BMO

Health Savings Account Plan Details

Contents

Overview

A Health Savings Account (HSA) is an optional, tax-advantaged savings vehicle available to individuals covered under a qualified high deductible health plan (HDHP). An HSA allows you to use before-tax dollars to pay for out-of-pocket healthcare expenses like medical, dental, vision and other health expenses you would normally have to pay for with post tax money.

If you enroll in BMO's Consumer Choice Plan (a qualified high deductible health plan), you may be eligible for the Health Savings Account administered by UMB. The money you contribute to your HSA through payroll is deducted before taxes are applied and is then automatically deposited into your HSA.

Triple tax advantages of an HSA

A great feature of the HSA is there are 3 opportunities to save in taxes.

1. The contributions you make to your HSA are tax-free, which reduces your taxable income.
2. Any earnings you accumulate on your HSA are tax-free.
3. You can withdraw funds directly from your account to pay for eligible health care expenses at any time without any federal or state taxes or penalties.

The money in your HSA rolls over year over year, so you can use your funds to cover qualified expenses now or in the future. You own the HSA account, and it's yours to keep when you leave or retire from BMO.

Service provider	For	Contact information
UMB Healthcare Services	Health Savings Account trustee	UMB Healthcare Services A division of UMB Bank N.A. PO Box 419226 Kansas City, MO 64141 **Member Services:** 1-866-520-4472
Your Spending Account (YSA)	Health Savings Account administration/custodian	Your Spending Account PO Box 661147 Dallas, TX 75266-1147 **Human Resources Centre (HRC):** 1-888-927-7700
BMO U.S. Benefits	Enrolling and making changes to your annual contribution for before-tax payroll deductions	1. Within Workday, click on the My Benefits & Retirement application. 2. Under "My Benefits & Retirement", click on the **Employees in Canada and US (on BMO Network)** link if you are logged into the BMO Network for single sign-on access or click on the **Employees in Canada and US (off BMO Network)** link if you are accessing from a non-BMO network. 3. Then click the Enroll in your benefits coverage tile. **Human Resources Centre (HRC):** 1-888-927-7700

Eligibility

To be eligible for BMO's HSA, you must meet the following criteria:

- be covered by BMO's Consumer Choice Plan, which is considered a qualified high deductible health plan;
- not be covered by any other non-HDHP medical coverage (including coverage by a foreign or government plan - such as TRI-CARE, a spouse or domestic partner's non-HDHP health care plan or a Traditional Health Care Flexible Spending Account*);
- not be enrolled in any Medicare benefits (see "Employees enrolled in Medicare" section);
- not be claimed as a dependent on another person's tax return.

*Please note that you are permitted to be covered by a *Limited Purpose* Flexible Spending Account.

Employees enrolled in Medicare or TRICARE

Employees that are covered on Medicare or TRICARE are not permitted by the IRS to contribute or receive contributions to an HSA. The rules governing HSAs for Medicare enrolled individuals or individuals that may soon be enrolling in Medicare are complex so we encourage you to review the "Enrolled in Medicare" section of IRS Publication 969 for more information and/or consult with your tax advisor.

Eligibility for BMO's Taxable Cash Core Contribution

If you are enrolled in the Consumer Choice Plan and Medicare or TRICARE, BMO provides a core contribution in the form of taxable cash on your paycheck once per year, in lieu of an HSA contribution. We request that you earmark the money to be used for your out-of-pocket medical expenses. If you are covered by Medicare or TRI-CARE or will be newly enrolling in Medicare or TRI-CARE for the subsequent plan year, please notify BMO U.S. Benefits by emailing BMOHR.USBenefits@bmo.com.

Base Salary Tier	Taxable Cash Amount (EE Only / Family)
$70,000 or less	$500 / $1,000
$70,001 - $130,000	$250 / $500
$130,001 – or more	$0

Age 65 Distributions

Once you reach age 65, you can take penalty-free distributions from your HSA for any reason. However, in order to be both tax-free and penalty-free the distribution must be for a qualified health care expense. Withdrawals made for other purposes will be subject to ordinary income taxes.

Using HSA Funds

If you have an existing balance in your HSA while you are covered by Medicare, you can continue to use your available funds to pay for your eligible medical, prescription, dental and vision expenses tax and penalty-free.

