HOME LOAN STATE BANK
FDIC

Health Savings Accounts
2027

A Health Savings Account, or HSA, can be a valuable tool to help you save money for medical expenses for you and your family. An HSA is a tax-exempt account established specifically for the purpose of paying qualified medical expenses. Most people who are covered under an IRS qualified High-Deductible Health Plan (HDHP) can open and contribute to an HSA.

HSA Advantages

TAX DEDUCTIBLE CONTRIBUTIONS AND DISTRIBUTIONS
The money you deposit into your HSA will reduce your taxable income for the year, even if you don't itemize your taxes. If you make deposits to the account, the money can be 100% tax deductible, up to the IRS maximum. Withdrawals made for qualified medical expenses are tax-free. A complete list of qualified medical expenses is available through the Internal Revenue Service at www.irs.gov.

UNUSED CONTRIBUTIONS ROLLOVER
Another advantage is that you are not obligated to use the money you contribute to your HSA each calendar year. The money can remain in the account and earn interest until you need it – whether that's next month or in 10 years. At the age of 65, the account can be used as retirement savings or continue to be used for medical expenses, you decide.

TRANSFERRING YOUR ACCOUNT TO HOME LOAN STATE BANK
We are here to assist you in making the transfer of your HSA seamless. We will provide you with the forms needed to transfer the funds and there will be no transfer or rollover fees.

Home Loan State Bank's HSA Account Offers:

- HLSB debit card FREE for the 1st year ($7 per year each year following).
- $10 discount on 1st box of HLSB Stock checks.
- Free online banking with opt-in to eStatements to monitor your HSA account.

Account Fees:

- Manual employer deposit fee (per pay period): $10.00
    - Please ask us about deposit alternatives to avoid this fee.
- If the average monthly balance on HSA is less than $500.00, a $2.00 monthly fee will be accessed, unless the deposit account holder has one or more additional Home Loan State Bank personal deposit accounts.

FOR MORE INFORMATION ON HOW TO GET YOUR HSA STARTED TODAY:

Home Loan State Bank
205 North 4th Street, Grand Junction, CO 81501
1440 Encanto Pl., Montrose CO 81401
Grand Junction: (970)243-6600
Montrose: (970)497-4280
www.hlsb.com

FDIC Equal Housing Lender

HOME LOAN STATE BANK FDIC

HSA Account Application and Signature Card

Important Information About Procedures for Opening a New Account:

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who applies for a new loan or deposit account. What this means for you: when you open an account or apply for a loan we will ask you for your name, address, date of birth, and any other information that will allow us to identify you.

We require a copy of the Account Holder's and the Authorized Signer's driver's license or other identifying information.

Please complete both sides – non complete applications will NOT be processed

PART 1: Account Holder Information

First Name:	**MI:**	**Last Name:**	**Employer & Occupation:**	
SSN:	**Date of Birth:**	**Driver's License # and State*:**	**Issue Date:**	**Exp. Date:**
Physical Address:		**City:**	**State:**	**Zip:**
Mailing Address (if different):		**City:**	**State:**	**Zip:**
Home/Cell Phone:	**Work Phone:**	**Email Address:**		

*** We require a copy of the Account Holder's Driver's License or other identifying information.**

PART 2: Authorized Signer (Optional)

Since regulations require that only one individual own the HSA Account, the account holder may want their spouse and/or authorized signer to write checks or use their debit card. I (account holder) hereby designate the following individual as additional signer on my HSA Account.

First Name:	**MI:**	**Last Name:**	**Employer & Occupation:**	
SSN:	**Date of Birth:**	**Driver's License # and State*:**	**Issue Date:**	**Exp. Date:**
Physical Address:		**City:**	**State:**	**Zip:**
Mailing Address (if different):		**City:**	**State:**	**Zip:**
Home/Cell Phone:	**Work Phone:**	**Email Address:**		

*** We require a copy of Authorized Signer's driver's license or other identifying information.**

PART 3: Debit Card and Checks

- ❑ Yes, please send me an HLSB Debit Card**
- ❑ In addition, please send my Authorized Signer a Debit Card**
- ❑ **NO,** please do **NOT** send any debit cards

Checks (circle one) YES NO

**Debit Card is FREE for the 1st year- $7.00 per year each year following

PART 4: HSA Information

Type of HSA Contribution

- ❑ Regular HSA
- ❑ Transfer HSA
- ❑ Rollover HSA
- ❑ HRA/FSA Rollover
- ❑ IRA Rollover

