

**CASH SUPPLEMENT – ENHANCED RATES PROGRAM**

This Cash Supplement (this “Cash Supplement”) to the Health Savings Account Custodial Agreement (the “Agreement”) establishes the instructions and procedures by which Custodian will place the funds allocated to Member’s (or “your”) Cash Account (as defined below). This Cash Supplement should be read in conjunction with the Agreement between you and HealthEquity, Inc., as custodian (“Custodian”), a copy of which is available in the Forms and Documents section of your Member Portal and which agreement is incorporated herein by reference. Capitalized terms used in this Cash Supplement, but not defined herein, have the meanings set forth in the Agreement.

The following instructions are standing instructions that supersede all prior instructions with regard to allocation of the Cash Account and will remain in effect from the time of your election/acceptance until rescinded or superseded by new written instructions that are documented and agreed upon by Member and Custodian pursuant to the provisions herein. Please review this Cash Supplement carefully. Participation in the Enhanced Rates program described in this Cash Supplement is voluntary and is based on your election to allocate your Cash Account to a Contract in the Enhanced Rates program, as described below.

**Custodian does not make any recommendation with respect to your Cash Account and has not advised you with respect to the decision to use the cash program described in this Cash Supplement. You should not rely on any communication by Custodian or any of its representatives in making your decision. You should carefully review this Cash Supplement along with your Agreement and the other documents referenced in this Cash Supplement.** If at any time you do not wish to participate in the Enhanced Rates program described in this Cash Supplement, or you no longer approve of any provision of this Cash Supplement, you may elect an alternative asset deployment option (you may view available options by logging into Custodian’s online portal and navigating to the interest rates page and you may contact HealthEquity Member Services for additional information); and you always retain the right to transfer your Account to another custodian of your choice.

- Not a deposit / not eligible for FDIC or NCUA insurance
- Not insured by any federal agency
- Not guaranteed by HealthEquity
- May go down in value

**1 - Overview.** Your Account with Custodian includes a “Cash Account” for the maintenance of balances that you have Your Account with Custodian includes a “Cash Account” for the maintenance of balances that you have not directed to an investment or other asset deployment option made available by Custodian (the balance of the Cash Account being the “Cash Balance”). Credits to the Account, including amounts contributed to or received in the Account and cash proceeds of investment sales directed by you or made on your behalf, are held in the Cash Account until you direct a transfer to an investment or other asset deployment option made available by Custodian. Distributions from the Account and allocations specifically directed by you to other asset deployment options made available by Custodian are debited from the Cash Account.

By electing to allocate your Cash Balance to a Contract in the Enhanced Rates program, as described in this Cash Supplement, you acknowledge that you have read the Agreement and this Cash Supplement and that you have instructed Custodian to administer your Cash Account in accordance with them.

Neither this Cash Supplement, nor the Agreement, nor any other communication from Custodian, is intended to be legal, tax or financial advice. You may wish to consult a professional advisor.

**2 - Cash Account.** The Cash Balance (including both the balance, if any, as of the date you agree to this Cash Supplement and future contributions) will automatically be allocated to an interest-bearing group annuity contract (each, a “Contract”) issued by an insurance company (the “GAC Provider”) to Custodian for the benefit of Members whose Cash Balances are allocated to the Contract (the “Participating Members”). The Contract for your Cash Balance will be determined in accordance with the sequence described in Section 4 below. The GAC Provider to which your Cash Balance is allocated (which may change from time to time in accordance with Section 4 below) is shown on your periodic Account statement and available on request by navigating to the “Interest Rates” section of your Member Portal available at <https://my.healthequity.com> or by contacting HealthEquity Member Services. A list of all current GAC Providers that have Contracts with Custodian is available on the “Interest Rates” section of your Member Portal available at <https://my.healthequity.com> or by contacting HealthEquity Member Services.

Custodian holds the Contract to which your Cash Balance is allocated for the benefit of you and other Participating Members. The value of the Participating Members’ beneficial interests under the Contract will equal the aggregate amount paid into the applicable Contract plus interest credited (and less the amounts withdrawn). Each Participating Member’s Account has a beneficial interest in the applicable Contract as recorded in Custodian’s books and records. See “Relationship between Participating Members, Custodian and GAC Providers” below.

