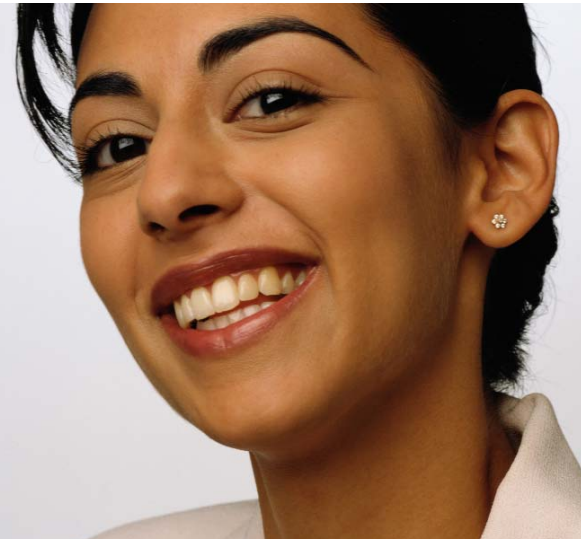


ACS/Mellon **HSA** SolutionSM



HSA

**A Healthy Investment in Your Future
Powered by ACS/Mellon**



Pay for medical expenses tax-free and keep the rest...

Health Savings Accounts (HSAs) are an important part of a revolution in health care funding — a revolution offering you healthcare savings, control and ownership.

With the ACS/Mellon HSA SolutionSM, you can take advantage of tremendous tax savings and build a reserve for current and future health care expenses. And with your High Deductible Health Plan (HDHP), you can continue to enjoy the security of health care coverage that protects you and your family.

HSA

It's a revolution.

The ABCs of HSAs

Consider an HSA your health care “piggy bank”, featuring powerful federal tax advantages:

- Contributions are tax-free;
- Potential interest and investment gains accumulate tax-free;
- Distributions are tax-free when used to pay for qualified medical expenses; and
- The remaining balance rolls over from year to year, yours to keep regardless of job changes or retirement.

In addition to the federal advantages, most states mirror this tax-free status with state tax deductions and/or rebates.

The HSA and the HDHP

The idea is simple.

Your consumer-directed health plan option combines a tax-free HSA with a high-deductible health plan (HDHP).

After enrolling in the health plan and opening your HSA, you can use tax-free contributions to pay for your health care costs — again, without tax.

Tax-free HSA funds can be used to pay for almost all healthcare expenses: doctor and hospital visits, co-payments... even eyeglasses and prescriptions!

Even better, *qualified health care expenses* paid from your HSA may apply toward meeting your annual health plan deductible.

If your combined expenses — whether small expenses, routine costs, or a serious accident or injury — exceed your health plan deductible, an out-of-pocket maximum “caps” your costs while your coverage continues.

More Opportunities to Save

As you get to keep any funds you don't use, HSAs reward you for smart healthcare use. You keep savings for using your health plan's discounted provider network, purchasing less expensive generic prescriptions when available, and asking your physician questions about treatments and tests.

To access a full list of qualified health care expenses, visit the IRS Web site at www.irs.gov.

Getting Started

To qualify for an HSA, you must enroll in a high deductible health plan (HDHP). These plans typically offer lower insurance premium costs compared to traditional plans in exchange for a higher deductible.

After selecting a high deductible health plan and the ACS/Mellon HSA, you will need to:

1. Look for your ACS/Mellon welcome materials in the mail, or follow directions to electronically open your account.
2. Provide your signature to activate your account.
3. Decide how much you wish to contribute to your HSA.
4. Begin funding your HSA through automatic payroll deduction, electronic funds transfer (if available), or tax-deductible lump-sum deposit.
5. Receive and begin using your HSA checks and HSA debit card.
6. Watch your savings grow online at www.hsamember.com.
7. Review your investment options as your account grows; you have a choice of mutual funds and a registered representative ready to assist you by phone.

Why ACS/Mellon?

Mellon is providing your FDIC-insured HSA checking account, as well as an investment account with Dreyfus. In 2006, FORTUNE™ Magazine rated Mellon #1 among the most admired financial institutions for “quality of products and service”.

to get the information and answers you need right when you need them. FORTUNE™ Magazine has rated ACS among the most admired computer and data services companies for the last five years.

