



## General Terms and Conditions of Service HSA

### Terms and Conditions of Service

1. Term: 1 Year unless specific rate guarantee
2. General Terms and Conditions of Service: You are purchasing the service(s) from BBP Admin. In doing so, acknowledge and agree to BBP Admin's General Terms and Conditions of Service that this document represents. Either party may terminate service without cause at any time.
3. Fees: Client shall pay all Fees via direct deposit initiated by BBP Admin. All payments will process within the first five days of the month. If pre-negotiated, the client can pay by check and all payments are due net 25 days from the date of the invoice.
4. Service Charge: A service charge of 1.5% per month will apply to any overdue amounts.
5. Client Accounts that have outstanding invoices over 90 days past due will have service temporarily deactivated until all payments are current. The client will also be responsible for a \$50 reinstatement fee. Reactivation will occur three days after a successful ACH pull. Re-activation can happen the same day with a wire transfer of all outstanding funding.
6. Annual Service Increase: Your fee rate is fixed for the initial term of one year, and is subject to a 3% increase upon each subsequent renewal period.
7. Funding: If the funding account goes into a negative balance, the service will be temporarily deactivated until the account has adequate funding. The client will also be responsible for a \$50 reinstatement fee.
8. Weekly Funding: For those accounts that fund via ACH, if an ACH pull is not able to process for any reason, the service will be temporarily deactivated until the account has adequate funding. The client will also be responsible for a \$50 reinstatement fee. Reactivation will occur three days after a successful ACH pull. Re-activation can happen the same day with a wire transfer of all outstanding funding. The bank will also require an additional security deposit for weekly funding if for any reason a weekly pull is denied.

### General Terms and Conditions of Service HSA

You have established a high deductible health plan (“HDHP”), which is paired with a health savings account (“HSA”) plan, for the benefit of your eligible employees who are participating in the HDHP.

Each such eligible employee who participates in your HSA plan offering will be required to enter into an Accountholder Agreement as well as other agreements including, but not necessarily limited to, an HSA Adoption Agreement, Custodial Account Agreement, Disclosure Statement, and HSA Deposit Account Terms, Conditions and Disclosures, directly with the third party custodian bank that you have selected to hold the employees’ HSA funds. The custodian bank has the right to charge fees and other amounts to each individual HSA accountholder and, with appropriate notice to such individual HSA accountholder, to make changes to the custodian bank’s accountholder fee schedule and any other terms and conditions contained in any of their documents if and when the custodian bank deems it appropriate.

For clarification, HSA custodian banks are not subcontractors of BBP Admin and the Accountholder Agreement between a custodian bank and each individual HSA accountholder controls the terms under which the HSA is maintained by the custodian bank, including the rights of the custodian bank to charge fees or other amounts to individual HSA accountholders for managing the HSAs.

Designated Representative. In its role as Designated Representative, the TPA will serve as primary liaison between the Accountholder and Avidia Bank (“Custodian”). The TPA will not provide any services to the Accountholder or the Accountholder’s HSA as a fiduciary under Section 3(21) of ERISA, under any comparable and applicable provisions of state or local law, or under the Investment Advisor’s Act of 1940.

By performing services under this agreement, we are acting as your agent. You acknowledge and agree that we are not providing services to you or your HSA as a fiduciary under the Employee Retirement Income Security Act of 1974 (“ERISA”) Section 3(21), under any comparable and applicable provisions of state or local law, or under the Investment Advisor’s Act of 1940, and nothing in this agreement shall be construed as conferring fiduciary status upon us. We shall not be required to perform any additional services unless specifically agreed to under the terms and conditions of this agreement, or as required under the Code and the applicable guidance with respect to HSAs.

You agree to indemnify and hold us harmless for any and all claims, actions, proceedings, damages, judgments, liabilities, costs and expenses, including attorneys’ fees, arising from or in connection with this agreement except for those resulting from our gross negligence or willful misconduct in performance of the services in this agreement. To the extent written instructions or notices are required under this Agreement, we may accept or provide such information in any other forms permitted by law, including through electronic mediums.