Plan Type (circle one) Employee Only Family Plan

Payroll Deduction Amount: _____

_____ Pre-Tax _____ After Tax

PART 5: Designation of Beneficiaries (Optional)

The following individual(s) or entity shall be my primary and/or contingent beneficiary(ies). If neither primary nor contingent is indicated, the individual or entity will be deemed to be a primary beneficiary. If more than one primary beneficiary is designated and no distribution percentages are indicated, the beneficiaries will be deemed to own equal share percentages in the HSA. Multiple contingent beneficiaries with no share percentages indicated will also be deemed to share equally. If any primary or contingent beneficiary dies before me, his or her interest and the interest of his or her heirs shall terminate completely, and the percentage share of any remaining beneficiary(ies) shall be increased on a pro rata basis. If no primary beneficiary(ies) survives me, the contingent beneficiary(ies) shall acquire the designated share of my HSA.

PLEASE PROVIDE: Name and Address, Relationship, Date of Birth, SSN, Primary or Contingent, and Share (%).

1.
2.
3.

Spousal Consent:
This section should be reviewed if both the trust of the residence of the HSA holder is located in a community or marital property state and the HSA holder is married. Due to important tax consequences of giving up one's community property interest, individuals signing this section should consult with a competent or legal tax advisor.
CURRENT MARITAL STATUS:

- ❑ I am not married – I understand that if I become married in the future, I must complete a new HSA Designation of Beneficiary Form.
- ❑ I am married – I understand that if I chose to designate a primary beneficiary other than my spouse, my spouse must sign below.

I am the spouse of the above named HSA holder. I acknowledge that I have received a fair and reasonable disclosure of my spouse's property and financial obligations. Due to the important tax consequences of giving up my interest in this HSA, I have been advised to see a tax professional. I hereby give the HSA holder any interest I have in the funds or property deposited in this HSA and consent to the beneficiary designation(s) indicated above. I assume full responsibility for any adverse consequences that may result. No tax or legal advice was given to me by the Custodian.

Spouse – Signature Required:	**Date:**
Notary - Signature Required:	**Date:**

PART 6: Required Signatures

I understand the eligibility requirements for the type of Health Savings Account (HSA) deposit I am making and I state that I do qualify to make the deposit.
I assume complete responsibility for:

1. Determining that I am eligible for an HSA each year I make a contribution,
2. Ensuring that all contributions I make are within the limits set forth by the tax laws.
3. The tax consequences of any contributions (including rollover contributions) and distributions.

This deposit account is subject to all applicable rules and regulations adopted by Home Loan State Bank. The Authorized Individual(s) signing below agree(s), jointly and severally if multiple signers, to the terms set forth in the Deposit Account Agreement and Disclosure, as amended by the Financial Institution from time to time.

Primary Applicant – Signature Required:	**Date:**
Authorized Signer – Signature Required:	**Date:**

Important: Under penalties of perjury, I certify that the number shown above is my correct taxpayer identification number, I am a US person (including US resident alien), and that (check the appropriate box below):

- ❑ I am not subject to backup withholding, because I am exempt from backup withholding, or because I have not been notified by the IRS that I am subject to backup withholding as a result of failure to report all interest or dividends, or because the IRS has notified me that I am no longer subject to backup withholding.
- ❑ I am subject to backup withholding

Primary Applicant – Signature Required	**Date:**

HEALTH SAVINGS CUSTODIAL ACCOUNT AGREEMENT

The account owner named above is establishing this Health Savings Account (HSA) under section 223(a) of the Internal Revenue Code (IRC) exclusively for the purpose of paying or reimbursing qualified medical expenses of the account owner, his or her spouse, and dependents. The account owner represents that, unless this account is used solely to make rollover contributions, he or she is eligible to contribute to this HSA; specifically, that he or she: (1) is covered under a high deductible health plan (HDHP); (2) is not also covered by any other health plan that is not an HDHP (with certain exceptions for plans providing preventive care and limited types of permitted insurance and permitted coverage); (3) is not enrolled in Medicare; and (4) cannot be claimed as a dependent on another person's tax return.

The account owner and that custodian make the following agreement:

Article I

The custodian will accept additional cash contributions for the tax year made by the account owner or on behalf of the account owner (by an employer, family member or any other person).