**3 - Net Interest.** Interest will be credited under each Contract (see “The Contracts” below) at the interest rates declared on the Contract by the GAC Provider (or, as described below, during the Staging Period, by the Eligible Institution maintaining the Staging Account at the Staging Account Rate). A Program Fee (see “Compensation to Custodian” below) is deducted as a withdrawal from each Contract (or, during the Staging Period, the Cash Balance in the Staging Account). Following withdrawal of the Program Fee, your Cash Account will be credited with interest (“Net Interest”) the rate for your tier set forth on the table below (the “Net Interest Rate Table”), in each case not to exceed the lowest rate for the applicable period of any Contract in the Enhanced Rates program (or, during the Staging Period, the rate at which interest is credited to the Staging Account). The “Median Minimum Market Rate” is the median interest rate paid by the top ten HSA providers (excluding Custodian) as of the applicable “Determination Date” (as defined below) on the lowest tier of HSA cash held in federally insured deposit accounts (each, a “Reference Rate”); such top ten HSA providers are determined based upon HSA assets under custody as conclusively set forth in the annual Devenir Research Year-End HSA Market Statistics & Trends report for the most recently concluded calendar year or, if not published, such other third-party HSA market report selected by Custodian. The Net Interest rate is derived from the Median Minimum Market Rate, in accordance with the following Net Interest Rate Table:

Net Interest Table

Average Daily Cash Balance	Further Premium HSA	Further Value HSA	BasicSaver*	FreeSaver*
<b>Tier 1</b> <b>\$0.01 - \$2,499.99</b>	Median Minimum Market Rate (minimum of 0.05%) + 0.30%	Median Minimum Market Rate (minimum of 0.05%)	Median Minimum Market Rate (minimum of 0.05%) + 0.10%	0.00%
<b>Tier 2</b> <b>\$2,500.00 - \$9,999.99</b>	Tier 1 Rate + 0.10%	Tier 1 Rate + 0.05%	Same as Tier 1 Rate	0.00%
<b>Tier 3</b> <b>\$10,000.00 - \$14,999.99</b>	Tier 1 Rate + 0.15%	Tier 1 Rate + 0.05%	Tier 1 Rate + 0.05%	0.00%
<b>Tier 4</b> <b>\$15,000.00 - \$24,999.99</b>	Tier 1 Rate + 0.25%	Tier 1 Rate + 0.10%	Tier 1 Rate + 0.15%	0.00%
<b>Tier 5</b> <b>\$25,000.00+</b>	Tier 1 Rate + 0.35%	Tier 1 Rate + 0.15%	Tier 1 Rate + 0.30%	0.00%

\* “BasicSaver” and “FreeSaver” were discontinued as of January 1, 2019, but Custodian will continue to support legacy balances under those products.

The Net Interest will be accrued and credited by Custodian as an annual percentage rate based on the average daily balance of your Cash Account, taking into account the effect of interest compounding. Net Interest will accrue only for the period during which your Cash Balance is invested in a Contract (and, solely with respect to the Staging Period, while your Cash Balance is held in the Staging Account) and will be credited monthly. If any interest (“excess interest”) is credited to your Cash Account for a period in which your Cash Balance is not invested in a Contract (or, solely with respect to the Staging Period, not held in the Staging Account), the Cash Balance will be adjusted to the correct amount by deducting such excess interest.

A GAC Provider may change the current declared interest rate under its Contract(s), as described in “The Contracts” below; however, the interest rate declared under each Contract will never be less than the minimum rate set forth in the GAC Provider’s Contract (the “Minimum Contract Rate,” described in Section 6 below) and the rate for Net Interest credited to your Cash Account will always be determined by the formula described above.

The interest rate declared for each Contract may be higher or lower than the interest rates for other annuity contracts issued by a GAC Provider. The Net Interest rate for your Cash Account may be higher or lower than the interest rates available to depositors of depository institutions in comparable accounts or to Members with other asset deployment options available in other products administered or held by Custodian.

The Net Interest Rate will be set on a quarterly basis, effective as of the first day of each of Custodian’s fiscal quarters (February 1, May 1, August 1, and November 1) based on the Reference Rates effective as of the first day of the last calendar month of the preceding fiscal quarter (the “Determination Date”). Changes to the Net Interest rate shall go into effect on the first day of Custodian’s fiscal quarter, without notice to Member. Current Net Interest rates (determined in accordance with the Net Interest Rate Table) may be found by logging into your account at [HealthEquity.com](https://my.healthequity.com) or by contacting HealthEquity Member Services. The Net Interest Rate Table may be modified only by an amendment to this Cash Supplement with advance notice to Member, as described in Section 14 (“Amendment of this Supplement”) below.

