

## HSA Investments Terms and Conditions

These HSA Investments (as defined in the Custodial Agreement) Terms and Conditions (the “Terms and Conditions”) govern the relationship between you and HSA Investments provider Devenir Group, LLC (“Devenir”), as it relates to your ConnectYourCare, LLC (“ConnectYourCare”), HSA Investments. The Terms and Conditions describe the rights and obligations of you, Devenir and its affiliates, ConnectYourCare, and other third parties regarding the investment options offered through ConnectYourCare. If there is a conflict between the Terms and Conditions and ConnectYourCare’s Custodial Agreement regarding the subject matter discussed herein, the Terms and Conditions will control.

As used herein, “you” and “your” refer to the Participant (as defined in the Custodial Agreement). “We,” “us,” and “our” refer to, as appropriate in the context, any, and all of Devenir, and its affiliates. “HSA Custodial Account” means your ConnectYourCare health savings account (“HSA”) cash balance account held by ConnectYourCare as a passive nonbank custodian of health savings account funds.

### **Introduction**

Once funds in your ConnectYourCare HSA Custodial Account reach the threshold established by ConnectYourCare, you may invest a portion of the funds in your HSA Custodial Account in certain mutual funds. Pursuant to an agreement between ConnectYourCare and Devenir, its subsidiary, Devenir Investment Advisors, LLC (“Devenir Investment Advisors”), a registered investment advisory firm, will recommend and select all mutual funds that ConnectYourCare will make available to you. Mutual fund options may change from time to time upon the recommendation of Devenir Investment Advisors and acceptance by ConnectYourCare.

Devenir will also provide recordkeeping and transfer agency services through its outsourcing partners Devenir Recordkeeping (the “Recordkeeper”) and Matrix Trust Company (the “Clearing Firm”). All trades in securities on behalf of your HSA will be executed by Devenir, LLC, Devenir’s registered broker-dealer subsidiary, through the Clearing Firm at your direction, subject to the terms of the Custodial Agreement, these Terms and Conditions and the applicable prospectus. Devenir and each of its affiliates and subsidiaries, including Devenir Investment Advisors, and Devenir, LLC, are hereinafter collectively referred to as “Devenir.”

ConnectYourCare is the custodian of your HSA. ConnectYourCare does not provide investment advice or recommendations, or serve as an investment advisor to the Participant. ConnectYourCare has no role with respect to the HSA Investments except as otherwise set forth herein and in the Custodial Agreement.

### **1. No Investment Advice**

The HSA Investments provide a variety of investment objectives and asset classes for you to choose among if you elect to participate. You agree and acknowledge that this investment program is a “self-directed” product, i.e., the decision to invest a portion of your HSA Custodial Account balance into HSA Investments, if at all, and which HSA

Investments to choose are solely within your discretion and at your direction. Neither ConnectYourCare nor Devenir provide any investment advice to you nor do they have any duty to review or monitor the investments in an individual account. Consequently, you are solely responsible for determining the suitability for you of investing in a HSA Investment and you may wish to consult with your financial adviser before doing so. ConnectYourCare and Devenir shall have no liability or responsibility for your investment decisions.

**2. Investments May Lose Value**

Investments in mutual funds are not FDIC- or NCUA-insured, not ConnectYourCare issued or guaranteed, not bank issued or guaranteed, and are subject to investment risks, including fluctuations in value and the possible loss of the principal amount invested. Any decision to invest in HSA Investments is at your sole discretion and at your sole risk.

**3. Prospectus and Annual Report**

Before you make any investment, you should carefully review the mutual fund's prospectus and consider its objectives, associated risks and any fees or expenses that may apply. Investing entails the risk of loss of principal. You understand and acknowledge that prospectuses are available to you either electronically or through each of the mutual fund's toll-free phone number prior to and following the purchase of any HSA Investments, and that you should carefully read each applicable prospectus before investing. Each mutual fund's most recent annual report is included with the prospectus when you access it electronically.

**4. Fee Disclosure**

You understand and agree that the following annual HSA Investments service fees will be charged in connection with your election to utilize HSA Investments and interest in the mutual fund investment options, and you authorize these fees to be deducted annually from your HSA Investments account balance:

- I. Annual HSA Investments Service Fee (the "Service Fee"). The self-directed HSA Investments include a variety of mutual funds selected by Devenir Investment Advisors. Once you have established the minimum HSA Custodial Account balance threshold required to invest funds in HSA Investments as set by ConnectYourCare, you may activate your HSA Investments. Upon activation the annual Service Fee of \$18.00 will be deducted proportionately, if applicable, from the balance of your HSA Investments at account opening and annually thereafter on your anniversary month of account opening. The Service Fee is used to pay:
  - a. The Clearing Firm for services it provides in connection with the trading of the investment options on behalf of the custodian.
  - b. The Recordkeeper for the investment recordkeeping services it provides in connection with the investment options.