Contributions for any tax year may be made at any time before the deadline for filing the account owner's federal income tax return for that year (without extensions).

Rollover contributions from an HSA or an Archer Medical Savings Account (Archer MSA) (unless prohibited under this agreement) need not be in cash and are not subject to the maximum annual contribution limit set forth in Article II.

Qualified HSA distributions from a health flexible spending arrangement or health reimbursement arrangement must be completed in a trustee-to-trustee transfer and are not subject to the maximum annual contribution limit set forth in Article II.

Qualified HSA funding distributions from an individual retirement account must be completed in a trustee-to-trustee transfer and are subject to the maximum annual contribution limit set forth in Article II.

Article II

For calendar year 2027, the maximum annual contribution limit for an account owner with single coverage is $4,500. For calendar year 2027, the maximum annual contribution limit for an account owner with family coverage is $9,000. These limits are subject to cost-of-living adjustments after 2027.

Contributions to Archer MSAs or other HSAs count toward the maximum annual contribution limit to this HSA.

For calendar year 2027, an additional $1000 may be made for an account owner who is at least age 55 or older and not enrolled in Medicare.

Contributions in excess of the maximum annual contribution limit are subject to an excise tax. However, the catch-up contributions are not subject to an excise tax.

Article III

It is the responsibility of the account owner to determine whether contributions to this HSA have exceeded the maximum annual contribution limit described in Article II. If contributions to this HSA exceed the maximum annual contribution limit, the account owner shall notify the custodian that there exists an excess contribution to this HSA. It is the responsibility of the account owner to request the withdrawal of the excess contribution and any net income attributable to such excess contribution.

Article IV

The account owner's interest in the balance in this custodial account is non-forfeitable.

Article V

No part of the custodial funds in this account may be invested in life insurance contracts or in collectibles as defined in IRC section 408(m).

The assets of this account may not be commingled with other property except in a common trust fund or common investment fund.

Neither the account owner nor the custodian will engage in any prohibited transaction with respect to this account (such as borrowing or pledging the account or engaging in any other prohibited transaction as defined in IRC section 4975).

Article VI

Distributions of funds from this HSA may be made upon the direction of the account owner.

Distributions from this HSA that are used exclusively to pay or reimburse qualified medical expenses of the account owner, his or her spouse, or dependents are tax-free. However, distributions that are not used for qualified medical expenses are included in the account owner's gross income and are subject to an additional 20 percent tax on that amount. The additional 20 percent tax does not apply if the distribution is made after the account owner's death, disability, or reaching age 65.

The custodian is not required to determine whether the distribution is for the payment or reimbursement of qualified medical expenses. Only the account owner is responsible for substantiating that the distribution is for qualified medical expenses and must maintain records sufficient to show, if required, that the distribution is tax-free.

Article VII

If the account owner dies before the entire interest in the account is distributed, the entire account will be disposed of as follows:

1. If the beneficiary is the account owner's spouse, the HSA will become the spouse's HSA as of the date of death.
2. If the beneficiary is not the account owner's spouse, the HSA will cease to be an HSA as of the date of death. If the beneficiary is the account owner's estate, the fair market value of the account as of the date of death is taxable on the account owner's final return. For other beneficiaries, the fair market value of the account is taxable to that person in the tax year that includes such date.

Article VIII

The account owner agrees to provide the custodian with information necessary for the custodian to prepare any report or return required by the IRS.

The custodian agrees to prepare and submit any report or return as prescribed by the IRS.

Article IX

Notwithstanding any other article that may be added or incorporated in this agreement, the provisions of Articles I through VIII and this sentence are controlling. Any additional article in this agreement that is inconsistent with section 223 or IRS published guidance will be void.

Article X

This agreement will be amended from time to time to comply with the provisions of the Code or IRS published guidance. Other amendments may be made with the consent of the person whose signatures appear.

Article XI

The custodian may not pay any checks or items on an HSA account that would draw the account into a negative balance. As a result, the custodian reserves the right to close any account or debit card that would cause this to occur on an ongoing basis.

ACCOUNT OWNER:

X_____ _____
Date

CUSTODIAN:

X_____ _____
Date

Note: Please submit a color copy of your Drivers License with your application. If you list an authorized signer on your application (Part 2), a color copy of their driver's license must also be submitted in order for your account to be established.