**4 - Instructions for Allocation (and Reallocation) to Contract.** Member instructs Custodian to allocate (and, if applicable, reallocate) Member’s Cash Balance to a Contract selected in accordance with the rules and priorities set forth in this Section 4. Member’s Cash Balance shall be assigned to only one Contract at a given time (that is, the Member’s Cash Balance shall not be split among more than one Contract). Capitalized terms used in this Section 4 that are not defined in the Agreement shall have the meaning set forth in Section 4.08 (“Definitions”) below.

**4.01 - Staging Account.** Prior to being allocated to a Contract, a Cash Balance shall be held as part of an omnibus cash deposit account (the “Staging Account”) maintained by an Eligible Institution, (as described below) that is part of an omnibus cash deposit account titled “HealthEquity Omnibus Account for the benefit of Health Savings Accounts,” or similar title, for up to five Business Days. (The period when the Cash Balance is held in the Staging Account is referred to as the “Staging Period.”) The Eligible Institution that maintains the Staging Account is available by logging into Custodian’s online portal and navigating to the interest rates page or upon request by contacting HealthEquity Member Services. During such Staging Period, a Contract shall be determined in accordance with the sequence set forth below.

An “Eligible Institution” is a bank, credit union, or similar depository institution that: (a) is established pursuant to a charter granted by a federal or state banking authority within the United States or similar federal or state authority authorized to grant credit union charters; (b) is a Federal Deposit Insurance Corporation (“FDIC”) insured institution; and (c) is Well Capitalized (as that term is defined by the appropriate federal banking agencies) at the time an Eligible Institution Agreement (as described below) is entered into. In all cases, however, the Cash Balance shall be placed in the Staging Account without regard to limitations on the eligibility or aggregate amount of FDIC coverage.

The Staging Account will pay interest at a rate (the “Staging Account Rate”) determined by the Eligible Institution in accordance with an agreement between the Custodian and such Eligible Institution (an “Eligible Institution Agreement”). The Staging Account Rate may be higher or lower than the interest rates available to other depositors at an Eligible Institution in comparable accounts. During the Staging Period, the Program Fee will equal the excess, if any, of the Staging Account Rate over the Net Interest credited to your Cash Balance during such period.

FDIC insurance may be available for the Cash Balance during the Staging Period, but not for any period thereafter.

Custodian is not affiliated with any Eligible Institution. Custodian (or one of its affiliates) may be a customer of, provide services to, or have other financial interactions with Eligible Institutions and may in the future have an affiliate which is an Eligible Institution. Any business relationship between Custodian and an Eligible Institution outside of the Staging Account is conducted on an arm's-length basis without regard to the Eligible Institution's participation in the Staging Account. Further, the Custodian may be required to pay fees and penalties to Eligible Institutions, such as for early termination or failure to meet minimum aggregate deposit requirements of an Eligible Institution Agreement. Such fees and penalties shall be paid by Custodian.

**4.02 – Member Preference.** You may request that your Cash Balance not be allocated to a GAC Provider (an "Excluded Provider") by notifying Custodian of your request on a form acceptable to Custodian. If the sequence described below results in selection of a contract with an Excluded Provider, your Cash Balance will be allocated to the next Contract in the sequence, as if the Excluded Provider were not in the Enhanced Rates program; provided that if all Contracts with other GAC Providers are Over Maximum, your Cash Balance will be assigned to the Excluded Provider.

**4.03 – Initial Sequence.** Each Cash Balance that is held in the Staging Account shall be transferred to a Contract determined in the following sequence:

- (i) Requested Provider. From time to time, an employer, health plan, health insurance company or other third party through which the Account is opened or with which Member is associated may request that the Cash Balance be allocated to a specific GAC Provider (a "Requested Provider"). If the employer and another third party associated with the Account select different Requested Providers, the employer's request shall take priority. If the Requested Provider is not Over Maximum (and has not been designated by Member as an Excluded Provider), the Cash Balance shall be allocated to the Requested Provider.
- (ii) Contract that is Below Minimum. If not allocated to a Requested Provider, allocate to the Contract (if any) that is Below Minimum (and, if more than one Contract is Below Minimum, to the Contract with the lowest Percent of Capacity);
- (iii) Contract that is Below Rolling Minimum. If no Contract is Below Minimum, allocate to the Contract (if any) that is Below Rolling Minimum (and, if more than one Contract is Below Rolling Minimum, to the Contract with the lowest Percent of Capacity); and
- (iv) Contract that is Within Limits. If no Contract is Below Rolling Minimum, to the Contract that is Within Limits and has the lowest Percent of Capacity. .