ACS is providing the administration and technology that will allow you

Growing your HSA

Each year, you may contribute an amount up to the annual IRS limit. For 2008, that maximum equals \$2,900 for individuals, or \$5,800 for a family. If you are age 55 or older, you may make additional catch-up contributions of up to \$900.

To contribute, you can make pre-tax contributions through automatic payroll deduction (if available) or through an after-tax lump sum check, taking a deduction on your taxes at the end of your tax year.

Building Your Nest Egg

No “Use it or Lose It”

Unlike other medical savings accounts, the HSA has no provision insisting you “use or lose” your account dollars at the year’s end. Any funds you do not use in a given plan year remain in your account, building a larger, interest-bearing account for future health care expenses.

Invest your Savings

As your checking account balance grows, The ACS/Mellon HSA SolutionSM features investment options from well-known fund families. Your choices include multiple equity, balanced and fixed income options.

Review the HSA Investment Q&A for a list of the available funds. Fact sheets, prospectuses and historical performance information for all funds are available online at www.hsamember.com.

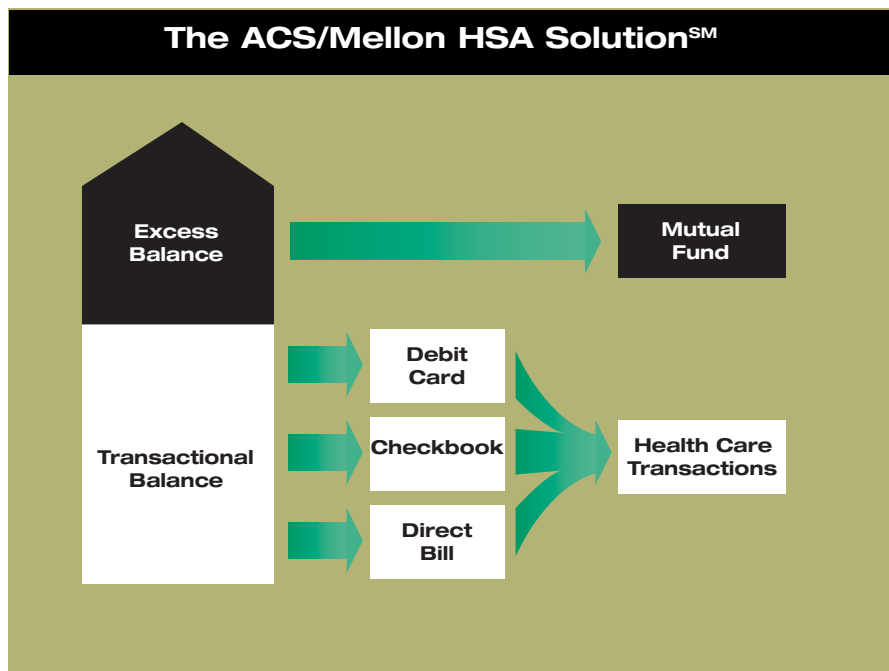
Managing your HSA

You will receive monthly statements by mail summarizing your account activities, including:

- Deposits
- Withdrawals
- Fees (if applicable)
- Interest/investment earnings

In addition, the ACS/Mellon HSA Web site gives you secure access to this information, updated daily.

The Web site also allows you to re-order statements or checks. You can set alerts to be notified if your account balances reach a certain level or if a transaction processes.





Life Transitions with Your HSA

If you leave your company for any reason, your HSA goes with you. You can continue to contribute to your account if you continue enrollment in a high deductible health plan. You can also continue to withdraw your funds, tax free, for qualified medical expenses.

If you withdraw funds before age 65 for non-qualified expenses, regular income taxes plus a 10 percent penalty may apply.

At age 65, you may withdraw your HSA funds, tax free, to pay health expenses and certain insurance premiums (excluding Medigap policy premiums).

Distributions for non-medical expenses will be treated as gross income, without incurring tax penalties.

At death, any remaining HSA funds will pass to your named beneficiary for a taxable distribution without penalties.

If your beneficiary is your spouse, your spouse may assume ownership of the account. As the new owner, your spouse has the option to retain the account as an HSA, continuing contributions so long as he or she participates in a high deductible health plan and follows all rules for eligibility.

Take The Next Step

Keep your health care dollars under your control and in your pocket. See your health plan materials for more information about your health coverage, and then visit the ACS/Mellon HSA SolutionSM Web site at www.hsamember.com.