Important information if you are newly eligible or transitioning to Medicare during the plan year

The month Medicare coverage begins, change your HSA contribution to zero dollars to avoid a tax penalty. Keep in mind that after you enroll in Medicare, you may continue to withdraw money tax-free from your HSA to help pay for qualified medical expenses such as deductibles, premiums, copayments, and coinsurance.

Delay enrolling in Medicare if you want to continue contributing pre-tax to your HSA. You will also need to delay collecting Social Security retirement benefits to avoid automatic enrollment in Medicare Part A and B.

Important Note: If you delayed enrolling in Medicare at your initial eligibility date, Medicare Part A may be backdated up to 6 months prior to your actual enrollment date (but not earlier than your initial eligibility date). HSA contributions are not allowed during this backdated coverage period.

The first month of Medicare entitlement will be retroactive for individuals who delay the commencement of Medicare Part A benefits, those individuals must **use extra care when determining the amount of your contributions.** The limit on annual HSA contributions is reduced by 1/12 for each month during the year that the HSA account holder is not HSA eligible (i.e. because of Medicare entitlement). Those reductions apply equally to months of ineligibility due to retroactive coverage. For example:

- If an individual applies in July and becomes entitled to Medicare Part A coverage retroactive to January 1 of that year, the individual will not be eligible to make any HSA contributions for the year (and if contributions were already made for that period, they will need to be timely distributed to avoid the excise tax on excess contributions).
- If an individual applies in November and Medicare Part A coverage is retroactive to May 1 of that year, contributions would be limited to 4/12 of the annual limit (assuming the individual had HDHP coverage and no other disqualifying coverage for the period from January through April). Contributions for the period of eligibility could be made after the individual's HSA eligibility ends but would have to be made no later than the due date (without extensions) of the tax return for the year in which the period of eligibility occurred.

For questions about taxes, please consult a tax professional.

Can Someone Over Age 65 Contribute to an HSA?

Yes, so long as he or she is not enrolled in Medicare Part A, B, C, or D, or any other Medicare benefit. Consider this example: Jean is age 66 and will retire at age 68. She has decided to delay receiving Social Security benefits until she retires. Because Jean is over age 65, she could apply for Medicare Part A. But she will not be entitled to Medicare unless she applies for it. She will be eligible for HSA contributions until she applies for Medicare or becomes entitled to Medicare by beginning her Social Security benefits, so long as she meets the other requirements for being an HSA-eligible individual (e.g., she has HDHP coverage and no other impermissible coverage, and she cannot be claimed as anyone else's tax dependent). If her entitlement to Medicare Part A is retroactive, Jean will lose her HSA eligibility on the retroactive entitlement date, not the date she applied, so she will need to adjust her contributions accordingly.

Enrollment and changes

New hire or newly benefit-eligible employees

As a new employee or an employee who becomes newly benefit-eligible, you have 31 calendar days (includes your hire date or benefit-eligible status date) to make your benefit elections. If you chose to enroll in the Consumer Choice Plan, you will also be eligible to make an HSA election. Your HSA election will be effective on the first of the month based on your coverage effective date in the Consumer Choice Plan.

Please note: If you enroll in the Consumer Choice plan mid-year there may be tax considerations you will want to factor in when deciding what you should contribute to your HSA for the year. Refer to the "Last-month rule" section of IRS Publication 969 or consult with your Tax Advisor for more information.

Rehired employees

If you are an eligible rehired employee and want to make contributions to your HSA, you must re-enroll. However, if you are rehired within 30 days of your termination date, your benefit elections in effect on the date of your termination will automatically be reinstated without a break in coverage.

Life event changes

If you experience a qualified life event and you newly enroll in the Consumer Choice Plan, you will also be eligible to make an HSA election. Your HSA election will be effective on the same date of your coverage effective date in the Consumer Choice Plan.

Please note: If you enroll in the Consumer Choice plan mid-year there may be tax considerations you will want to factor in when deciding what you should contribute to your HSA for the year. Refer to the "Last-month rule" section of IRS Publication 969 or consult with your Tax Advisor for more information.

Annual enrollment

During annual enrollment, held each fall, you can make changes to your benefit elections. The changes take effect the next January 1st. Elections made during annual enrollment remain in effect throughout the year; unless you change your election during the year.

IMPORTANT - To continue contributing to your HSA, you must **re-enroll** each year through the My Benefits & Retirement enrollment site via Workday because your previous year's election does not automatically carry forward.

