

# HEALTH SAVINGS ACCOUNTS (HSA): SELF-DIRECTED INVESTMENT OPTION

## INVESTMENT RATES AND ASSET CLASSES

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, 2021

Interest Tier	Interest Rate	APY%
\$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%

\*Interest rates are subject to change

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

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## SELF-DIRECTED INVESTMENTS

To self-direct investments, Sterling account holders may transfer funds in their HSA account to a joint brokerage account titled Sterling Administrator For The Benefit Of (Name Of Sterling Accountholder).

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.

## CHARLES SCHWAB ARRANGEMENT

Through Sterling, accountholders can choose to open a self-directed brokerage account with Charles Schwab and self-manage HSA investment accounts. This special arrangement with Charles Schwab 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 Charles Schwab. Review the Charles Schwab 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 Charles Schwab brokerage account investment option (for accurate IRS reporting).

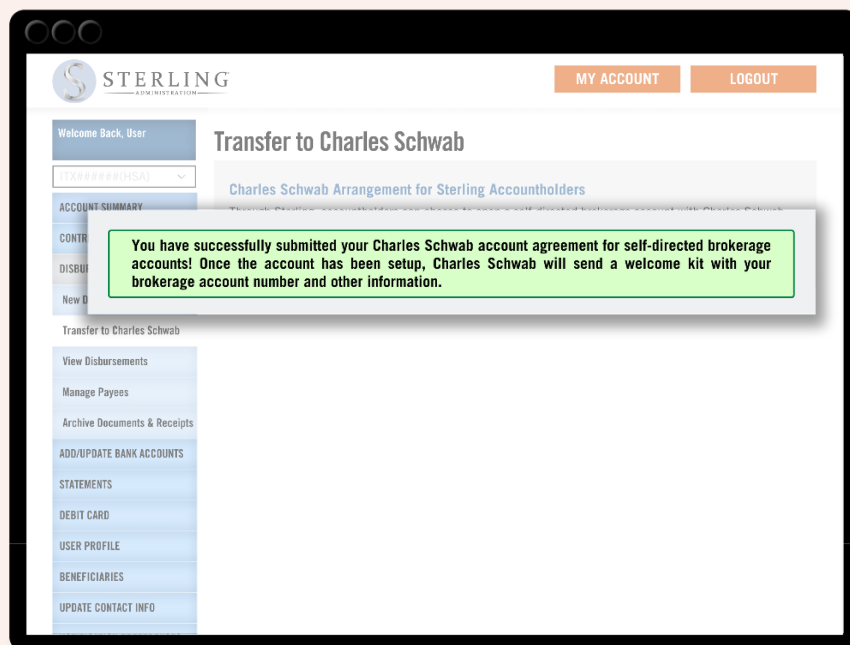
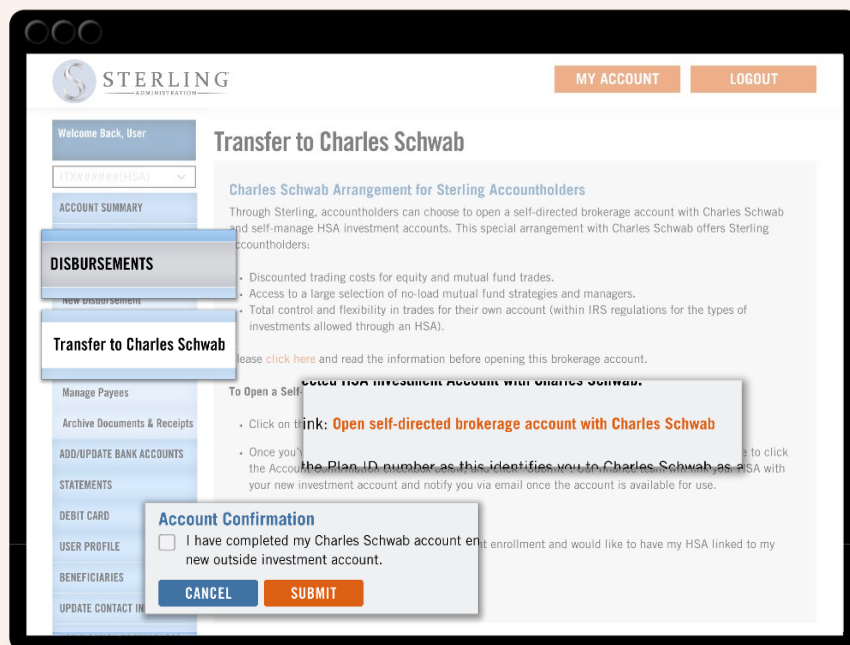
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## OPENING A SELF-DIRECT INVESTMENT ACCOUNT:

**1** Login to your Sterling portal [HERE](#). Under HSA, click **Disbursement**, then **Transfer to Charles Schwab**.

**2** Click the orange **Open Account** link. Download the form, complete, and upload. Confirm and **Submit Form**.

**3** Sterling will link your HSA to your new investment account directly. *Standard Processing Time: 2-5 Business Days.*



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## TRANSFERRING FUNDS:

**1** Once your investment account setup is complete you may proceed with funds transfer for investment. Login to your Sterling portal [HERE](#) and return to the **Transfer to Charles Schwab** page.

**2** Enter the amount, click **Continue**. Confirm your authorization and click **Make Transfer**.

**3** Funds will be queued for transfer. *Standard Processing Time: 3-4 Business Days.*

The screenshot shows the Sterling Administration portal. On the left is a navigation menu with options: Welcome Back, User; ACCOUNT SUMMARY; CONTRIBUTIONS; DISBURSEMENTS; New Disbursement; Transfer to Charles Schwab; View Disbursements; Manage Payees; Archive Documents & Receipts; ADD/UPDATE BANK ACCOUNTS; STATEMENTS; DEBIT CARD; USER PROFILE; BENEFICIARIES; and UPDATE CONTACT INFO. The main content area is titled 'Transfer to Charles Schwab' and includes a 'New Transfer' section. Under 'Payment Details', it shows 'HSA Available Balance: \$#.##' and 'Charles Schwab Balance: \$#.##'. A note states: 'This process will transfer funds from your Sterling Account to your Charles Schwab Account. 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 on one year's worth of fees in your HSA, or Service Fee Balance. Note: If there is no Charles Schwab Account Number shown below, we are still in the progress of setting up your account. No transfer can be made until completion. \*Charles Schwab Account Number'. A modal box is overlaid on the page, asking for the '\*Transfer Amount' with a text input field and a 'CONTINUE' button.

This screenshot shows the same 'Transfer to Charles Schwab' page, but with a success message overlay. The message reads: 'Funds Transferred Successfully! It will take 3-4 business days to see the funds in your brokerage account. Confirmation Number: #####'. At the bottom of the overlay, it provides contact information: 'Phone: (800) 617-4729' and 'Email: HSA@SterlingAdministration.com'. The background page content remains the same as in the previous screenshot.



**TIP**

No **Continue** button? Your account setup is still in progress and will be completed soon!  
*Standard Processing Time: 2-5 Business Days.*