

# Health Savings Account (HSA) Enrollment Form



All fields must be completed. Incomplete applications will be returned. Return this form along with IRS Form 5305-B (see next page), a legible copy of your identification (driver's license, passport or government issued identity document), and check made payable to the fund of your choice, to **Saturna Capital, P.O. Box N, Bellingham, WA 98227**

Account Owner:

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First Name M.I. Last Name

Date of Birth (MM-DD-YYYY):

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Social Security Number:

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Physical / Street Address (required):

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City State Zip

Mailing Address (optional):

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City State Zip

Primary Beneficiary:

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First Name M.I. Last Name

Date of Birth (MM-DD-YYYY):

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Social Security Number:

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Street Address:

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City State Zip

## Investment Selection (\$100 Minimum per Fund):

<input type="checkbox"/> Amana Income	\$	
<input type="checkbox"/> Amana Growth	\$	
<input type="checkbox"/> Amana Developing World	\$	
<input type="checkbox"/> Sextant Growth	\$	
<input type="checkbox"/> Sextant International	\$	
<input type="checkbox"/> Sextant Core	\$	
<input type="checkbox"/> Sextant Short-Term Bond	\$	
<input type="checkbox"/> Sextant Bond Income	\$	

**Please send separate checks payable to each Fund selected.**

**Note:** Saturna Brokerage HSA accounts, require a separate, additional application. Please see the Saturna Brokerage brochure for more details.

Type of Insurance Coverage:

Individual  Family (Participant + Spouse and/or Child)

Email:

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Telephone:

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Name of Employer (if Employer Sponsored HSA):

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*Note: If you elect to have scheduled pre-tax payroll deductions, they must be established through your employer. Any future changes must also be effected through your employer. Please contact your employer for details.*

Initial Contribution for tax year

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Relationship:

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*The rights of the beneficiary named above shall be subject to all terms and conditions of the Health Savings Account Form 5305-B (the "Plan Document") and shall be effective only if received by Saturna Capital prior to the death of the account holder. This designation applies to all of the HSA funds that remain undistributed from this account at the account holder's death. If no primary beneficiary survives the account holder, payment of funds shall be made to surviving contingent beneficiaries or if none, in accordance with the terms of the Plan Document. This designation may be changed at any time by filing a written change with Saturna Capital.*

Begin automatic investing (voided check attached):  
\$25 minimum per Fund after initial contribution

<input type="checkbox"/> Amana Income	\$	
<input type="checkbox"/> Amana Growth	\$	
<input type="checkbox"/> Amana Developing World	\$	
<input type="checkbox"/> Sextant Growth	\$	
<input type="checkbox"/> Sextant International	\$	
<input type="checkbox"/> Sextant Core	\$	
<input type="checkbox"/> Sextant Short-Term Bond	\$	
<input type="checkbox"/> Sextant Bond Income	\$	

every

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(Specify period & date: i.e. "month on 15th")

I hereby request that Saturna Capital establish a Health Savings Account (HSA) in my name. I acknowledge that this account will be established according to the Health Savings Account 5305-B Agreement. I certify that Saturna Capital is authorized to act in accordance with any future documents bearing my signature. I understand that I may revoke this agreement at any time by submitting a written request to Saturna Capital and account assets will be returned according to HSA Federal Standards.

I also understand that Federal law requires all financial institutions to obtain and verify personal information that will identify those individuals who open a new account. I hereby acknowledge that the information contained in this document will be used to verify that I am not associated with the funding of terrorist groups or other money laundering activities.

I acknowledge that I have received, at my request, and reviewed the fund prospectus for the fund(s) selected and have determined such fund(s) to be appropriate investment vehicle(s) for this account. I understand from reading the prospectus for the Saturna Funds for which Saturna Capital is the adviser, and that Saturna Trust Co. is trustee for my account. I also understand that Saturna Capital will be paid fees for the services to the Funds and that those fees are described in the prospectus.

I understand that investments in any such fund are not obligations of, or endorsed or guaranteed by Saturna Capital Corporation, and are not insured. I acknowledge that I, and not Saturna, have full power to direct investments of the account. I understand that I may change this direction at any time and that it shall continue in effect until revoked or modified by me.

Please open a Health Savings Account (HSA) in my name. I certify that I am eligible to contribute to an HSA according to federal regulations and Internal Revenue Code §223.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Don't forget IRS Form 5305-B!**  
(Pages 13-14)  
Your HSA cannot be opened without it.

**Health Savings Trust Account****(Under section 223(a) of the Internal Revenue Code)****Do not file  
with the Internal  
Revenue Service**

Name of account owner (grantor)	Date of birth of account owner	<b>Identifying number</b> (see instructions)
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Address of account owner (Street address, city, state, ZIP code)

Name of trustee <b>Saturna Trust Company</b>	Address or principal place of business of trustee <b>1300 N. State Street, Bellingham, WA 98225</b>
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The account owner named above is establishing this health savings account (HSA) 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.

\$ ..... dollars in cash is assigned to this trust account.

The account owner and the trustee make the following agreement:

**Article I**

1. The trustee 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). No contributions will be accepted by the trustee for any account owner that exceeds the maximum amount for family coverage plus the catch-up contribution.
2. 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).
3. 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.
4. 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.
5. 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**

1. For calendar year 2007, the maximum annual contribution limit for an account owner with single coverage is \$2,850. This amount increases to \$2,900 in 2008. For calendar year 2007, the maximum annual contribution limit for an account owner with family coverage is \$5,650. This amount increases to \$5,800 in 2008. These limits are subject to cost-of-living adjustments after 2008.
2. Contributions to Archer MSAs or other HSAs count toward the maximum annual contribution limit to this HSA.
3. For calendar year 2007, an additional \$800 catch-up contribution may be made for an account owner who is at least age 55 or older and not enrolled in Medicare. The catch-up contribution increases to \$900 in 2008 and \$1,000 in 2009 and later years.
4. 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 trustee that there exist excess contributions to the 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 trust account is nonforfeitable.

