

Health Savings Account (HSA) Investment Capabilities

Frequently Asked Questions (FAQs) for Account Holders

If you are enrolled in an individual or employer-sponsored, high-deductible health plan with an HSA deposit account at OptumHealth Bank, Member FDIC, you have the opportunity to invest a portion of your tax-advantaged HSA dollars in well-established mutual funds covering a diverse set of asset classes. The ability to invest in mutual funds provides you with more flexibility and choice as you seek to manage your HSA assets.

1. What mutual funds are offered in OptumHealth Bank's HSA investment portfolio?

OptumHealth Bank's HSA investment portfolio includes the following funds:

| Mutual Fund | Share Class Description | Stock Ticker Symbol | Request Fund Information |
|--|-------------------------|---------------------|--------------------------|
| Thornburg Value | Large Cap Value | TVAFX | 800-847-0200 |
| John Hancock Large Equity | Large Cap Growth | TAGRFX | 800-225-5291 |
| Munder Mid-Cap Core Growth | Mid Cap | MGOAX | 800-468-6337 |
| Keely Small Cap | Small Cap | KSCVX | 800-533-5344 |
| American Funds Capital World | International | CWGFAX | 800-421-0180 |
| Mainstay S&P 500 Index | Index | MSXAX | 800-624-6782 |
| PIMCO Real Return Fund | Fixed Income | PRTNX | 800-426-0107 |
| John Hancock High Yield | Fixed Income | JHHBX | 800-225-5291 |
| Goldman Sachs Growth Strategy | Lifestyle | GGSEX | 800-762-5035 |
| Goldman Sachs Growth and Income Strategy | Lifestyle | GOIAX | 800-762-5035 |
| Goldman Sachs Balanced Strategy | Lifestyle | GIPAX | 800-762-5035 |
| JP Morgan Money Market | Money Market | VPMXX | 800-480-4111 |

ANY INVESTMENTS IN MUTUAL FUNDS ARE NOT FDIC-INSURED, ARE NOT GUARANTEED BY OPTUMHEALTH BANK, AND MAY LOSE VALUE.

Consumers invest at their own risk. Fund ratings represent past performance and are not a guarantee of future results. Investment returns and principal value will fluctuate and investor's shares, when sold, may be worth more or less than their original cost. The mutual fund shares are made available through the services of a registered broker-dealer and are offered by Prospectus only. Investors should read and review the Prospectus carefully prior to investing. Ratings with respect to the funds represent past performance and are not a guarantee of future results. Investment returns and principal value will fluctuate and investor's shares, when sold, may be worth more or less than their original cost.

2. What features distinguish OptumHealth Bank's HSA investment portfolio?

- **Quality** – Funds are well-established.
- **Diversity** – Multiple fund types provide a tailored approach to meet your growth objectives and risk tolerance.
- **Flexibility** – You can easily transfer assets between your HSA deposit account and mutual fund investments.
- **Non-Proprietary** – Unlike most competitors, we can consider and include multiple fund groups in our standard offering.
- **Consumer-Directed** – Investment options are easy to use and understand, and are accessible online or by automated voice response when using a telephone key pad.

3. What criteria were used to select the funds for this portfolio?

OptumHealth Bank selected from a number of funds chosen by a Registered Investment Advisor (RIA). Decision criteria included:

- Variety in investment options to represent multiple fund companies.
- Mutual funds with high value as defined by expense ratio, as well as historic performance.
- Mutual funds which represent various risk tolerances.

4. What criteria must I meet to be eligible to invest my HSA assets in mutual funds?

You must have a minimum available balance which exceeds your account's investment threshold minimum balance requirement in your HSA deposit account at OptumHealth Bank in order to participate. To buy mutual funds, you must invest \$100 or more. This means you can transfer \$100 or more into mutual funds, as long as you retain at least the minimum balance required to invest in your HSA deposit account at the time of the transfer.

For example, if your investment minimum balance threshold is \$2,000:

- Your HSA deposit account balance: \$3,567
- The amount available to transfer into mutual funds: \$1,567*
- Remaining HSA deposit account balance: \$2,000

*Note: Any amount from \$100 to \$1,567 can be invested in one or more mutual funds.

5. What will happen if my OptumHealth Bank deposit account balance dips below the investment threshold?

While the HSA deposit account has no minimum balance requirements, you are not eligible to invest money from your OptumHealth Bank HSA deposit account into mutual funds unless the deposit account has a balance above the threshold. Existing funds already invested are not affected.