Mid-year enrollments or changes

Unlike most of the other benefits plans, you are allowed to newly enroll or make changes to your HSA election during the year (as long as you are concurrently enrolled in the Consumer Choice Plan). To make changes to your HSA election throughout the year, enroll through the My Benefits & Retirement enrollment site via Workday.

Account information and communications

After your initial HSA is opened, you can expect the following communications:

- A letter from UMB requesting documentation in order to complete your enrollment (see Customer Identification Program (CIP) verification).
- A welcome packet from UMB containing your account number, important HSA information, regulatory disclosures, and contact information.
- A YSA card with HSA frequently asked questions (FAQs) and card usage tips.
- A monthly account statement from UMB detailing your account activity.
- An IRS Form 1099-SA and IRS Form 5498-SA, either by mail or electronically (based upon your elected delivery preference).
    - **IRS Form 1099-SA** is provided for each HSA distribution type you made in the tax year. You will receive a separate 1099-SA for each type of distribution made during the tax year. The five distribution types are: normal, excess contribution removal, death, disability, and prohibited transaction.

      This information is used to complete IRS Form 8889. This form will be sent usually by January 31st for the previous calendar year if you had distributions during the tax year.
    - **IRS Form 5498-SA** provides you with all the contributions made to your Health Savings Account in the tax year. You have until April 15th to make contributions for the prior tax year. This information is used to complete IRS Form 8889. This form will be sent usually by May 31st for the previous calendar year.

Customer Identification Program (CIP) verification

UMB is required by law, under Section 326 of the USA Patriot Act, to verify the identity of anyone requesting an HSA. Usually this happens behind the scenes without issue, but occasionally outdated or missing information will cause UMB to reach out for more information. If you are flagged during the CIP process, UMB performs additional background review before releasing the enrollment.

UMB may close out the account if you are unable to supply the proper forms of identification being requested. All remaining funds will be returned and tax reporting may be conducted for the period of time the account was open.

Maintaining the confidentially of personal information and ensuring a high level of privacy is of the utmost importance. UMB has various options available for sending the requested documents. Please contact them at 1-866-520-4472 M-F 7 a.m. – 7:30 p.m. or Saturday 8 a.m. – 5 p.m. CT to let them know if you have any follow up questions.

Contributions to an HSA

Annual limits

The IRS sets annual limits on the amount that can be contributed to an HSA. The amount that can be contributed is based on the coverage level of your qualified HDHP coverage (i.e. employee-only coverage, or any coverage level other than employee-only). The annual limits apply to all contributions to your account whether they were made by you or BMO. The annual limits also apply across all HSAs you or your dependents may own and have contributed to in a given year. If you previously contributed to another HSA during the year, you will need to account for those contributions when considering what you should elect for the BMO HSA.

BMO's Employer Contributions will be determined by your base salary in effect on September 30th of the prior year (or as of your hire date for new or rehired employees or your status change date for newly benefits-eligible employees). The base salary used to determine your HSA Employer Contribution eligibility and amounts will be locked in for the plan year.

<table>
<tr><th></th><th colspan="4">BMO HSA Employer Contributions (EE Only / Family)</th></tr>
<tr><th>Base Salary Tier Structure</th><th>Fixed Core Contribution</th><th>Maximum Match Contribution</th><th>Maximum BMO Contribution</th><th>2021 IRS Total Limit</th></tr>
<tr><td>$70,000 or less</td><td>$500/$1,000</td><td>$250/$500</td><td>$750/$1500</td><td rowspan="4">Employee Only:
$3,600
All other coverage levels:
$7,200
Additional contribution for age 55 or older:
$1,000</td></tr>
<tr><td>$70,001 - $130,000</td><td>$250/$500</td><td>$250/$500</td><td>$500/$1,000</td></tr>
<tr><td>$130,001 - $175,000</td><td>$0</td><td>$250/$500</td><td>$250/$500</td></tr>
<tr><td>$175,001 or more</td><td>$0</td><td>$0</td><td>$0</td></tr>
</table>

If you enroll in the Consumer Choice plan mid-year there may be tax considerations, you will want to factor in when deciding what you should contribute to your HSA for the year. Refer to the "Last-month rule" section of IRS Publication 969 or consult with your Tax Advisor for more information.