**Article V**

1. No part of the trust funds in this account may be invested in life insurance contracts or in collectibles as defined in section 408(m).
2. The assets of this account may not be commingled with other property except in a common trust fund or common investment fund.
3. Neither the account owner nor the trustee 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 section 4975).

**Article VI**

1. Distributions of funds from this HSA may be made upon the direction of the account owner.
2. 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 10 percent tax on that amount. The additional 10 percent tax does not apply if the distribution is made after the account owner's death, disability, or reaching age 65.
3. The trustee 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**

1. The account owner agrees to provide the trustee with information necessary for the trustee to prepare any report or return required by the IRS.
2. The trustee agrees to prepare and submit any report or return as prescribed by the IRS.

**Article IX**

The Custodian or Trustee may amend this Agreement in any respect (including retroactively) so that the Agreement may conform with applicable provisions of the Internal Revenue Code (“Code”), or with any other applicable law as in effect from time to time, or to make such other changes to this Agreement as the Custodian or Trustee deems advisable. Any amendment made to comply with the Code, or applicable law, does not require the grantor’s consent. The grantor will be deemed to have consented to any other amendment unless, within 30 days from the date the Custodian or Trustee mails the amendment, the grantor notifies the Custodian or Trustee in writing that the grantor does not consent and that the Account should be distributed or transferred to another Trustee or Custodian.

**Article X**

The Trustee or Custodian may be removed or may resign at any time. As a condition of resignation or removal, a successor Trustee or Custodian shall be appointed, provided that any such successor shall satisfy the requirements of the Code. Upon the successor’s acceptance of appointment, the assets of the Account(s) shall be transferred to the successor, provided, however, a portion of the Account(s) may be reserved for payment of any liabilities that may constitute a charge against the Account(s). Upon acceptance of appointment, the successor shall be vested with all power of the Custodian or Trustee pursuant to this Agreement. The Custodian or Trustee shall not be liable for the acts or omissions of any predecessor or successor to it. In the event that no successor accepts an appointment, the custodial or trustee Account(s) shall be terminated, and the assets of the Account(s), reduced by the amount of any unpaid fees, liabilities or expenses, will be distributed to the grantor (or following the death of the grantor, the beneficiary).

Account owner’s signature ..... Date .....

Trustee’s signature ..... Date .....

Witness’ signature .....  
 (Use only if signature of account owner or trustee is required to be witnessed.)

**General Instructions**

*Section references are to the Internal Revenue Code.*

**Purpose of Form**

Form 5305-B is a model trust account agreement that has been approved by the IRS. An HSA is established after the form is fully executed by both the account owner and the trustee. The form can be completed at any time during the tax year. This account must be created in the United States for the exclusive benefit of the account owner.

Do not file Form 5305-B with the IRS. Instead, keep it with your records. For more information on HSAs, see Notice 2004-2, 2004-1 C.B. 269, Notice 2004-50, 2004-2 C.B. 196, Publication 969, Health Savings Accounts and Other Tax-Favored Health Plans, and other IRS published guidance.

**Definitions**

**Identifying Number.** The account owner’s social security number will serve as the identification number of this HSA. For married persons, each spouse who is eligible to open an HSA and wants to contribute to an HSA must establish his or her own account. An employer identification number (EIN) is

required for an HSA for which a return is filed to report unrelated business taxable income. An EIN is also required for a common fund created for HSAs.

**High Deductible Health Plan (HDHP).** For calendar year 2007, an HDHP for self-only coverage has a minimum annual deductible of \$1,100 and an annual out-of-pocket maximum (deductibles, co-payments and other amounts, but not premiums) of \$5,500. In 2008, the \$1,100 minimum annual deductible remains the same and the annual out-of-pocket maximum increases to \$5,600. For calendar year 2007, an HDHP for family coverage has a minimum annual deductible of \$2,200 and an annual out-of-pocket maximum of \$11,000. In 2008, the \$2,200 minimum annual deductible remains the same and the annual out-of-pocket maximum increases to \$11,200. These limits are subject to cost-of-living adjustments after 2008.

**Self-only coverage and family coverage under an HDHP.** Family coverage means coverage that is not self-only coverage.

**Qualified medical expenses.** Qualified medical expenses are amounts paid for medical care as defined in section 213(d) for the account owner, his or her spouse, or dependents (as defined in section 152) but only to the extent that such amounts are not

compensated for by insurance or otherwise. With certain exceptions, health insurance premiums are not qualified medical expenses.

**Trustee.** A trustee of an HSA must be a bank, an insurance company, a person previously approved by the IRS to be a trustee of an individual retirement account (IRA) or Archer MSA, or any other person approved by the IRS.

**Specific Instructions**

**Article XI.** Article XI and any that follow it may incorporate additional provisions that are agreed to by the account owner and trustee. The additional provisions may include, for example, definitions, restrictions on rollover contributions from HSAs or Archer MSAs (requiring a rollover not later than 60 days after receipt of a distribution and limited to one rollover during a one-year period), investment powers, voting rights, exculpatory provisions, amendment and termination, removal of trustee, trustee’s fees, state law requirements, treatment of excess contributions, distribution procedures (including frequency or minimum dollar amount), use of debit, credit, or stored-value cards, return of mistaken distributions, and descriptions of prohibited transactions. Attach additional pages if necessary.