

## Account Opening FAQs for Health Savings Account (HSA) Applicants

### **Q: What processes does Wells Fargo follow to open and maintain an HSA?**

A: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account, including an HSA. Therefore, when an employee seeks to open an HSA, Wells Fargo asks the employee or, where authorized by the employee, the employer or another third party agent, for the employee's name, address, date of birth, country of citizenship, and other information that will allow us to verify the identity of the employee.

If Wells Fargo is not able to verify the employee's identity, we may contact the employee, or his/her authorized agent, for additional information such as copies of a driver's license, W-2, I-9 or other identifying documents, in order to verify the employee's identity.

In addition, Wells Fargo policies and procedures require us to further screen Wells Fargo accountholders and accounts, including HSAs, at account opening and thereafter. We screen to reduce the number of fraudulent accounts and /or transactions, identify unusual or suspicious activity, to prevent access to financial information and accounts by unauthorized persons, and other business reasons.

Our processes and procedures for identity verification and screening are risk based, proprietary and confidential. We can advise that Wells Fargo uses information from various sources (in some circumstances, credit reports and public databases) to verify an individual's identity and screen accounts, including HSAs, for risks.

If we cannot verify the identity of an employee to our satisfaction or if an employee or an account poses undue risk to Wells Fargo, Wells Fargo may deny or close an account. Because we take seriously our obligation to protect the privacy of all account applicants and accountholders, we do not share the reason for denying or closing a particular account with an employer, broker, or carrier.

### **Q. What can I do to ensure that my employees' accounts are opened as quickly as possible?**

A. If you are submitting data as the agent for your employee, validate that the data you are submitting for your employees is accurate. Misspelling of names or transposing SSN digits can result in additional documentation being required prior to opening the account. Also, have I-9s and W-2s available if requested and inform your employees that Wells Fargo might contact them to request additional information.

**Q. Does the account opening screening process adversely affect an HSA applicant's credit report?**

- A. No. The account opening screening process will not be reflected on the customer's credit report when other financial institutions are making similar queries.

However, if the customer orders a credit report of their own, the inquiry Wells Fargo makes will show on the credit report. This allows them to track attempts by any financial institution which attempts to open accounts with their SSN. This does not impact the customer's credit score.

**Q. Can I send a contribution while an application is pending?**

- A. No. Contributions submitted through *Commercial Electronic Office® Health Benefit Services (CEO® HBS)* for pending or declined accounts will be rejected. Employers should use the Enrollment Report on *CEO HBS* to verify an applicant's status before submitting contributions.

Failed contributions submitted by electronic file transmission or US Mail will be held. If the account is not opened within 15 days or the application is declined, we will notify the employer and return the funds to them.

**Q. How will we communicate that an applicant is declined for an HSA or their account is closed?**

- A. In either case, a notification letter is sent to the applicant or accountholder. The HSA Customer Service Center is available to assist accountholders with any questions. Employers can also review status on the HSA Enrollment Report on *CEO HBS*.

**Q. How are funds returned if an account is closed?**

- A. If an account is closed, any funds in the account will be returned to the accountholder by check.

**Q. Does Wells Fargo open HSAs for Non-Resident Aliens?**

- A. At Wells Fargo, an HSA accountholder must be a US citizen living in the US or a Resident Alien.

**Q. Are new employer clients screened as well?**

- A. Yes, Wells Fargo conducts a similar screening process for new employer clients wishing to begin an HSA program. This includes collecting the employer's name, address, and Federal Tax Identification Number. Wells Fargo conducts standard due diligence review for all new business clients.