If allocating Member's Cash Balance to a GAC Provider in accordance with the foregoing would result in that GAC Provider becoming Over Maximum, the Member's Cash Balance shall be allocated to the next Contract in the sequence. If all Contracts are Over Maximum, Section 4.05 ("All Contracts Over Maximum") shall apply.

**4.04 - Reallocations.** After Cash Balances are moved out of the Staging Account (as described above), Member Cash Balances that are allocated to a Contract shall be moved to a different Contract under the following circumstances:

- (i) Requested Provider. If a Requested Provider (other than an Excluded Provider) has been designated for Member's Cash Balance (as described above) and the Cash Balance is not with such Requested Provider, such Cash Balance shall be transferred to a Contract with the Requested Provider (and if there is more than one Contract with the Requested Provider, to the Contract with the Requested Provider that has the lowest Percent of Capacity).
- (ii) Excluded Provider. If Member's Cash Balance is allocated to an Excluded Provider (either as a result of designation as an Excluded Provider after the Cash Balance was already allocated or due to lack of availability with other GAC Providers, as described in Section 4.02 ("Member Preference")), such Cash Balance shall be transferred to the next Contract in the sequence that is not with an Excluded Provider. If no such Contract is available in the Enhanced Rates program, the Cash Balance shall not be transferred at this stage of the sequence.
- (iii) Transfer out of Contracts that are Over Maximum. If, after the reallocations described above, any Contract is still Over Maximum, Cash Balances shall be transferred from such Contract, starting with the Contract (if any) that has the highest Percent of Capacity and continuing until no Contract is Over Maximum. No Cash Balance shall be moved from the Requested Provider (if any) associated with such Cash Balance or to an Excluded Provider. For this step in the sequence, the transferee Contract shall be the available Contract with the lowest Percent of Capacity (and no transfer shall occur if there is no available Contract that is Below Minimum, Below Rolling Minimum or Within Limits, or if the transfer would cause the transferee Contract to go Over Maximum).
- (iv) To Fill Contracts that are Below Minimum. If, after applying the allocations and reallocations described above, a Contract is Below Minimum, Cash Balances shall be transferred to such Contract from Contracts that are Above Minimum, until either no Contract is Below Minimum or no Contract that is Above Minimum holds a Cash Balance that can be transferred (whichever occurs first). For this step in the sequence, the transferor Contract shall be the Contract with the highest Percent of Capacity. No Cash Balance shall be moved from the Requested Provider (if any) associated with such Cash Balance or to an Excluded Provider.
- (v) To Fill Contracts that are Below Rolling Minimum. If, after applying the reallocations described above, a Contract is Below Rolling Minimum, Cash Balances shall be transferred to such Contract from Contracts that are Within Limits or Over Maximum, until either no Contract is below its Rolling Minimum or no Contract that is Over Maximum or Within Limits holds a Cash Balance that can be transferred (whichever occurs first). For this step in the sequence, the transferor Contract shall be the Contract with the highest Percent of Capacity. No Cash Balance shall be moved from the Requested Provider (if any) associated with such Cash Balance or to an Excluded Provider.

**4.05 – All Contracts Over Maximum.** If all Contracts are Over Maximum, the Enhanced Rates program will be closed to new Cash Balances and each Member's Cash Balance that has not been allocated to a Contract in accordance with Section 4 will be moved to HealthEquity's Basic Rates program. Member Cash Balances then allocated to a Contract shall remain in the Enhanced Rates program and shall be transferred to other Contracts only if reallocation is required by Section 4.04 ("Reallocations"). If Member's Cash Balance is allocated to a Contract and Custodian is not able to maintain Member's Cash Balance in the Enhanced Rates program, Member will be so notified and Custodian will provide 30 days' advance notice (unless not practicable under the circumstances) before moving such Cash Balance to HealthEquity's Basic Rates program.

**4.06 – Cash Balance Transfers: Order of Selection.** When the sequence described above requires transfer of Cash Balances from the Staging Account to a Contract, or from one Contract to another Contract, Cash Balances shall be moved from the applicable transferor Contract (or

from the Staging Account) on a first-in-first-out basis and then by the Member's identification number reflected in the Custodian's records attributable to such Cash Balance (in ascending order). Notwithstanding any other provision of this Cash Supplement (other than Sections 4.03(i) and 4.04(i)-(ii) above), and for the avoidance of doubt, a transfer shall only occur if the Cash Balance is non-zero.

