

INVESTMENT OPTIONS

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Sterling accountholders are paid interest on the funds in their accounts at prevailing bank savings rates.

Current Interest Paid on Sterling Accounts		
INTEREST RATE TABLE*		
February 1, 2020		
<u>Interest Tier</u>	<u>Interest Rate</u>	<u>APY%</u>
\$15,000 or higher	0.45%	0.45%
\$10,000- \$14,999.99	0.30%	0.30%
\$5,000- \$9,999.99	0.20%	0.20%
\$500- \$4,999.99	0.10%	0.10%
<i>*Interest rates are subject to change</i>		

Sterling accountholders have tremendous latitude in choosing how to invest the funds in their health savings account. Many investment asset classes are allowed under IRS regulations as illustrated below

Investment Asset Class	
Large Cap Value	Index
Large Cap Blend	Fixed Income
Large Cap Growth	Lifestyle
Mid Cap Growth	Money Market
Mid Cap Value	Real Estate
Small Cap Growth	Small Cap Value

Self-Directed Investment Options

To self-direct investments, Sterling accountholders may transfer funds in their HSA account to a joint brokerage account titled "Sterling Administrator For The Benefit Of (Name Of Sterling Accountholder)". Once the joint brokerage account has been set up and the accountholder has completed a Sterling Transfer of Assets Form, Sterling will transfer funds from the HSA account to the joint brokerage account.

Remember, there is a minimum balance requirement of \$20 which must be kept in your HSA. The monthly maintenance fee on the HSA account will continue to be charged, for this reason we ask you to also leave a minimum of one year's worth of fees in your HSA, or Service Fee Balance. An annual fee of \$16 will also be charged for the outside investment account. Sterling recommends all accountholders keep an amount equal to their annual deductible or out-of-pocket maximum in their HSA account at a minimum. Additional brokerage fees may apply. Check with your broker-dealer for details.

TD Ameritrade Arrangement for Sterling Accountholders

Through Sterling, accountholders can choose to open a self-directed brokerage account with TD Ameritrade and self-manage HSA investment accounts. This special arrangement with TD Ameritrade offers Sterling accountholders:

- Discounted trading costs for equity and mutual fund trades.
- Access to a large selection of no-load mutual fund strategies and managers.
- Total control and flexibility in trades for their own account (within IRS regulations for the types of investments allowed through an HSA).

Remember that Sterling does not provide brokerage services, nor do we control or manage the website content, privacy or security policies of TD Ameritrade. Review the TD Ameritrade services and policies before opening a brokerage account.

All HSA contributions must first be made to your Sterling account before any funds can be transferred to the TD Ameritrade brokerage account investment option (for accurate IRS reporting).

To Open a Self-directed HSA Investment Account with TD Ameritrade:

- Download and complete this TD Ameritrade account agreement for self-directed brokerage accounts. Note that the Plan ID number on the agreement identifies you to TD Ameritrade as a Sterling health savings accountholder. Fax the completed account agreement to Sterling at 877-517-4729, or you can email the signed application to selfdirectedaccounts@sterlingadministration.com.
- Complete a Sterling Transfer of Assets Form authorizing Sterling to transfer funds from the HSA account to the joint brokerage account. You may fax this form to Sterling at 877-517-4729 or email it to selfdirectedaccounts@sterlingadministration.com.
- Once the TD Ameritrade account has been set up, TD Ameritrade will send a welcome kit with your brokerage account number and other information.
- Be sure to review the TD Ameritrade client agreement and privacy statement.

For more information on TD Ameritrade self-directed brokerage accounts, call 866-766-4015 or view the product demo at www.tdameritraderetirement.com/demo.

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