Changes in the Service Fee: The Clearing Firm, the Recordkeeper, reserve the right to amend their fee schedules from time to time. Changes in any of these fees may cause a change in the Service Fee. If the annual Service Fee changes, a notice of the change in fee will be posted on your HSA website. If you continue to maintain

a HSA Investments balance after an increase in the Service Fee, you consent to the deduction of the new Service Fee from your HSA Investments balance.

ConnectYourCare does not charge a service fee for HSA Investments. However, if a distribution from the HSA Custodial Account involves the liquidation of shares of a mutual fund where that mutual fund imposes a redemption fee or other expense, you will have to pay that fee in accordance with the terms of the mutual fund's prospectus.

- II. **Mutual Fund Fees and Expenses.** The available mutual funds may also charge fees and expenses, including "12b-1 fees," as described in each mutual fund's prospectus and in accordance with applicable law. All applicable "12b-1 fees" will be paid directly to the broker-dealer of record and any applicable "Sub-T/A fees" will be paid directly to the Recordkeeper for recordkeeping services. Some mutual funds may also impose exchange fees and/or redemption fees. A more detailed description of these fees and the amounts of these fees are included in the mutual fund's prospectus, and you should carefully read it to learn about any such charges or expenses.
- III. **Voluntary Liquidation Fees.** As set forth in more detail below, there may be several situations in which you wish to liquidate one or more of your HSA Investments. If you choose to liquidate one or more of your HSA Investments that charges a redemption fee, that fee will apply according to the terms of the applicable prospectus.
- IV. **Mutual Fund Block Policies.** Mutual fund companies may impose block policies to discourage frequent or excessive trading practices. Your investment account may be subject to a block policy if it is determined that frequent or excessive trading is taking place. The mutual fund's prospectus will outline any block policies that may apply.

## **5. Voluntary Liquidations of HSA Investments**

There may be situations in which you wish to liquidate one or more of your HSA Investments. For example, if you know you need a distribution from your HSA (e.g., to pay a qualified medical expense or to rollover funds from this HSA to another HSA) that exceeds your HSA Custodial Account balance, you may choose to liquidate one or more of your HSA Investments prior to making your distribution request so that you have sufficient funds in your HSA Custodial Account balance to cover the requested distribution. As set forth in the Custodial Agreement, distributions from your HSA are only made from the HSA Custodial Account. If you request a distribution that exceeds your HSA Custodial Account balance, the transaction may be denied, or in some cases, you may experience an overdraft, even if you have HSA Investments. It is your responsibility to liquidate your HSA Investments and move those dollars to your HSA Custodial Account to cover any distribution requests. You should allow up to five (5) business days for the proceeds of any HSA Investments liquidation to be available for distribution from the HSA.

Important additional information regarding the sales of investments can be found in each applicable prospectus.

## **6. Utilizing the HSA Investments offered in conjunction with the ConnectYourCare HSA**

You understand and agree with respect to your use of the investment options that:

- I. You grant to Devenir the irrevocable proxy to vote any mutual fund proxies on behalf of the HSA Investments offered.
- II. You may only direct the investment of your HSA balance to one or more of the HSA Investments through your secure Participant portal at [www.connectyourcare.com](http://www.connectyourcare.com); the Recordkeeper will directly communicate all such directions to the Clearing Firm. The Clearing Firm is authorized and directed to follow all such directions received from the Recordkeeper through the ConnectYourCare website and is under no obligation to question or verify the validity or reasonableness of such instructions.
- III. Upon the advice and recommendation of Devenir, ConnectYourCare may change, modify, or restrict the menu of HSA Investments made available to you and your ability to purchase HSA Investments. If a fund is removed, terminated, or otherwise modified from the HSA Investments, you will be given notice and thirty-days, when practical, in which to sell or re-deploy any assets you have in the impacted HSA Investments. ConnectYourCare may cause your interest in the HSA Investment to be moved to a similar or comparable HSA Investment, unless you otherwise take action. If a similar or comparable HSA Investment is not offered, ConnectYourCare will liquidate your HSA Investment and the assets will be transferred to your HSA, unless you otherwise take action.
- IV. The Recordkeeper will have total responsibility for maintaining all records regarding your HSA Investments balances.
- V. Your HSA Investments will be held in an omnibus account at the respective mutual fund company in the name of ConnectYourCare, for the benefit of all Participants.
- VI. Trade orders are only processed on active trading days and receive the price next determined after the trade has been executed, not next determined after the order has been placed. Active trading day is defined as a day that the New York Stock Exchange is open for trading.
- VII. Mutual fund buy requests submitted before 4 p.m. Eastern on active trading days will be processed on the next active trading day, while mutual fund buy requests submitted after 4 p.m. Eastern on active trading days will be processed within the next two active trading days.
- VIII. Mutual fund sell requests and portfolio realignment requests submitted before 4

p.m. Eastern on active trading days will be processed on the same day. Mutual fund sell requests and portfolio realignment requests submitted after 4 p.m. Eastern on active trading days will be processed on the next active trading day.