**4.07 – Necessary Transfers.** From time to time, Custodian may be required to reduce the balance of, or to terminate, a Contract, necessitating the transfer of some or all Cash Accounts to other Contracts (a "Necessary Transfer"). A Necessary Transfer may occur, for example, by operation of a Contract (such as at the expiration of the term of the Contract), by direction of a GAC Provider or regulatory authority, or if a Cash Account is at a known unusual risk of loss. If a Cash Account is subject to a Necessary Transfer, the Cash Balance shall be transferred to another Contract, determined in the manner described in Section 4.04 of this Cash Supplement. In the absence of an available Contract, Custodian shall place any or all of the Cash Balance into another available vehicle, such as HealthEquity's Basic Rates program or an available money market mutual fund. Member's continued use of the Account after receiving notice of an action, such as an assignment of a new Contract to the Cash Balance, reaffirms Member's consent (and instruction) to Custodian's action.

#### **4.08 – Definitions.**

"Above Minimum" means, for a Contract, that the Current Balance allocated to such Contract is above the Contract's Minimum Balance. For the avoidance of doubt, a Contract that is Within Limits or Over Maximum is also considered to be Above Minimum.

"Below Minimum" means, for a Contract, that the Current Balance allocated to such Contract is below the Contract's Minimum Balance.

"Below Rolling Minimum" means, for a Contract, that the Current Balance allocated to such Contract is at or above the Contract's Minimum Balance and below the Contract's Rolling Minimum.

"Business Day" means any day except Saturday, Sunday or any other day on which a GAC Provider is authorized or required by law to be closed for business.

"Current Balance" means, for a Contract, the total amount of Members' Cash Balances actually held in a Contract and allocated to that Contract in Custodian's records as of the applicable date of determination.

"Maximum Balance" means, for a Contract, the maximum capacity limitation prescribed by such Contract, which may be expressed as separate and distinct amounts, values or formulae for purposes of (i) transferring new cash or Cash Accounts to the Contract and (ii) triggering transfers out of the Contract.

"Minimum Balance" means, for a Contract, the minimum dollar amount (greater than or equal to \$0) prescribed by the Contract to avoid imposition of a penalty. The Minimum Balance may not exceed the Maximum Balance.

"Over Maximum" means, for a Contract, that the Current Balance allocated to such Contract exceeds the Contract's Maximum Balance.

"Percent of Capacity" means, for a contract, the following quotient, expressed as a percentage: (x) the Contract's Current Balance minus the Contract's Minimum Balance, divided by (y) the Contract's Maximum Balance minus the Contract's Minimum Balance. For purposes of ordering Contracts by Percent of Capacity, a Contract that is Below Minimum shall always be deemed to have a lower Percent of Capacity than all Contracts that are Below Rolling Minimum, Within Limits, and Over Maximum; a Contract that is Below Rolling Minimum shall always be deemed to have a lower Percent of Capacity than all Contracts that are Within Limits and Over Maximum, and a Contract that is Over Maximum shall always be deemed to have a higher Percent of Capacity than all Contracts that are Within Limits.

"Rolling Minimum" means, for a contract as of any date, a dollar amount (no less than \$0) equal to the maximum amount that has been allocated to such Contract over the immediately preceding 30 calendar days minus the lesser of (a) 3% of that maximum amount, or (b) 25% of the difference between the Contract's Maximum Balance and Minimum Balance. The Rolling Minimum may not be less than the Minimum Balance or more than the Maximum Balance.

"Within Limits" means, for a Contract, that the Current Balance allocated to the Contract is above the Contract's Rolling Minimum, and below the Contract's Maximum Balance.

**5 - NO FEDERAL INSURANCE. YOUR CASH ACCOUNT AND EACH CONTRACT WILL NOT BE FEDERALLY INSURED (E.G., BY THE FDIC). EACH CONTRACT IS SUBJECT TO THE CREDIT RISK OF THE APPLICABLE GAC PROVIDER AND MAY RESULT IN A LOSS OF THE PRINCIPAL AND ACCRUED INTEREST IN YOUR CASH ACCOUNT.**

Each GAC Provider is an insurance company regulated by a state insurance regulator. Nevertheless, no assurance can be given that a GAC Provider will not encounter financial difficulties that make it unable to honor its obligations to its policyholders. In such event you may lose all or some of the principal and accrued interest in your HSA. Custodian shall have no liability for any loss of principal or interest. Before agreeing to this Cash Supplement, please remember that each Contract is not insured by the FDIC, NCUA, or any other Federal government agency. Unless otherwise provided in an Additional Information Statement for a GAC Provider, all guarantees under each Contract are supported by the applicable GAC Provider's general account.