How it works

HSA contributions will be available for withdrawal only when funds are deposited. You can use Your Spending Account™ card (YSA card) or self-reimbursement direct deposit through automated clearing house (ACH). Through ACH you make a deposit from your HSA base account directly into a personal checking, savings or money market account.

There are a number of ways that your HSA may be funded:

- Core Contributions – If eligible, the up front, lump sum amount that BMO provides to you, determined by your base salary, that is **not** contingent on your HSA participation. *(If eligible, you will receive the Core Contribution by answering 'yes' to the HSA eligibility question during the enrollment process).*
- Your Contributions – The amount you elect to have deferred from your paycheck on a before-tax basis into your HSA.
- Match Contributions – If eligible, the up front, lump sum amount that BMO provides to you, determined by your base salary, that **is** contingent on your HSA participation. (24 paychecks)
- Contributions outside of payroll – Contributions you make directly into your HSA outside of payroll on an after-tax basis (see Contributions outside of payroll).
- Rollovers – An amount you roll into your HSA from another qualified HSA.

Core contributions

When you enroll in the Consumer Choice Plan, you will receive BMO's Core Contribution, determined by your base salary. The Core Contribution will be deposited to your HSA as soon as administratively possible after your account has been established.

Employees that are covered on Medicare are not permitted by the IRS to contribute or receive contributions to an HSA (see Employees enrolled in Medicare).

Your contributions

Your HSA contributions will be automatically deducted from your paycheck *before-tax* and deposited in your HSA account. When you enroll in the HSA you will choose an annual election, which will then be divided over the number of payrolls* that remain in the year.

*Please note that HSA deductions are only taken on the 1st and 2nd paycheck of each month. For months that have a 3rd paycheck, no HSA deductions will be taken.

Catch-Up contributions

If you will reach age 55 or older by the end of the calendar year, you can make an additional $1,000 Catch-Up contribution, regardless of your Consumer Choice plan coverage level.

Match contributions

If you choose to make your own contributions by enrolling in the HSA plan, you are eligible to receive BMO's match contribution, determined by your base salary. You will receive a dollar for dollar match up to the match Contribution limit depending on your Consumer Choice Plan coverage level, as soon as administratively possible.

Important information if you are covering a dependent on your Consumer Choice plan that is ineligible for HSA Contributions

If you are eligible to contribute to an HSA but your covered spouse/domestic partner (or child dependent if you are Employee + Children coverage) is ineligible for an HSA* and you have no other covered dependents, you must limit your election to the Employee Only HSA limit. If you are also eligible for an Employer Contribution from BMO, you must also take into account the Family Maximum BMO Contribution and subtract that from the Employee Only HSA limit.

In cases where you are covering other dependents in addition to your ineligible dependent, as long as one or more of your dependents is eligible for the HSA, you would not be required to self-limit your contributions to the Employee Only Limit.

**See Eligibility section for more information*

Example: *Assumes the employee is older than 55 and falls into the Base Salary Tier of $70,000 or less.*

2021 Employee Only HSA Limit	$3,600
2021 Catch-up Contribution if you are Age 55+	+ $1,000
2021 Maximum BMO Contribution – Family	- $1,500
2021 Adjusted Employee Contribution Limit	**= $3,100**

Keep in mind, you can still use your HSA to pay for your ineligible dependent's eligible expenses. Limitations due to ineligibility are only on the contributions.

Contributions outside of payroll

You can also make *after-tax* HSA deposits on your own, and take an above-the-line deduction on your tax return, but you are limited to the annual limits on your total contributions. You have until April 15th to make contributions for the prior tax year. **This option is not recommended during the plan year.**

Please plan any after-tax contributions carefully. It is important to note that if you make any contributions to your account outside of payroll that cause you to go over the IRS annual limits, your payroll deductions and BMO contributions may reject. It will be necessary to take action to correct your HSA contributions by either removing after-tax contributions from your account through a distribution or by refunding your before-tax deductions and possibly forfeiting BMO's contributions.

In most circumstances, if you are trying to fund more into your HSA during the plan year, you can achieve this by increasing your Annual Contribution Amount in the My Benefits & Retirement enrollment site. This allows you to receive the before-tax benefit on all your contributions and your payroll deductions will automatically be recalculated over the remaining pays to allow you to achieve your new annual contribution amount.

Making a direct contribution outside of payroll is typically best when you need to make a prior year contribution after that plan year has ended, or if there are not enough pays left in the plan year to achieve your desired Annual Contribution Amount.

