

# Frequently asked questions about your Health Savings Account investments

## Save it. Use it. Never lose it.<sup>®1</sup>

The Health Savings Account (HSA) at Bank of America offers a broad array of investments with varied investment objectives and risk<sup>2</sup>. The Investment Account within your HSA offers the opportunity to plan for a long-term savings strategy to pay for future health care expenses, while maintaining your interest-bearing Cash Account to pay for everyday qualified health care expenses.

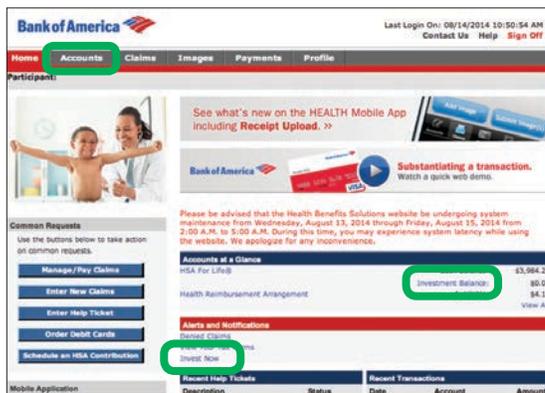
### Q: When am I eligible to invest in my HSA?

**A:** You can invest any dollar amount in excess of the \$1,000 minimum balance required to be held in your Cash Account.

### Q: How do I start investing?

**A:** First, you must enroll in investments. After logging into [bankofamerica.com/benefitslogin](http://bankofamerica.com/benefitslogin), select Accounts/HSA for Life/Investments. After reading the Investment Terms and Conditions, click **Continue** and you can invest in mutual funds by clicking on investment balance, or invest now on the home screen (see Figure 1).

Figure 1



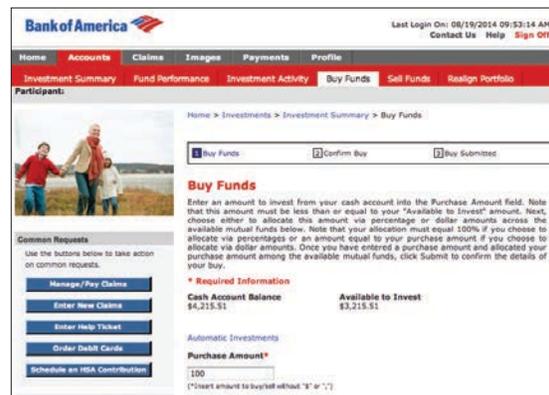
Then click Invest on the Investment summary tab (see Figure 2).

Figure 2



On the Buy Funds tab you will need to enter the Purchase Amount or percentage (see Figure 3).

Figure 3



Then review and confirm the buy (see Figure 4).

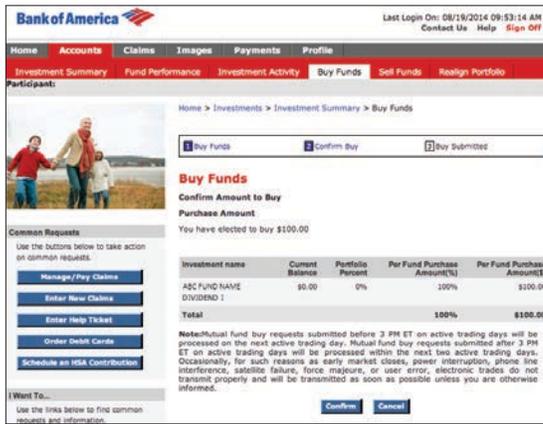
<sup>1</sup> "Never lose it" refers to account portability and annual rollover of accumulated assets; it does not imply you cannot lose money. The investment portion of the HSA account is not FDIC-insured, not bank guaranteed and may lose value.

<sup>2</sup> Mutual fund offerings are provided by Devenir, LLC, which is a registered broker-dealer and Member FINRA/SIPC. Devenir, LLC provides investment services through its affiliate Devenir Investment Advisers, LLC, which is a registered investment adviser. Devenir, LLC is not an affiliate of Bank of America Corporation. Bank of America, N.A., Member FDIC.

Investment products:

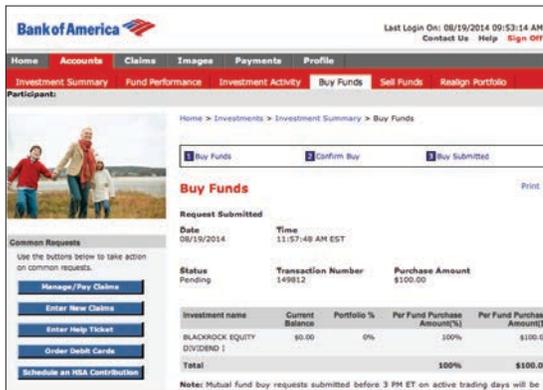
Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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Figure 4



Once you have entered the purchase allocation, select the **Submit** button at the bottom of the screen and continue to follow the instructions until the transaction is complete. Settlement of dollars back to your HSA Cash Account may take up to five active trading days. (see Figure 5).