The Contracts have not been registered under any securities law in reliance upon the exemption for insurance and annuity contracts under Section 3(a)(8) of the Securities Act of 1933 (the "1933 Act") and similar state securities laws, and no Cash Account has been registered as a security under the 1933 Act or similar state securities laws or as an investment company under the Investment Company Act of 1940. Each Contract is an unregistered group annuity contract which is issued by, and any guarantees are subject to the claims-paying ability of, the applicable GAC Provider. Custodian is not a bank or registered investment adviser under the Investment Advisers Act of 1940 and is giving no investment advice to Members in respect of their HSAs or the Contracts. Members should consult with their own advisors for investment advice.

**6 - The Contracts.** The aggregate amounts that you transfer or contribute to your Cash Account (net of withdrawals) will be paid into the Contract prescribed by the sequence described above. Each Contract is a group annuity contract issued by a GAC Provider, with its own terms. This Cash Supplement describes material terms that are generally applicable for Contracts; specific



terms for each Contract, as well as deviations (if any) from the general terms described in this Cash Supplement, are described in an Additional Information Statement for that Contract, which is available upon request as described below. The Additional Information Statement for each Contract is available on the "Interest Rates" section of your Member Portal available at <https://my.healthequity.com> or by contacting HealthEquity Member Services. A redacted specimen copy of each Contract is available by navigating to the "Interest Rates" section of your Member Portal available at <https://my.healthequity.com> or by contacting HealthEquity Member Services.

**6.01 - Net Contributions.** The aggregate amount of daily contributions less withdrawals by Participating Members to their Cash Accounts are paid into the applicable Contract. If daily withdrawals by Participating Members exceeds daily contributions, the net amount is withdrawn from the applicable Contract.

**6.02 - Declared Rates.** Each GAC Provider credits interest to the applicable contract value at a rate which it declares from time to time and which it guarantees will never be less than the Minimum Contract Rate in the applicable Contract. Each GAC Provider has established an initial annual declared rate equal to an Initial Declared Rate in the applicable Contract. The declared rate is subject to adjustment in accordance with the applicable Contract. Additional information about each Contract is available on the Additional Information Statement for the applicable GAC Provider. The declared rate and any additional declared rates are not the effective Net Interest rate. The annual Net Interest rate is determined pursuant to the formula and Net Interest Rate Table described above in "Net Interest."

Any subsequent declared rate may be lower or higher than the initial declared rate or any subsequent declared rate, but it will never be less than the Minimum Contract Rate.

**6.03 - Withdrawals.** Each Contract allows withdrawals by Custodian on behalf of Participating Members at any time in such amounts as are necessary to fund Participating Members' withdrawals from their Cash Accounts (for example, to pay qualified medical expenses or transfer to another asset allocation option) and withdrawals for the Program Fee. Amounts withdrawn by Participating Members from their Cash Accounts reduce the value of Participating Members' beneficial interests in the applicable Contract. There are no surrender charges or other withdrawal penalties applicable to the Participating Members for withdrawal of cash from a Contract.

**6.04 - Termination.** A GAC Provider may limit or restrict new payments into a Contract if it satisfies a minimum notice period. Custodian may terminate each Contract at any time, and a GAC Provider may terminate its Contract at any time in accordance with the terms described in the Contract. In the event of a restriction on new payments or termination, Custodian will promptly notify Participating Members of the pending change and shall take steps to provide for an alternative cash placement option for Members' HSAs as described in Section 8.02 ("Termination Procedure") below. Each Contract includes a process for winding down over a period following termination. At all times, the Participating Members have the right to take withdrawals from their Cash Accounts on a daily basis.

**7 - Relationship among Members, Custodian and GAC Providers.** Custodian is the nondiscretionary custodian of your Account and has been directed by you under this Cash Supplement to pay the Cash Balance into a Contract (or, solely during the Staging Period, into the Staging Account). At all times, you control the allocation and investment of your HSA. Neither Custodian nor any GAC Provider (nor any Eligible Institution) has any authority to determine or control the allocation between the Cash Account and the other asset allocations options available to your Account, subject to any minimum balance requirement established by Custodian from time to time.