Rollovers

You have the ability to roll over funds from another qualified HSA into your BMO HSA. Rollover contributions do not count towards the annual limits for the year and are not eligible for BMO's Match Contribution.

Administrative information about contributions

- Consumer Choice Plan mid-year tier changes **–** If you have a qualified life event during the year that changes your tier from Employee only to one of the Family level tiers, you will receive a one-time adjustment to true-up your Core Contribution amount and your Match Contribution amount (if applicable). If you have a qualified life event during the year that changes your tier from one of the Family level tiers to Employee only, no adjustment will be made to the Employer Contributions that BMO has already provided.

- Once you reach age 65 and are enrolled in Medicare Parts A and/or B, your HSA account will remain open for withdrawals, but the IRS does not permit you to make additional contributions to an HSA. If you are making contributions to your HSA, you should go into the system to adjust your election to what you have already contributed to date or contact the HRC for assistance. If you choose to defer your enrollment in Social Security and Medicare Parts A and B, you can continue to contribute to your HSA.

- Your spouse/domestic partner is not eligible to make a Catch-Up contribution to your HSA. If your spouse/domestic partner, covered under the Consumer Choice Plan, is age 55 or older and qualifies for an HSA, he/she would have to open a separate HSA in order to make a Catch-Up contribution.

When HSA contributions cease

HSA contributions will automatically stop if:

- you do not complete Customer Identification Program Verification, if required (see Customer Identification Program (CIP) verification),
- your enrollment in the Consumer Choice Plan ends,
- you waive your HSA election coverage*,
- you become ineligible to participate (see Eligibility),
- you inform us that you wish to opt out of receiving BMO's Employer Contributions,
- your employment with the Company ends for any reason,
- you become a participant in the BMO Long Term Disability Plan.

*If you waive your HSA election, you may still be eligible to receive BMO's Core Contribution.

Qualified health care expenses

You can use your tax-free HSA dollars for a wide variety of qualified medical, dental, vision and prescription drug expenses.

Qualified health care expenses	
Common qualified expenses	• Deductible and coinsurance • Dental and vision eligible expenses • Doctor's office visits • Hospital care and clinic costs • Medical aids such as hearings aids, braces, orthopedic shoes, crutches and wheelchairs • Medical exams, X-ray, and laboratory services • Prescription drugs and over-the-counter drugs prescribed by a doctor • Physical therapy
Other qualified expenses	• In-home hospital beds • Nursing services • Renovation for handicap households • Transportation costs for medical care • Treatment for alcohol and drug addiction

- For HSA purposes, expenses incurred before you establish your HSA aren't qualified expenses.
- Non-prescription medicines (other than insulin) are not considered qualified expenses for HSA purposes. A medicine or drug will be a qualified expense for HSA purposes only if it requires a prescription, is available without a prescription and you get a prescription for it or is insulin.
- For additional information about eligible expenses, go to [IRS Publication 502: Medical and Dental Expenses].

Qualified expenses are those incurred by the following persons:

- You, your spouse, or dependents that you claim on your tax return (includes a domestic partner and/or domestic partner's children if you claim them as tax dependents).
- Any person you could have claimed as a dependent on your return (excludes anyone that filed a joint return with someone else or can be claimed as a dependent on someone else's return for the tax year or a person had a gross income of $4,300 or more that filed their own return in the 2020 tax year).

How to access your HSA funds

You can withdraw funds from your HSA using two primary methods: the YSA card and direct deposit.

YSA card

Your Spending Account (YSA) provides a debit card for use at pharmacies, medical, dental, and vision providers, to pay for qualified expenses from your HSA. You will have the option of using your debit card by signing for your purchases or using a PIN, depending on your merchant.

How it works

- Before using your YSA card, make sure your account balance has the funds necessary to cover your transaction. The available balance on the YSA card is equal to the funds deposited in your HSA Base Account. You can obtain your account balance at any time on the YSA website.
- Choose "Credit" and provide your signature if prompted or use it as a debit card and use your PIN. The cost is then deducted directly from your HSA. You no longer have to pay out of pocket or wait to be reimbursed for your expenses.

You can only be reimbursed for qualified expenses incurred after your HSA is established.

Direct deposit

As an alternative to the YSA card, UMB also offers Automated Clearing House (ACH) direct deposit. You can make self-reimbursement deposits from your HSA Base Account directly into a personal checking, savings or money market account.

