

## Real-life Scenario Video #1: JOSH

### Long-term Planner

#### TRANSCRIPT

February 2020

**GRAPHIC:** Video of 20-something man speaking into camera throughout entire video. Additional copy point are shown on-screen over a white background to highlight points of video.

**JOSH:** My friends give me a hard time about all the ways I try to cut costs -- like biking to work and spending less for health insurance.

**GRAPHIC:**

\$300/yr

Allergy medicine

Eye exam

**JOSH:** I'm a pretty healthy guy and probably only spend about 300 dollars a year for things like allergy medicine and my annual eye exam. So, I signed up for a high deductible health plan and a Health Savings Account. By not over-insuring myself with a traditional health plan, I keep more money in my pocket for the things I enjoy -- like travel and... occasionally buying lunch for my friends.

**GRAPHIC:**

High Deductible Health Plan:

\$220/mo

**JOSH:** So, here's my plan... I pay about \$220 a month for health insurance.

**GRAPHIC:**

HSA Savings:

\$100/mo

And \$1,200/yr

Pre-tax

**JOSH:** Then, I take \$100 each month and contribute it to my HSA, which comes out of my paycheck pre-tax. And, when I need to pay for eligible health care expenses, I use my HSA debit card. I just swipe and the money comes right out of my account.

**GRAPHIC:**

Projected Savings:

\$70k

**JOSH:** As you can tell, I'm a do-the-math kind of guy. My goal is to have about \$70,000 in my account by the time I retire and so far, I think I'm on track to do it.

**GRAPHIC:** Bank of America Logo

**JOSH:** I'm Josh and my Bank of America HSA is pretty cool.

**GRAPHIC:** Bank of America logo on white background

#### ON- SCREEN DISCLOSURES:

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Illustration assumes annual HSA contribution \$1,200, annual HSA expenses \$300, 28% annual federal tax bracket, 6 % combination interest from cash and investments, 30 years to save.

The calculators used for this video are provided by one or more third party service providers. The figures are for hypothetical purposes only. You should enter figures that are appropriate to your individual situation. The results provided by this calculator are also intended for illustrative purposes only. You should not rely upon these figures as accuracy is not guaranteed and

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Investments in mutual funds:

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Please consider the investment objectives, risks, charges and expenses of the mutual funds carefully before investing. For more complete information, please consult the prospectus for each mutual fund and your HSA Investments Terms and Conditions. Read these documents carefully before investing. You are not receiving any individual investment advice in connection with this program from any employee of Bank of America, N.A. or Merrill Lynch Pierce Fenner & Smith, Incorporated, and should consult your own tax, financial and legal professionals before investing your cash.

The mutual fund performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than performance data quoted. Investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. The performance data quoted also does not reflect the deduction of short-term redemption fees, which may be as high as 2% of the amount redeemed, and that if reflected these fees would reduce the performance quoted. All total returns assume the reinvestment of all dividend and capital gain distributions at net asset value when paid and reflect the deduction of any sales charges. Please note that there are other charges and expenses that apply to the investment options, such as management fees, which are reflected in their net investment return.

For certain investment options, the returns reflect subsidies and waivers, without which the results would have been lower than noted. These subsidies and waivers may not continue to remain in effect. Please consult the prospectus for more information.

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## Real-life Scenario Video #2: BILL

Retirement Minded

TRANSCRIPT

February 17, 2020

**GRAPHIC:** Video of retirement-aged man speaking into camera throughout entire video. Additional copy point are shown on-screen over a white background to highlight points of video.

**BILL:** There was a time when listening to The Temptations and working on my classic car was high on the priority list. (chuckle) But today, I'm concerned about how I can take care of my wife and I in our golden years.

**GRAPHIC:** Future cost of health care

**BILL:** When my grandson was born, I had an eye-opening conversation with his doctor about the future cost of health care.

**GRAPHIC:**

Health Savings Account (HSA)

Contribute pre-tax

Pay for eligible medical expenses

Tax free

**BILL:** He recommended that I check into a Health Savings Account. It's similar to a 401(k) because I can contribute to my HSA on a pre-tax basis. Then, when I reach a balance of a thousand dollars, I can choose to invest in a variety of mutual funds. And, if I need to pay for eligible medical expenses in the meantime, the money is available – tax-free.

**GRAPHIC:**

Current HSA savings:

\$10,500

**BILL:** Over the last couple of years, I've been able to save more than \$10,000 in my HSA.

**GRAPHIC:**

Age: 55

Catch-up contribution

+\$1,000

**BILL:** And, since I'm over 55, I can also make what's called a "catch-up contribution" each year -- which is an additional thousand dollars over-and-above my annual contribution limit.

**GRAPHIC:**

Year end balance:

\$18,150

**BILL:** It's nice to know that I'm prepared for the future. Besides, I'd rather be thinking about my grandson and my classic car. I'm Bill, and my Bank of America HSA gives me added comfort as I get closer to retirement.

**GRAPHIC:** Bank of America logo on white background

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### Real-life Scenario Video #3: AMY

#### Family Friendly

#### TRANSCRIPT

February 2020

**GRAPHIC:** Video of 30-something mother of three speaking into camera throughout entire video. Additional copy point are shown on-screen over a white background to highlight points of video.