Custodian administers the Cash Accounts and the beneficial interests of the Participating Members under each Contract. See "Administration of the Cash Accounts and the Contracts" below.

Custodian does not (and will not) have any interest in the Contracts, beneficial or otherwise, nor does Custodian exercise any discretion in applying funds to the Contracts. Custodian holds the Contracts for the benefit of the Participating Members. The Contracts are not considered assets of Custodian. Each Contract is a contract between the applicable GAC Provider and Custodian on behalf of the applicable Participating Members. Participating Members have no recourse against Custodian for any breach or default by a GAC Provider under a Contract.

Each Participating Member that maintains an HSA with a Cash Balance has a proportionate beneficial interest in an applicable Contract. Under the applicable Contract, the GAC Provider has a contractual obligation to pay 100% of amounts paid into the Contract and interest. This obligation is backed by the general assets of the GAC Provider, unless the GAC Provider establishes a separate account (which would be disclosed in the Additional Information Statement for the applicable GAC Provider). The full account value of the applicable Contract is available to such Participating Members' HSAs.

Beneficial interests in each Contract held in Participating Members' Cash Accounts are evidenced by records maintained by Custodian. No other evidence of ownership, such as a passbook or certificate, is issued to Participating Members.

Custodian will notify Participating Members in the event of a default under an applicable Contract and will forward or make available to the applicable Participating Members copies of all material communications between Custodian and the applicable GAC Provider relating to any such default. There is no legal requirement that Custodian pursue claims or recover interest on behalf of any Participating Members or that any Participating Members act in concert with other Participating Members.

Custodian is not affiliated with any GAC Provider. Custodian (or one of its affiliates) may be a customer of, provide services to, or have other financial interactions with a GAC Provider. Any business relationship between Custodian and a GAC Provider outside of the program described in this Cash Supplement is conducted on an arm's-length basis without regard to a Contract or Master Services Agreement described below.

**8 - Administration of the Cash Accounts and the Contracts.** Custodian has responsibility for administering the Cash Accounts and the beneficial interests of Participating Members under each Contract as set forth in the Agreement and as otherwise provided in this Cash Supplement.

**8.01 - Master Services Agreements.** In order to provide for certain administrative and other services and to provide for appropriate levels of liquidity under each Contract, Custodian has entered into a Master Services Agreement with each GAC Provider (each, an "MSA"). No Participating Member is a third-party beneficiary of an MSA. Among other things, each MSA provides procedures for making payments to and withdrawals from the applicable Contract(s), provisions related to the GAC Provider's discretion with respect to setting interest rates, and provisions related to maintaining adequate levels of liquidity to fund Participating Members' withdrawals. In addition, the MSA may require HealthEquity (in its corporate capacity and not as custodian) to pay a fee under certain circumstances, such as if withdrawals from the Contract exceed certain amounts or if the MSA is terminated under certain circumstances.

Custodian and the applicable GAC Provider may amend the applicable MSA at any time. However, no amendment of an MSA that would affect the rate for crediting Net Interest or administration of the Cash Accounts (except in respect of ministerial changes only) will take effect without first giving the applicable Participating Members at least 30 days' advance notice describing the amendment, unless such notice period would result in a violation of applicable law or regulation.

Each MSA is also terminable under circumstances described therein. In such event, the termination procedure described below would apply with respect to the affected Cash Balances.

**8.02 - Termination Procedure.** If either Custodian or a GAC Provider gives notice of termination of a Contract or MSA, Cash Balances in such terminating Contract will be allocated to another Contract in accordance with the reallocation sequence described in Section 4.04 ("Reallocations") above.

**9 - Compensation to Custodian.** As compensation for providing custodial and administration services to your HSA in connection with the applicable Contract(s), Custodian will receive the Program Fee described in "Net Interest" above (generally the difference between the declared interest credited under the applicable Contract (and, solely with respect to the Staging Period, any interest credited to your Cash Balance by the applicable Eligible Institution while it is the Staging Account) and the Net Interest credited to your Cash Balance). Custodian may deduct other fees and charges under your HSA from your Cash Balance as provided in the Agreement.

**9.01 - Custodian Compensation Variable.** The Program Fee (and, consequently, compensation to Custodian) will vary based on the aggregate account balances held in each Cash Account maintained in the Participating Members' HSAs and the rate for determining Net Interest (or, solely with respect to the Staging Period, the Staging Account Rate) as in effect from time to time.