How it works

- This transaction is performed on the YSA website. Just enter the desired amount along with the appropriate account and routing numbers, and the funds will transfer automatically within two to three business days. You will need to set up this type of transaction which may take a few extra days for verification. No fee is associated with this transaction.

You are not required to submit proof for HSA transactions, though it is recommended you save all receipts for tax purposes.

Pairing with a Limited Purpose Flexible Spending Account (LPFSA)

A Limited Purpose Flexible Spending Account (LPFSA) is a flexible spending account option for employees enrolled in an HSA. The LPFSA is designed to work in conjunction with an HSA plan to provide additional before-tax savings opportunities for eligible dental and vision expenses only. Medical expenses cannot be reimbursed under this type of account because they can be covered by your HSA.

Under IRS rules, you are not eligible to contribute to an HSA and be enrolled in a Traditional Health Care Flexible Spending Account at the same time.

Benefits of a LPFSA

Enrolling in a LPFSA allows you the flexibility to use FSA dollars for dental and vision expenses, while preserving your HSA funds for other purposes, including simply saving those funds for the future.

With a LPFSA, you can contribute up to $2,750 for dental and vision expenses for 2021. This limit is in addition to the HSA annual limits.

Funds in a LPFSA are available to use right away to pay for eligible dental and vision expenses. This means you do not have to wait until the funds have been contributed into your account.

You can carry-over up to $550 of unused funds into the following year to continue to use for your eligible dental and vision expenses.

Stacked YSA card

If you enrolled in the LPFSA and the HSA, dental and vision expenses will be deducted first from your LPFSA balance and medical expenses will be deducted from your HSA balance.

This "stacked" feature allows the LPFSA balance to pay first for any dental and vision expenses to preserve your HSA balance. Once the LPFSA balance is depleted, dental and vision expenses are automatically deducted from your HSA balance.

The "stacked" feature of the YSA card is only applicable to those employees enrolling in the LPFSA and the HSA. If enrolled in an HSA delivered through another bank, the YSA card will only reflect your LPFSA balance.

Eligible Expenses	LPFSA*	HSA
Approved prescription and health care supplies	No	Yes
Medical copays and deductibles	No	Yes
Dental services	Yes	Yes
Vision care services and products	Yes	Yes

**You may be asked to submit proof of the expenses.*

About your HSA

HSA Base Account

The UMB HSA Base Account is an interest-bearing deposit account with an optional investment feature. This FDIC-insured account is maintained in your name at UMB Bank. All contributions to the HSA will be initially credited to the Base Account, and all distributions from the HSA will be withdrawn from the Base Account. Funds in this account are owned entirely by you, the account holder, and not subject to use-it-or-lose-it rules.

Balance-Based Interest Rates

The HSA Base Account will pay interest monthly according to UMB's balance-based interest rate tiers.

UMB HSA Saver® Investment Portfolio

Contributions you make to your UMB HSA give you the freedom to make your own decisions on how you pay for current healthcare expenses and save for future ones. Once you reach a $1,000.00 balance in your HSA Deposit Account, you will have the opportunity to invest additional funds.

HSA Saver pairs knowledge and experience with an intuitive design to create a powerful yet simple investment tool. After you have reached the required account balance, you can log on to your HSA, open an HSA Saver investment portfolio and start investing. Start growing your funds by enrolling in HSA Saver today.

HSA Saver allows you to:

- Quickly and easily enroll, invest and manage your account.
- Invest as much or little as you want, as often as you like. No trade fees. No minimums.
- Research mutual funds with independent data from Morningstar® to help you invest with confidence.

Fees

As an active employee you will not pay any on-going maintenance fees for your HSA. If you leave BMO, your HSA is converted to a customer account at UMB and maintenance fees will apply.

There is a standard fee for any initial investment, as well as a reduced fee for recurring transactions. See the UMB website for details. Fees are subtracted from your HSA Base Account balance.

Portability

Portability is one reason many people view the HSA as a *long-term* savings vehicle. Rather than use up each year's HSA contributions on current expenses, you can pay those expenses with other money (including your Limited Purpose Flexible Spending Account, subject to certain restrictions) and let your HSA grow for the future. At year-end, any money left in your HSA rolls over to the next year automatically.

Your HSA is yours to keep, even if you change plans, jobs or retire. You have the option to rollover your HSA balance to another qualified HSA if you choose to. HSA funds are non-forfeitable.