6. What are the key benefits of participating in OptumHealth Bank's HSA mutual fund investments?

- **Easy Access** – If you have an OptumHealth Bank HSA with a UnitedHealthcare® high-deductible health plan, please visit myuhc.com® or access our automated voice response service by dialing 1-800-791-9361 from a telephone key pad. All other OptumHealth Bank account holders should log onto OptumHealthBank.com or call 1-866-234-8913 for information about HSA investments.
- **Automatic Invest Option** – You may set up an automated recurring mutual fund purchase whenever your account balance reaches a threshold (established by you in advance). If you do not want to automate purchases, manual orders can be initiated online or by phone at any time.
- **Integrated Statements** – You can view your HSA deposit account balance and any HSA investment fund balances in one convenient online location.

7. What is the difference between my OptumHealth Bank HSA deposit account and the HSA investment account?

- **HSA Deposit Account** – This is an interest-bearing account with traditional account access tools (e.g., debit card). This account will accept all new HSA-eligible deposits and withdrawals, and must be in place prior to investing. Assets held in the HSA deposit account are FDIC-insured up to \$100,000.
- **HSA Investment Account** – This account allows you to place buy and sell orders for mutual funds, and is not FDIC-insured. The mutual funds are not guaranteed by OptumHealth Bank and may lose value.

8. Will OptumHealth Bank's mutual fund portfolio ever change?

Based on the analysis and work of the Registered Investment Advisor, in conjunction with OptumHealth Bank's investment committee, we believe these funds are appropriate for the intentions of the HSA investor. OptumHealth Bank's investment committee will review funds on a quarterly basis and make adjustments to the fund list, as needed.

9. How will I know if a fund in the portfolio has changed?

When you log in to plan investment allocations and make fund purchases or sales, you will see the current list of funds available.

10. Are there any fees associated with the mutual fund investment portfolio?

Please refer to your Schedule of Fees to determine any fees that may be associated with your account type. There are no investment account maintenance fees, no fees assessed to buy mutual funds, and typically no redemption fees to sell mutual fund assets.

Note: Mutual fund families have the right to assess short-term redemption fees based on the timing of buy and sell orders for specific funds. (Standard HSA deposit account fees still do apply.)

11. Are the monies invested in mutual funds FDIC-insured?

No. Mutual funds are not insured by the FDIC, not guaranteed by OptumHealth Bank, and may lose value. As an account holder, you are reminded to invest at your own risk.

12. Can my employer's contributions to my HSA be deposited directly into mutual funds?

No. Only your FDIC-insured deposit account at OptumHealth Bank can accept new HSA-eligible deposits. As the account holder, you are the only party allowed to initiate mutual fund transactions.

13. Can assets held in mutual funds be used to pay for my eligible HSA claims?

HSA assets invested in mutual funds cannot be directly accessed to cover medical claims. If you wish to use mutual funds to pay for a claim, you must first sell shares of the fund and then transfer the proceeds into your HSA deposit account at OptumHealth Bank.

It is important to note that assets invested in mutual funds will **not** be automatically sold and transferred back into your HSA deposit account. Only you, the account holder, can initiate an order to sell mutual fund shares.

14. Are assets that have been transferred between my mutual funds and my HSA deposit account available immediately?

Orders to buy and sell mutual funds may take **up to three business days** to execute or settle. As the account holder, you must take this time into consideration when selling mutual funds to cover expected HSA claims.

15. Can money from my HSA deposit account be automatically invested to purchase more mutual fund shares?

Yes. You can establish an Automatic Invest Option – an auto-transfer of assets from your OptumHealth Bank HSA deposit account into one or more mutual funds – each time a pre-established balance threshold is met.

For example:

- Your HSA deposit account balance is currently \$1,900.
- You can activate the Automatic Invest Option by establishing a dollar balance threshold. In this example, let's assume you select \$2,200.
- You make a \$600 contribution to your HSA deposit account, bringing the available balance to \$2,500.
- Since the balance is now above the Automatic Invest Option threshold you established, a \$300 mutual fund purchase is automatically executed.
- You now have a balance of \$2,200 remaining in your HSA deposit account.
- Subsequent automatic fund purchases are suspended until your balance again rises to at least \$100 above the \$2,200 threshold you established, at which time another fund purchase will execute.

Note: Any time you execute a trade to sell shares, the Automatic Invest Option capability is suspended for a 10-day period. During this time, you can still initiate transactions manually, if desired.

16. Is there a limit to the number of times I can execute an order to buy or sell mutual funds?

You are limited to only one mutual fund “buy” transaction during a 24-hour period. There is no limit to the number of times you can sell or transfer assets from mutual funds into your HSA deposit account. However, any time you execute an order to sell funds, any automatic fund “buys” you established are suspended for a 10-day period. During this time, you can still initiate “buy” transactions manually, if you desire.

17. When I decide to sell mutual funds, can I sell a specific dollar amount or percentage of shares?

You can sell 100 percent of your assets from a fund if you perform a percent sell. However, if you perform a dollar sell to liquidate your assets, you may only sell 90 percent of your assets to accommodate any price fluctuations between the time the sell transaction is initiated and when it settles.