**AMY :** Sometimes life can be unpredictable for my family of five – so we try to make smart choices about everything – including how we pay for health care.

#### **GRAPHIC:**

Health Savings Account

(HSA)

Prescriptions

Dental care

Eye exams

Eligible health care expenses

**AMY:** That's where our Health Savings Account comes in. An HSA is a health savings account that we can use to spend on things like prescriptions, dental care, eye exams and other eligible medical expenses not covered by our health plan. My sister deserves the credit for this one... she explained that if we had a high deductible health plan, we could lower our monthly premium payments and be eligible to open an HSA.

#### **GRAPHIC:**

Deductible:

\$4,500/yr

**AMY:** We're a high-maintenance crew so I wasn't sure that the high deductible plan made sense.

#### **GRAPHIC:**

Estimated out-of-pocket expenses:

\$2,500

**AMY:** When you factor in doctor visits, prescriptions and the occasional trip to the ER, we could spend around \$2,500 a year out-of-pocket.

#### **GRAPHIC:**

High Deductible Health Plan:

\$420/mo

**AMY:** Now, our new health plan premium is lower. \$420 a month

#### **GRAPHIC:**

Traditional plan:

\$650/mo

- \$420/mo

Gray line to show the difference

\$230/mo

Monthly plan savings:

**AMY:** compared to the \$650 we were spending for a traditional plan – which saves us \$230 a month.

#### **GRAPHIC:**

\$230/mo

+ \$70/mo

Gray line to show savings

\$300/mo

Annual HSA savings:

\$3,600/yr

**AMY:** So, we take the money we're saving plus a little more and put \$300 a month into our HSA.

**GRAPHIC:**

Annual tax savings:  
\$1,260/yr

**AMY:** In taxes alone we're saving more than \$1,200 a year. Plus, as the kids get older, we probably won't spend as much on their health care – so we could save even more in our HSA. It was definitely a smart choice for us! What makes us feel even smarter is that by having a good balance of coverage and savings, we are controlling how our health care dollars are spent. I'm Amy and my Bank of America HSA is a smart choice.

**GRAPHIC:** Bank of America logo on white background

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## Real-life Scenario Video #1: MARIA

### Money Manager

#### TRANSCRIPT

February 2020

**GRAPHIC:** Video of 40-something working professional woman speaking into camera throughout entire video. Additional copy point are shown on-screen over a white background to highlight points of video.

**MARIA:** As a single mom of a “tween-age” daughter, I seem to spend a lot of extra money on things like... “her fashion needs.” Well, after taking her to the dentist last week, we’re seeing braces in our near future.

#### **GRAPHIC:**

Cost of braces:

\$4,800

**MARIA:** And at a price tag of \$4,800, we’re going to need to find a creative way to pay for them. I’ve been doing a little research and I think I’ve found the answer.

#### **GRAPHIC:**

Health Savings Account

(HSA)

Limited Purpose Flexible Spending Account

(LPFSA)

Pre-tax money

Dental

Vision

**MARIA:** My employer offers both a Health Savings Account AND a Limited Purpose Flexible Spending Account. With the LPFSA, I can put pre-tax money aside to pay for dental and vision expenses. This is perfect since braces would definitely be covered.

#### **GRAPHIC:**

LPFSA, gray underneath

Maximum Contribution:

\$2,550

**MARIA:** If I put the maximum amount into my LPFSA next year, then that will cover more than half the cost of my daughter’s braces.

#### **GRAPHIC:**

HSA, gray line underneath

\$3,500

+ \$3,000, gray line underneath to show balance

\$6,500

More than enough

**MARIA:** Then, I can use some of the pre-tax dollars that I’ve been saving in my HSA to pay for the remaining balance. I already have more than \$3,500 in my HSA and I’m planning on adding another \$3,000 next year, which will give me a balance of \$6,500. So between the two accounts, I’ll have more than enough pay for pay for the braces – all pre-tax.

#### **GRAPHIC:**

Health Benefit Spending Account Visa® debit card

Smart card

1. LPFSA
2. HSA

**MARIA:** Here’s how it will work. I’ll get one debit card that has both of my accounts linked to it. And it’s really a smart card, because it already knows to take money from my LPFSA first, and then from my HSA. That’s because the LPFSA has a use-it-or-lose-it rule, and I have to use the money in it before the end of the year or I’ll lose it.

**GRAPHIC:**

HSA, gray line underneath  
“own” it for life

**MARIA:** But with my HSA, I “own” it for life, it continues to have growth potential and I can use funds out of it whenever I need to pay for eligible healthcare expenses. So, when I go to pay for my daughter’s braces, the card will automatically pull the money out of my LPPFA. Then, whatever balance is left will come out of my HSA. Pretty smart, huh? I’m Maria, and my Bank of America HSA and LPPFA are helping me to pay for my daughter’s pearly whites...and maybe we can still have money left for a little retail therapy.

**GRAPHIC:** Bank of America logo on white background

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