**9.02 - Right to Terminate HSA.** If you do not approve of the rate for determining Net Interest, the Program Fee or the manner in which it is determined, you should contact HealthEquity Member Services for information on other asset deployment options available to you or transfer your HSA to another custodian of your choice in accordance with the terms of the Agreement.

**9.03 - More Information.** Additional details of the Program Fee, including a projection of future compensation from the Program Fee, is available at [https://resources.healthequity.com/Forms/Agreements/CustodianCompensation\\_FurtherEnhancedRates.pdf](https://resources.healthequity.com/Forms/Agreements/CustodianCompensation_FurtherEnhancedRates.pdf). You may request additional information by contacting Custodian at the telephone number on your HSA Statement or, if you have a Visa® Health Account Card ("Card"), on the reverse of your Card.

**9.04 - Reasonableness of Compensation.** Member has reviewed Custodian's direct and indirect compensation (as described herein and in the Agreement) and determined that the compensation Custodian receives is reasonable for the services it provides. Member has further determined that such services are necessary for the establishment and maintenance of their HSA.

**10 - FDIC and NCUA Coverage.** The Contracts are not FDIC or NCUA insured. You should not rely on FDIC or NCUA insurance in electing the arrangement described in this Cash Supplement as part of your HSA. Also, the Contracts are not eligible for insurance coverage by the Securities Investor Protection Corporation.

**11 - Account Statements.** All activity with respect to your Cash Account will be available on your Member Portal available at <https://my.healthequity.com> and will appear on your monthly HSA statement. For each statement period, your HSA statement will reflect all payments to and withdrawals from your Cash Account, the balance in the Cash Account, the Net Interest rate, the amount of Net Interest credited and retained in your Cash Account, and the GAC Provider to which your Cash Balance is allocated. For more information, please contact Custodian at the telephone number on your HSA statement or, if you have a Card, on the reverse of your Card.

**12 - Notices.** All notices described in this document may be given by Custodian by means of an email, an entry on your HSA statement, a letter or by other means.

**13 - Termination of this Supplement.** Custodian may terminate the Enhanced Rates program at any time for any reason, provided that Custodian does not exercise investment discretion. If the program is terminated, you will be given 30 days' notice in advance, we will make available at least one alternative program or vehicle for use with your Account, and your Cash Account balances (including any accrued interest) will be transferred, without penalty, to the new vehicle or, if you do not wish to consent to such change you may terminate your HSA.

**14 - Amendment of this Supplement.** Custodian may amend this Cash Supplement at any time by providing Member at least 60 days' advanced written notice that specifies the amendment and the effective date (except that advanced notice shall not be required for any change that is ministerial in nature). If you do not consent to the amendment, you may do any of the following, without penalty: (i) transfer all funds, less any outstanding fees due Custodian from the Cash Account to another asset option available to you pursuant to the Agreement; (ii) withdraw all funds, less any outstanding fees due Custodian, from the Cash Account; (iii) initiate a trustee-to-trustee transfer; or (iv) close the Account. If you do not take any of the above actions by the effective date of the change, you will be deemed to have consented to the amendment.

If you terminate the Agreement or close the Account by reason of not consenting to an amendment that reduces Net Interest or increases the Program Fee described in this Cash Supplement, upon your request Custodian will reimburse any termination or closure fee that you have paid to Custodian for the transfer or withdrawal of funds from the Cash Account or termination of the Account.

THE GAC PROVIDERS DO NOT IN ANY WAY SPONSOR, PROMOTE, ENDORSE, OR MAKE A RECOMMENDATION WITH RESPECT TO, THE CASH ACCOUNT AND HAVE NOT PASSED ON THE LEGALITY OF, OR THE ACCURACY OR ADEQUACY OF THE DESCRIPTIONS AND DISCLOSURES RELATED TO THE CASH ACCOUNT. THE GAC PROVIDERS MAKE NO REPRESENTATION WHATSOEVER, WHETHER EXPRESS OR IMPLIED, AS TO THE ADVISABILITY OF ALLOCATING TO THE CASH ACCOUNT. THE GAC PROVIDERS SHALL NOT BE RESPONSIBLE FOR ANY COMPUTATION WITH RESPECT TO PARTICIPATING MEMBERS' CASH BALANCES, THE NET INTEREST CREDITED TO PARTICIPATING MEMBERS' CASH BALANCE OR THE PROGRAM FEE. THE GAC PROVIDERS DO NOT MAINTAIN ANY INFORMATION REGARDING PARTICIPATING MEMBERS, INCLUDING THEIR CASH BALANCES AND NET INTEREST CREDITED.

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