- IX. Occasionally for reasons including, but not limited to, power interruption, phone line interference, satellite failure, force majeure, or user error, electronic trades may not transmit properly and will be transmitted as soon thereafter as possible unless you are otherwise informed. Occasionally, markets may close early, which may also affect the transmission of orders. Orders received after close on the day of an early market close will be treated as if they were received after 4 p.m. Eastern on that same day.
- X. Many mutual funds adhere to policies and procedures designed to restrict excessive short-term trading activity. Mutual funds may impose a short-term redemption fee on the proceeds of mutual fund shares that are redeemed within a defined time period of their purchase as defined in the prospectus. In addition, please be aware that two or more purchases and corresponding sales (including manual rebalancing of your entire account) of a mutual fund within a timeframe defined in the prospectus may result in restrictions from future trading activity into the mutual fund. Always consult a mutual fund's prospectus prior to engaging in any trading activity to avoid violation of such policies and possible trading restrictions and/or fees resulting therefrom.
- XI. Other rules, as set forth in the Custodial Agreement, [www.connectyourcare.com](http://www.connectyourcare.com), or a mutual fund prospectus, may apply.

## 7. **Account Closure**

- I. Voluntary. If you wish to close your HSA, you must first liquidate your HSA Investments by visiting your secure Participant portal at [www.connectyourcare.com](http://www.connectyourcare.com). The proceeds of the HSA Investments that are liquidated are then reallocated to your HSA Custodial Account. Please visit [www.connectyourcare.com](http://www.connectyourcare.com) or call 877-292-4040 for information on how to close your HSA.
- II. Involuntary. If an event causes your HSA relationship with the ConnectYourCare to terminate as set forth in the Custodial Agreement, your HSA Investments may be liquidated, and the proceeds will be transferred to your HSA Custodial Account.

## 8. **Access, Passwords and Security**

You will be responsible for the confidentiality and use of your online username and password, and account number(s). You agree to hold ConnectYourCare harmless from any damages of any kind resulting from your decision to disclose your online username and password, or account number(s) to any third party, including, but not limited to, persons who are or claim to be acting as your agent, proxy, or investment manager. You agree to immediately notify ConnectYourCare if you become aware of:

- Any loss or theft of your access number(s), password(s), and/or account number(s); or

- Any unauthorized use of any of your access number(s), password(s), and/or account number(s).

**9. Hold Harmless and Indemnification**

You agree to hold harmless and indemnify ConnectYourCare, Devenir, and their affiliates against any liability, loss, cost, or expense that may arise in connection with your investment in the HSA Investments, except liabilities, losses, costs, or expenses that arise from our negligence or a material breach of any duty under these Terms and Conditions. Under no circumstances will ConnectYourCare, Devenir, or any of their affiliates be liable for any special, incidental, consequential or punitive damages.

**10. Amendments and Governing Law**

We may amend these Terms and Conditions at any time with the prior consent of ConnectYourCare. We will give you notice of this amendment by posting it on the ConnectYourCare website thirty (30) days prior to effectiveness. These Terms and Conditions shall be construed and interpreted in accordance with the laws of the state of Michigan and applicable federal law.

**11. Prospectus and Annual Report E-Consent**

- I. We invite you to download or print important mutual fund information  
All mutual funds are offered by prospectus only. Prospectuses contain more complete information on management fees, charges, and other expenses, including any short-term redemption fees, and should be read carefully before investing.
- II. Electronic Delivery Consent  
You consent to receive any mutual fund prospectus and annual report electronically and to read and agree to the terms of the prospectus before investing.
- III. Information on System Requirements  
Mutual fund online prospectuses and annual reports are provided in Adobe Acrobat's Portable Document Format ("PDF"). To access a prospectus in PDF, you must install the Adobe Acrobat Reader on your computer, which may be obtained free of charge from [Adobe's website](#).

We provide electronic prospectus delivery free of charge; however, your online service provider may apply charges for online access. A free paper copy of the prospectus is available to you by contacting each respective mutual fund's shareholder services.

Any mutual fund prospectus shall not be construed as an offer to sell or a solicitation of an offer to buy shares in the mutual fund, nor shall any such shares be offered or sold to any person in any jurisdiction in which an offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction.

**Please consider the investment objectives, risks, charges and expenses of the mutual funds carefully before investing. For more complete information,**

**please consult the prospectuses for each mutual fund and your HSA Investments Terms and Conditions, which can be found on the website and are available upon request by calling customer care. Read these documents carefully before investing. You are not receiving any individual investment advice in connection with this program and should consult a financial advisor before investing your cash.**

- IV. Devenir, LLC, a registered broker-dealer, member FINRA/SIPC is providing brokerage services to you directly or through third parties.

Devenir Investment Advisers, LLC, is a registered investment adviser and affiliated company of Devenir, LLC. Devenir Investment Advisers, LLC, has selected, and ConnectYourCare has accepted, certain mutual funds for inclusion in the investment program.

ConnectYourCare and Devenir are not affiliated companies.