**Real-life Scenario Video #1: "Retirement Minded"**
Thom McKinney

Current HSA Savings: $10,500
Catch-up Contribution: $1,000
Year End Balance: $18,150

**SCRIPT**:

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.

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

Over the last couple of years, I've been able to save more than $10,000 in my HSA. 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.
It's nice to know that I'm prepared for the future. (chuckle) 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.

<u>**Written Disclaimers:**</u>

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**Real-life Scenario Video #2: "Long-term Planner"**

High Deductible Health Plan: $ 220 month
HSA Savings: $100 month / $1,200 yr
Qualified Medical Expenses: $300/annually
Projected Savings: $71,152 (30 years/6%)

Demetre, the only thing you need to change in the animation is the number at the very end. It should be $70K instead of $250K.

**SCRIPT: (1:00)**

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. 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.

So, here's my plan… I pay about $220 a month for health insurance. 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.

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

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

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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 products may not be available for your situation. Bank of America and its affiliates are not tax or legal advisers. This calculator is not intended to offer any tax, legal, financial or investment advice and does not assure the availability of or your eligibility for any specific product offered by Bank of America, its affiliates or any other institution, nor does this calculator predict or guarantee the actual results of any investment product. The terms and conditions of products offered by institutions will differ and may affect the results of the calculator. Please consult with qualified professionals to discuss your situation. On calculators which require you to select an anticipated investment return, consideration should be given to factors affecting your potential return such as investment objectives, risk tolerance, and the time horizon for the investment. Remember, past performance is no guarantee of future results.**

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**HSA dollars in your Cash Account are held in a custodial account at Bank of America, N.A. and are FDIC insured to the maximum provided by law. Bank of America, N.A. is a wholly owned subsidiary of Bank of America Corporation. Your investments in mutual funds are held in an omnibus account at the respective mutual fund company in the name of Bank of America, N.A., for the benefit of all HSA accountholders.**

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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 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.**

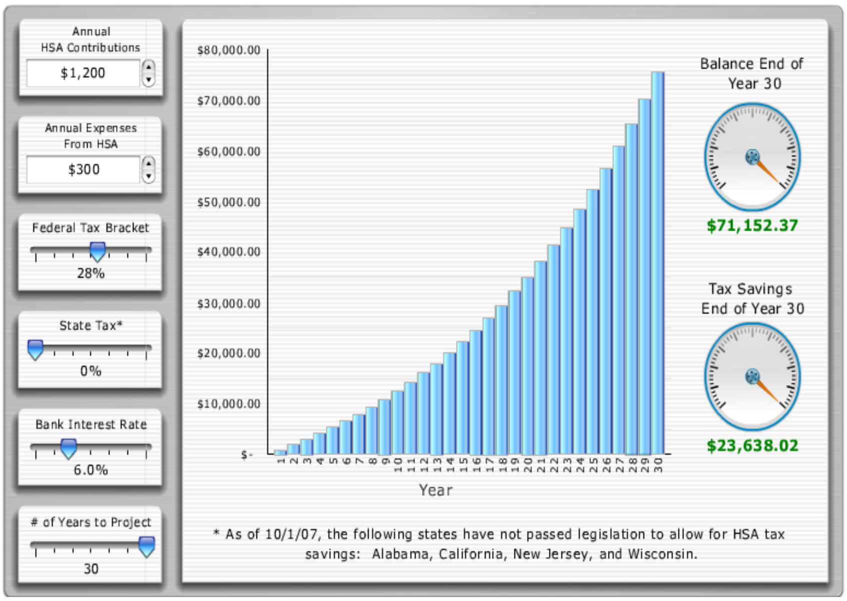
**For certain investment options, the returns reflect subsidies and waivers, without which the results would have been lower than noted. These subsidies and waivers may not continue to remain in effect. Please consult the prospectus for more information.**

For purposes of this video, attached is the calculator used:

**HSA Balance and Tax Savings Calculator** close window

Have you considered an HSA as a tax-deferred savings tool? Would you like to see what your HSA balance could look like over the next 10, 20 or 30 years? Interest compounding on the amounts you would have had withheld as income tax along the way can really help it add up.

Enter your annual HSA contributions and how much you anticipate withdrawing each year to pay for HSA-eligible expenses (medical, dental, vision, etc.). Then, include your tax information and your HSA interest rate to see your possible future balance and tax savings.



**Real-life Scenario Video #3: "Family Friendly"**

Annual Tax Savings: $1,260 year
High Deductible Health Plan: $420 month
Deductible: $4,500
Estimated out-of-pocket expenses: $2,500
Traditional Plan: $650 month
Savings: $300 month / 3,600 yr

Demetre, the numbers are all still the same in the animation :)
If they decide to go with the "healthcare" version vs. the "medical" version, we will just need to update that copy in the animation.

SCRIPT: (1:10)

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. 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.

We're a high-maintenance crew so I wasn't sure that the high deductible plan made sense. 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. Our new health plan premium is lower. $420 a month compared to the $650 we were spending for a traditional plan – which saves us $230 a month.

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

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**Real-life Scenario Video #1: "Money Manager"**

Cost of braces: $4,800
Health Savings Account (HSA)
Limited Purpose Flexible Spending Account (LPFSA)
LPFSA dental and vision
LPFSA Maximum Contribution: $2,550

"Smart Card" w/Debit card image (new from Jenny)

  $3,500
+ $3,000
 $ 6,500

More than enough (transition screen between cuts)

What does she care about?

1. Finding the smartest way to pay for her daughter's braces with out breaking the bank.
2. Taking advantage of pre-tax saving.

SCRIPT:

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. 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. 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. 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.

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.

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. But with 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 LPFSA. Then, whatever balance is left will come out of my HSA. Pretty smart, huh?
I'm Maria, and my Bank of America HSA and LPFSA are helping me to pay for my daughter's pearly whites...and maybe we can still have money left for a little "retail therapy."

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