18. Can OptumHealth Bank Customer Service Representatives initiate mutual fund buy or sell transactions on my behalf or provide investment advice?

No, these representatives are not permitted to address specific questions about the funds or provide any investment advice. Only you, the account holder, can initiate mutual fund transactions.

If you have a UnitedHealthcare® health plan, you can access additional information on HSA investments by visiting myuhc.com. All other account holders should log onto OptumHealthBank.com for more details. OptumHealth Bank account holders may also directly access the mutual fund Web sites or call the fund companies for more information.

19. Is a glossary of investment terms available?

Yes, the list below provides an overview of common mutual fund investment terminology.

BALANCED FUND – Allocates assets among different types of securities and maintains a “balance” of equity and fixed-income securities to provide both income and capital gains potential.

EXPENSE RATIO – The percentage of the fund’s assets that are paid toward operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund’s NAV. Sales charges are not included in the expense ratio.

FUND CLASS – Funds offer separate classes of shares, each carrying different load structures. Shares offered with a front-end load are commonly called “Class A” shares and those with a back-end load are “Class B” shares. A fund’s performance figures and NAVs will be different for different share classes.

FUND FAMILY – Groups of mutual funds marketed or managed under a common brand name or management company.

GROWTH FUND – Invests primarily in equity securities of rapidly growing companies to achieve capital gains.

INCOME (FIXED INCOME) FUND – Invests in fixed-income securities such as preferred stocks and bonds for the current income provided.

INDEX FUND – Is designed to track and mimic specific indexes – such as the S&P 500.

INTERNATIONAL FUND – Invests in securities from foreign countries.

INVESTMENT THRESHOLD – HSA bank account balance must remain at or exceed the investment threshold each time a new investment is made. See your Fee Schedule to determine your investment threshold.

LARGE CAP, MID CAP, SMALL CAP FUND – Is made up of stocks ranked by their “market capitalization” or the dollar value of a company’s outstanding shares. Large cap funds include stocks that have a market cap of \$10 billion or greater. Mid cap funds include stocks with a market cap between \$2 and \$10 billion and are often more volatile than the large cap stocks. Small cap funds include stocks from companies with a market cap between \$300 million and \$2 billion.

LOAD – A commission or fee charged to buy or sell a mutual fund.

- **Front-End Load** – A fee charged at the time a fund is purchased.
- **Back-End Load** – A fee charged at the time a fund is sold.
- **No Load** – No fee is charged to either purchase or sell a fund.

MONEY MARKET FUND – Invests primarily in treasury bills and other low-risk, short-term investments.

MORNINGSTAR® RATING – A star rating by the Chicago-based investment research firm, Morningstar, Inc., that measures a fund’s risk-to-reward ratio within an investment category. Stars are awarded on a bell curve, which means the top 10 percent of funds in a category get five stars; the next 22.5 percent get four stars; the middle 35 percent get three stars; the next 22.5 percent get two stars and the bottom 10 percent get one star.

MUTUAL FUND – A pool of securities (stocks, bonds, money market assets, or trusts) managed by an investment advisor. Investors can select from a variety of mutual funds – the type that best meets their financial objectives. Some funds, for example, seek to generate income on a regular basis. Some funds try to preserve an investor’s money, while others invest in rapidly growing companies or emerging economies.

NET ASSET VALUE (NAV) – A fund’s per-share price. The NAV can be determined by dividing the total net assets of the fund (less fees and expenses) by the number of shares outstanding.

PROSPECTUS – A document describing the key features of a stock offering or mutual fund for prospective buyers, investors or participants.

SETTLEMENT DATE – The business day on which an executed trade (the sale or purchase of a security) is finalized. The settlement date is usually three business days after the trade is executed.

SHORT-TERM REDEMPTION FEE – The amount charged when money is withdrawn from a fund, in a situation where the buy and sell occur within a fund-defined period of time, typically five to 90 days.

TICKER SYMBOL – The abbreviation by which a security appears on stock quotation services.

TOTAL RETURN – The percentage of gain (+) or loss (–) on an investment, assuming all distributions have been reinvested.

VALUE FUND – Invests in stocks that are undervalued at the time of purchase, but are expected to increase in value in time.

FOR MORE INFORMATION

Additional information concerning OptumHealth Bank’s HSA investment capabilities is available online or by phone.

If you have an OptumHealth Bank HSA with a UnitedHealthcare® health plan, you can:

- Visit myuhc.com®, select Health Savings Account from the main menu, choose View Account Information, and click on Go to OptumHealth Bank.
- Access our automated voice response service by dialing 1-800-791-9361 from a telephone keypad.

If you have an OptumHealth Bank HSA with any other health plan, you can:

- Visit OptumHealthBank.com.
- Access our automated voice response service by phone at 1-866-234-8913 from a telephone keypad.

You are also welcome to directly access each mutual fund’s Web site or call the fund companies for more information.