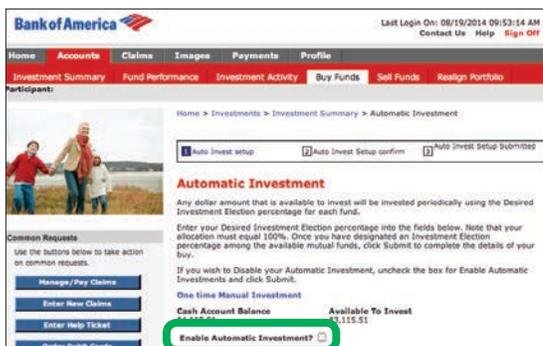
Figure 5



**Q:** Can I set it up to automatically sweep available cash over \$1,000 into specified investments?

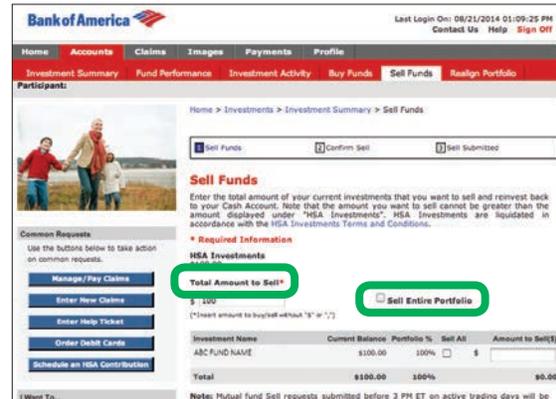
**A:** Yes, you can do this by enabling Automatic Investments under the BUY screen. Select **Automatic Investments** and check Enable Automatic Investments. After selecting your Automatic Investment allocation, select **Submit** to complete the request (see Figure 6).

Figure 6



The Automatic Investment feature sweeps all available cash over \$1,000 into your selected investments, including eligible cash proceeds from a SELL order. Therefore, check your Automatic Investment elections before entering a SELL order as that sale or future contributions could be reinvested in a fund you are no longer interested in investing in (see Figure 7).

Figure 7



**Q:** What investment research is available through the Online Portal, [bankofamerica.com/benefitslogin/](http://bankofamerica.com/benefitslogin/)?

**A:** Once you have enrolled in investments, the mutual fund asset class, performance, prospectus, fact sheet, and Morningstar Report can be found as follows:

Click **Accounts**, select **Investments** under **HSA for Life**/click **Continue**/click on the **Fund Performance** tab, then click the icons below.



Prospectus



Morningstar Fact Sheet



Morningstar Report

You can also research the funds at any time by selecting the Investment Performance link on the Initial Login Page.

**Q:** Are there any other investment resources available on the Online Portal?

**A:** Yes, you can find the Investment Guide, Investment Terms and Conditions, and HSA Investment Performance by asset class under **I Want To...View Forms** on the bottom left-hand side of the Online Portal.

**Q:** What happens if my balance falls below the \$1,000 required threshold?

**A:** If your balance falls below \$1,000, you will not be able to purchase any further investments until you replenish the Cash Account.

**Q: Are there any trading restrictions when investing in mutual funds within my HSA?**

**A:** Yes, there are some restrictions to be aware of when investing in your HSA. You can only make one BUY transaction per active trading day. You can only place a SELL or REALIGN transaction when you have no outstanding SELL or REALIGN transactions that are Pending or In-process status (see Figure 8).

**Figure 8**



Many mutual funds adhere to policies designed to restrict excessive short-term trading activity commonly referred to as market timing or frequent trading. The prospectus material for each mutual fund describes those rules. Any trade you place not adhering to the fund's marketing timing policy will be blocked including auto investment buys. Therefore, a sell, or realign resulting in a sell, of your HSA investments could prevent all buys of that fund for a set amount of days, per the fund's market timing policy, including auto-investment buys.

You will be notified if a trade is rejected. The notice will indicate that the mutual fund you attempted to buy has restrictions that prevented your trade.

**Q: Is there a calculator I can use related to my HSA's potential future value and the related tax savings?**

**A:** Yes, the Future Balance and Tax Savings Calculator can be found on the Online Portal home page, bottom left-hand side under: **I Want To...View Links/Health Savings Account**. Use this calculator to estimate how your HSA may grow over a projected number of years, as well as discover the potential tax benefits of owning an HSA.

**Q: Are there any fees associated with investing?**

**A:** There are no transaction fees to BUY or SELL investments within your Bank of America HSA, nor are there any fees to enroll in the Investment Account. Mutual funds do have internal expenses, which can be found in the prospectus. Some mutual funds may also impose a short-term redemption fee on the proceeds of the fund shares that are redeemed within a defined period of their purchase as defined in the prospectus.

**Q: Since only the Cash Account can be used for payments, what do I do if I need money before the proceeds from the sale of investments have settled in my Cash Account?**

**A:** You can pay for the medical expense by using non-HSA funds and then reimburse yourself when the funds are available in your HSA Cash Account. Settlement of dollars back into the Cash Account may take up to five active trading days.

**Q: What is the difference between the Cash and Investment Accounts within my HSA?**

**A:** The Cash Account is an interest-bearing, FDIC-insured savings account used to pay for qualified medical expenses. The HSA Investment Account allows you to invest in a broad range of mutual funds. The Investment Account is not FDIC-insured, is not bank guaranteed, and may lose value.

**Q: Are earnings in my Investment Account considered taxable income?**

**A:** Investment earnings, including dividends, are not considered taxable income. Distributions from your HSA that are used for qualified medical expenses are tax-free. Taxes and penalties apply to nonqualified distributions.

**Q: Will a debit card purchase above \$1,000, sell a portion of my portfolio to cover an expense?**

**A:** No. The funds in your Cash Account are the ONLY funds that are accessible through your HSA debit card. If you do not have enough funds in your Cash Account to cover a debit card transaction, the transaction will be rejected at the point of sale.

The screen shots shown are intended to illustrate the functionality and services available to participants on Online Portal. They are not meant as exact representations of the screens available through your plan.

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