewing this letter, you are satisfied with HealthEquity being your new custodian, you do not need to do anything with respect to your HSA funds held at BNY Mellon, which will be automatically transferred to HealthEquity.**

After the change, WageWorks will continue to administer any other consumer-directed benefits that it is currently administering for you or your employer, including health reimbursement arrangements, flexible spending accounts, COBRA and commuter benefits.

In the event you have multiple HSAs with BNY Mellon as the custodian, or already have an HSA with HealthEquity, your HSAs will be consolidated into one HSA at HealthEquity, and HealthEquity will attempt to use the most current information we have on file for your new HSA. **In addition, the change to HealthEquity requires that you complete a new beneficiary designation since BNY Mellon HSA beneficiary information is not being transferred by BNY Mellon. We suggest you confirm that all account information in your current HSA(s) is up-to-date, and once you receive confirmation from HealthEquity that your new account has been established, confirm that the information associated with your new HSA is correct and designate the beneficiaries for your HSA.**

Impact on your HSA cash assets

Assets held in your HSA that are not invested will be subject to a HealthEquity custodial agreement (“Custodial Agreement”), as described below under “Your new custodial agreement” and will be transferred to a custodial cash account held at an FDIC or NCUA insured depository institution where the assets will be eligible for federal deposit insurance. The per account per month (“PAPM”) fees that are applicable to your HSA will not change as a result of the transfer of your HSA to HealthEquity. However, your current fee schedule is being replaced with the fees set forth on Exhibit A (which may be updated from time to time on a schedule of fees), and HealthEquity receives other revenue as described below under “Your new custodial agreement.” The fees may differ from the fees that are currently applicable to your HSA.

Impact on your HSA investment funds

Any assets in investment funds will be transferred to the Schwab Retirement Government Money Fund™ (the “Money Market Fund”) on HealthEquity’s platform. This transfer will occur in two stages:

1. All existing investments will be liquidated automatically one day prior to the Effective Date.
2. After the transfer to HealthEquity is completed, the proceeds will be invested in the Money Market Fund. HealthEquity will waive indefinitely its record keeping fees with respect to the Money Market Fund.

Your account will not be invested (*i.e.*, you will not receive interest or investment earnings) during the period from liquidation until investment in the Money Market Fund. Following the transfer, you will have access to several low-cost mutual funds. In order to invest your investment funds in an investment other than the Money Market Fund, **you will need to log in to your HealthEquity account, agree to HealthEquity’s investment terms and choose a different investment allocation for your investment funds.**

Other than the Money Market Fund, investments on the HealthEquity platform will be subject to investment fees (expense ratios) charged by the funds, plus a monthly investment administration fee equal to 0.03% of your average daily investment balance (capped at \$10.00 per month). In addition, if you choose to use the Advisor™ service offered by HealthEquity Advisors, LLC, you will be charged a monthly fee of 0.05% of your average daily advised balance (capped at \$15.00 per month). Investments are subject to risk, including the possible loss of the principal invested, and are not FDIC or NCUA insured, or guaranteed by HealthEquity. Investing may not be suitable for everyone and before making any investments, review the fund’s prospectus.

If you would like to liquidate your investments on your own, in advance of the transfer, you will need to do so before May 20, 2020 (the “Liquidation Date”). If you do not liquidate your investments on your own, you agree to be subject to the investment terms applicable to the Money Market Fund, which terms will be sent to you prior to the Liquidation Date and are also available at www.healthequity.com/bnymellon2/members/, and you agree that you understand and are willing to bear the risks associated with investing in the Money Market Fund.



Again, you will be able to transfer your investment balance to new funds at any time after the transfer is completed by logging in to your HealthEquity account, agreeing to HealthEquity's investment terms and choosing a different investment allocation.

Your new custodial agreement

In the coming weeks, watch your regular mail for your HealthEquity welcome kit, which will include your new Custodial Agreement, the investment terms for the Money Market Fund, your new HealthEquity Visa® Health Account Card² instructions on how to access your new HSA, and certain other information. The Custodial Agreement and other information can also be viewed at www.healthequity.com/bnymellon2/members/.