IMPORTANT INFORMATION

- There is no ATM access with this plan.
- You are responsible for withdrawing funds for qualified expenses and maintaining receipts per the IRS guidelines, or you will be subject to income taxes and a 20% penalty.
- You are solely responsible for keeping receipts and records of reimbursements for tax purposes.

YSA Card Frequently Asked Questions

What can I purchase with my card?

Use your HSA debit card to pay for eligible health care expenses. It should only be used at health care-related locations.

Should I select "Debit" or "Credit" when asked by a merchant or directed by a point-of-sale system to choose a payment method?

When making a purchase using a keypad or screen, you can choose "Credit" for a signature-based transaction or "Debit" and enter your PIN.

What happens if my health care provider does not accept debit cards?

You can select "credit" or use another payment method (cash, check or credit card) for your purchase, and then submit a request for reimbursement on the YSA website. You can simply transfer funds from your HSA to your personal checking or savings account.

Can I use my card to buy health care-related items from Internet merchants?

Yes, as long as your purchases are for eligible health care expenses.

Is the YSA card like other debit cards?

No. Your YSA card can only be used for eligible expenses with health care-related merchants. You cannot access cash.

What if my card doesn't work at the point of sale or my transaction is declined?

You may have to pay with another form of payment. You may not be visiting an eligible health care-related merchant, or your HSA balance may be too low to pay for the transaction.

What if I don't have necessary HSA funds to cover the eligible health care purchases I need to make?

Your transaction will be denied if your account has insufficient funds. You can either use another payment method (cash, check or credit card) or pay a portion of the transaction with your remaining HSA funds and pay the balance using another payment method. You can reimburse yourself at a later time when the funds are available in your HSA.

What should I do if my card is lost or stolen?

Contact Your Spending Account Customer Service by contacting the HRC at 1-888-927-7700.

Do I need to save my itemized receipts?

It's always a good idea to retain your itemized receipts as proof of eligible purchases. If the IRS asks you to prove your HSA expenses were only used for eligible medical expenses, you will need these receipts.

Find additional resources on Your Spending Account through the My Benefits & Retirement enrollment site via Workday and click on the Access Your Spending Account (YSA) tile.

What if I contributed at a former employer?

The annual limits also apply across all HSAs you or your dependents may own and have contributed to each year. If you previously contributed to another HSA during the year, you will need to account for those contributions when considering what you should elect for the BMO HSA.

Contribution Source	Example Employee Only	Example Family	Amount
Your YTD Contributions at **prior employer**	$1,500	$2,500	$
+ Your YTD Employer paid Contributions at **prior employer**	+$500	+$750	$
+ Your contributions at BMO	+$1,100*	+$2,950*	$
+ BMO Contributions	+ $500	+ $1,000	$
= Total (can't exceed IRS Limits)	**=$3,600** **In this example can't exceed $3,600**	**=$7,200** **In this example can't exceed $7,200**	**=$**

*****_If you are 55+ you can add an extra $1,000 to these totals. Refer to Annual limits for more information._

My contributions exceeded the IRS limits in the plan year, how do I correct?

If your BMO contributions cause you to exceed the IRS limits it will be necessary to take action to correct your HSA contributions by either removing after-tax contributions from your account through a distribution or by refunding your before-tax deductions and possibly forfeiting BMO's contributions. Call UMB for more information.

A final note

An HSA is not an employer-sponsored employee benefit plan. It is an individual trust or custodial account that you open with an HSA trustee/custodian to be used primarily for reimbursement of eligible health expenses as set forth in Code 223. The Company's role is limited to allowing you to contribute to your HSA on a before-tax basis through the Company's payroll. The Company has no authority or control over the funds deposited in your HSA. Neither your HSA nor the HSA component of the Company's Plan that allows you to contribute to your HSA on a before-tax basis is subject to the Employee Retirement Income Security Act of 1974 (ERISA).

BMO U.S. Benefits (www.bmousbenefits.com) provides highlights of the Company's benefit Plans. While every effort was made to ensure its accuracy, it does not provide every plan detail, limit or exclusion. The Plan documents, which govern these Plans, provide full details. The Company reserves the right to modify, amend, replace or discontinue any benefit or Plan at any time for any reason. If there are any discrepancies between this guide and the legal plan documents, the plan documents shall rule.