## I. Client's Responsibilities

As the plan sponsor, you are liable for the design, funding and operation of your Plan (“Plan”) including compliance with IRS Code Section 223. You shall:

1. Select a custodian for your Plan from our list of approved custodians.
2. Require your employees to complete enrollment procedures to open an HSA.
3. Determine if an employee is eligible to contribute to an HSA.
4. Electronically identify salary reductions and employer contributions for each individual.
5. Limit salary reduction HSA contributions to the maximum specified annually by the IRS.
6. Provide accountholders with all applicable notices, forms and disclosures, including those provided by the custodian or us.
7. For batch-file enrollment, execute a hosting agreement with the custodian and post terms and conditions on your benefits portal, if applicable.
8. Provide us with information that we request with respect to each accountholder.
9. Provide us with completed forms and notices needed to transfer accountholders with existing HSAs from their current custodian to a new one.
10. Represent and guarantee that accountholder information and enrollments are accurate and complete.
11. Remit to us the funds to be deposited into each HSA accompanied by data that accurately indicates the credit amount to be applied to each account.
12. Provide benefits funding pursuant to the terms of the Funding Agreement.
13. Accept full liability for any funds not received by us, or for any errors in crediting an HSA based on false or incorrect data provided by you or an accountholder.
14. Assume full responsibilities for HSA accountholder information that you have provided to us to administer the HSAs, including costs and expenses for error correction.
15. Provide no further limitations beyond the restrictions imposed by the IRS Code for beneficiaries moving or using their HSA funds.
16. Timely pay all service fees.
17. Represent:
  - Your employee data has been positively identified either by IRS I-9 forms or upon your review of your beneficiaries’ government-issued documentation as evidence of nationality or residence; and

- Your employees have certified their authorization to work in the United States and provided social security numbers or taxpayer ID numbers, which you will provide us for the purpose of establishing HSAs.

## II. BBP Admin's Responsibilities

We have been engaged by you to perform certain recordkeeping and administrative services in connection with your Plan. We shall:

1. Provide data and file integration with your HSA custodian.
2. Provide a set of electronic file specifications for you to use in delivering data to us.
3. Provide standard HSA materials and forms, including HSA applications and information brochures, required by the HSA custodian for viewing and download via an accessible website.
4. Assist you in uploading and post contribution files after your payroll contributions are completed, if not sending directly through payroll.
5. Allocate contributions to pay applicable administrative and account maintenance fees for the HSAs.
6. Work with you to correct inaccurate and mistaken HSA contributions to the extent practicable under IRS Code Section 223 and all other applicable regulations.
7. Provide accountholders with access to their HSA balance through our Card Services, Bill Payment Services, and online withdrawal requests via the website.
8. Make rollover distributions to a new trustee or custodian.
9. Provide for viewing and download the following reports: enrollment report, invoice report, HSA contribution funding report, HSA pending and expired contribution report, and HSA termination report.
10. Close an HSA upon the instructions of the accountholder.

## III. Custodian's Responsibilities

1. Determine if an HSA is in an open status and if contributions can be posted to the HSA.
2. Provide individual participants with Accountholder Agreements as well as other agreements including, but not necessarily limited to, an HSA Adoption Agreement, Custodial Account Agreement, Disclosure Statement, and HSA Deposit Account Terms, Conditions and Disclosures, outlining the fees and charges that the custodian may charge such individuals directly for administering their accounts or otherwise and advising such individuals that such fees are subject to change as outlined in their individual Accountholder Agreements and other agreements provided directly to the participant.
3. Provide confirmations for funds remitted by you.
4. Deposit funds remitted by you into the HSAs.
5. Invest the funds in the HSAs, pursuant to the allocations designated by the accountholders.
6. Provide account statements to accountholders.
7. Ensure accuracy, completeness, legality, timeliness or other compliant status of any data provided to us.

- a. File any Form 1099-SA (or equivalents) with the IRS and distribute Forms 1099-SA and 5498-SA to account holders. Provide you with access to our website where you may:
  - o View and download standard reports (e.g., summary of expenditures claimed by participants, the total number of participants in the Plan, the total amount of benefits paid or reimbursed for each FSA).
  - o View individual participant FSA transactions.
  - o Access our online communications gateway and download standard electronic communication material at no additional charge. Customized items may be provided for an additional fee, plus charges for applicable bulk sales, taxes, shipping and handling.
- b. Provide you with a client services representative to answer phone or email inquiries by your staff regarding any service matters during the period of 8:30 a.m. (CST) to 5:00 p.m. (CST), Monday through Friday, excluding holidays and other non-business days.
- c. Provide customer service representatives who are available to answer participant phone calls during the period of 8:30 a.m. (CST) to 5:00 p.m. (CST), Monday through Friday, excluding holidays and other non-business days.
- d. Provide participants with 24/7 access (excluding scheduled maintenance) to our website and our mobile system, where participants can access information regarding their FSAs.
- e. Participate in enrollment meetings and benefits fairs for an additional charge.