Among other things, the Custodial Agreement describes revenue that HealthEquity receives from HSAs. Under your current HSA arrangement, a portion of the PAPM that WageWorks charges is remitted to the Trust Company as part of the Trust Company's compensation for custodial services rendered. Following the transfer of your HSA to HealthEquity, these payments between the Trust Company and WageWorks will no longer be made. Instead, the PAPM charged on your HSA will be earned and retained entirely by HealthEquity. In addition, HealthEquity will earn compensation from cash assets held in your HSA (based on the difference between interest paid by banks where cash is deposited and the interest retained in your HSA), and HealthEquity will earn interchange fees in connection with the use of the debit card that will be issued in connection with your HealthEquity HSA. Interchange fees are paid by merchants where the debit cards are used and not by you.

Important dates

The timetable listed below contains important information you need to know before and during the transfer to HealthEquity. Review this information carefully and keep it for future reference. HealthEquity has also made an information portal available to you at www.healthequity.com/bnymellon2/members/.

May 8, 2020	Last day to make contributions to your WageWorks HSA.
May 8, 2020	Last day to invest additional funds from your WageWorks HSA.
May 9, 2020	All contributions should be directed to your HealthEquity HSA.
Week of 5/11/20	Watch for your HealthEquity® Visa® Health Account Card² and welcome kit to arrive in the mail.
May 14, 2020	Final day to use your WageWorks debit card for purposes of your HSA. <u>Your WageWorks debit card will still be available to use for any other services provided to you or your employer by WageWorks</u> , such as health reimbursement arrangements (HRAs) and flexible spending accounts (FSAs).



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| May 20, 2020 | All investments will be liquidated to cash. |
| May 21, 2020 | Account balances are transferred to your HealthEquity HSA. |
| May 22, 2020 | Your funds will be available at HealthEquity, including your investment funds. Starting on this date, you will be able to invest in the mutual funds that are available on HealthEquity's platform. You will need to take action on or after this date if you do not want your account to be held in cash or the Money Market Account. |

Other options available to you

If you do not want your HSA transferred to HealthEquity, you must liquidate your HSA or complete a transfer of your HSA by May 9, 2020 using either of the following options:

1. Request a complete distribution of your HSA funds by mailing to BNY Mellon a completed distribution request form found at www.healthequity.com/bnymellon2/members/, OR
2. Provide us with a written transfer request from a new custodian or trustee to transfer your HSA:
 - The request must be submitted on the new custodian's HSA transfer form.
 - Send the transfer request to: WageWorks; P.O. Box 9813; Providence, RI 02940-8013.

By not choosing either of the options above, you will be electing HealthEquity as the new custodian of your HSA, and your HSA will be automatically transferred to HealthEquity. If you want HealthEquity to be your new custodian, no action is required by you with respect to your HSA funds held at BNY Mellon, which will be automatically transferred to HealthEquity.

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

Statements and tax reporting

You will be sent through regular mail a final HSA statement from BNY Mellon in early April reflecting any transactions that occurred before the transfer to HealthEquity. HealthEquity will provide documents for the 2020 tax year for all HSAs transferred to HealthEquity in 2020.

If you have questions about this transition, call 844.351.6849, where representatives will be available to assist you 24 hours per day, 7 days per week.

It has been our pleasure to serve you.

Sincerely,

BNY Mellon Health Savings Account Services



EXHIBIT A: HealthEquity Fee Schedule as of March 20, 2020

<u>Service</u>	<u>Fee</u>
Monthly HSA Admin Fee	Same as your WageWorks HSA. ¹
Reimbursement check	\$2.00 for paper check. No fee for electronic funds transfer.
Payment to provider	No fee.
Electronic payment to self	No fee.
Health Account Card ²	Waived.
Card transaction	No Fee
Return deposited item	\$20.00 per item.
Stop payment request	\$20.00 per item.
Excess contribution correction	\$20.00 per request.
Account closure	\$25.00 (waived through May 31, 2021).
Electronic statement	No fee.
Paper statement ³	\$1.00 per monthly statement, avoided with electronic statements (waived through May 31, 2021).

¹Your HealthEquity welcome kit will outline your specific Monthly Admin Fee.

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

³All members are automatically set up to receive paper statements and will be charged \$1.00 per monthly statement. You can avoid this fee if you change your account preference settings to electronic statements. To do this, log in to your Member Portal and updating your profile or call Member Services.