

## Disclosures and Account Agreement

# CMA<sup>®</sup> Financial Service Cash Management Account<sup>®</sup>

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***The following pages contain the disclosures and agreement governing your CMA Account, including disclosures required by federal law.***

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# Agreement and Program Description

## 1. INTRODUCTION

This Agreement and Program Description (“Agreement”), as amended from time to time by Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill Lynch”), sets forth the terms and conditions governing the Cash Management Account® (CMA®) financial service (“Service”). After you open an account, you will receive a welcome kit, which includes confirmation about the account features and services you have selected as well as other important disclosures. The Service is an integrated financial service linking two components: (1) securities brokerage services; and (2) Cash Management Services including the Visa® deferred debit card and check writing features. Although these Cash Management Services are intended to provide you with access to assets in the account, CMA Accounts are not bank accounts. In addition, the Service includes the CMA Master Financial Service consisting of: (1) a Master CMA Account established with the services described above; and (2) one or more CMA SubAccounts®. CMA SubAccounts have the same investment capabilities as CMA Accounts, but do not offer Visa cards, check writing and certain optional services. CMA SubAccounts are also charged a different annual account fee and may be used to segregate investments (for another family member, for instance, or for a specific purpose such as college funding). For more information on fees, see the Appendix.

Certain aspects of the Service, such as Checks, Cards, and/or the Margin Lending Program, may not be available for Accounts that are enrolled in an investment advisory program or are in the process of enrolling in an investment advisory program. Additionally, your ability to direct trades and purchase securities in your Account

may be limited if your Account is enrolled in an investment advisory program or in the process of enrolling in an investment advisory program. The services provided by, and the terms and conditions of, the investment advisory program you select will be described in separate documentation.

Once you have established a CMA Account and we have your signed and returned Client Relationship Agreement, you may be eligible to open additional CMA Accounts and/or enroll in optional services at a later date without completing a new Client Relationship Agreement. Please see the Client Relationship Agreement for more details.

You agree to read this Agreement and retain a copy for your records. You acknowledge receipt of the Merrill Lynch Bank Deposit Program Disclosure Statement, Appendix: CMA Account Fees, the Margin Truth-in-Lending Disclosure Statement and the Securities-Based Loan Disclosure Statement, if applicable, all of which are referred to as the “Documents” for purposes of this Agreement. The Documents, which contain additional terms governing the Service, are incorporated into this Agreement and made a part hereof. Unless the context otherwise requires, the term “Agreement” shall include the Documents, as amended from time to time by Merrill Lynch. You certify that all information you provide in connection with the establishment of your accounts, including in reference to checks and Visa cards, is true and correct and that Merrill Lynch and the Banks may rely on and verify such information. Unless otherwise indicated, the Agreement applies to CMA Accounts. Merrill Lynch offers CMA Accounts, as well as various products and services, through different service models, including the client self-directed and full-service channels. Based on the service model, the same or similar account, product or service may vary in its price or fees charged to clients.

## 2. DEFINITIONS

In this Agreement:

**“Account Value”** means the value of cash, Bank Deposits, and long market value of securities held as part of the Statement Link.

**“ACH”** means Automated Clearing House. The ACH Network is a nationwide electronic payment system used to transfer funds between participating financial institutions.

**“Agreement”** means the CMA Financial Service Cash Management Account Disclosures and Account Agreement and the Documents as amended from time to time.

**“Authorized cardholder(s)”** means the cardholder(s) selected by you on the Additional check and/or Visa card Authorization and Agreement Form to have a Visa card that is attached to your CMA Account. Authority includes the power, on your behalf, to use credit/charge cards and execute sales drafts or cash advance drafts on your CMA Accounts and borrow money from Merrill Lynch’s affiliate should an overdraft advance be made through your CMA Account.

**“Availability Delay”** means the amount of time before a deposit to your CMA Account will become available for the Sweep Program or to pay Disbursements and other amounts due.

**“BA-CA”** means Bank of America California, N.A., its successors or assigns.

**“BANA”** means Bank of America, N.A., its successors or assigns.

**“Banks”** means BANA, BA-CA, MLBTC and any other affiliated depository institutions participating from time to time.

**“Bank Deposits”** means the MLBDP, ISA, International Bank Variable Rate Deposit Facility and Preferred Deposit.

**“BTA”** means Bank Transaction Account.

**“Business Day”** means any day in which both the New York Stock Exchange and New York banks are open for business.

**“Card”** or **“Card(s)”** means a Merrill Lynch CMA Access® Visa® Debit card(s) issued by BANA for use with the CMA Account.

**“Cash Balance”** means any uninvested cash balance resulting from incoming receipts such as check deposits, cash deposits, ACH deposits, Fedwire® receipts or the proceeds from the sale of securities. This is also known as your free credit balance.

**“Cash Management Services”** means services such as bank deposit programs available through the Sweep Program, check writing, Visa debit card and ACH.

**“Checks”** means checks provided by Merrill Lynch for use with the CMA Account.

**“CMA Account”** means a Cash Management Account established for you, which is either a cash account or, if you elect, a margin account.

**“CMA Master Financial Service”** means the service that consists of a Master CMA Account and one or more related CMA SubAccounts.

**“CMA SubAccount”** means the underlying accounts, tied to a CMA Master Account, established as part of the CMA Master Financial Service.

**“CMAT”** means CMA for Trust. A CMA for Trust Account is a CMA Account that holds personal trust assets.

**“Customer,” “Client,” “You,” “Your”** or **“Yours”** means the individual(s) entering into this Agreement.

**“DDA”** means Demand Deposit Account.

**“Deposit Account”** means the BTA and MMDAs established through the Merrill Lynch Bank Deposit Program.

**“Disbursement Priority”** means the order in which available cash, Money Account balances or credit facilities are used to pay for Disbursements.

**“Disbursements”** means the items paid from the CMA Account and includes Visa transactions, checks, cash advances, Fedwire and ACH transactions and similar items.

**“FDIC”** means the Federal Deposit Insurance Corporation.

**“FTS”** means “The Funds Transfer Service.” FTS provides clients a way to move money by phone or through MyMerrill® at no charge. Clients can move money between eligible Merrill Lynch accounts or between eligible Merrill Lynch accounts and non-Merrill Lynch accounts such as checking, savings or money market deposit accounts at their bank, savings association or credit union.

**“Investment Advisory Service”** means one of the managed money services made available from time to time by or through Merrill Lynch or an affiliated company.

**“ISA”** or **“ISA Program”** means the Insured Savings Account.

**“LMA”** means the Loan Management Account® credit facility provided by BANA.

**“Master CMA Account”** means the CMA Account designated as the Master Account in the CMA Master Financial Service.

**“Merrill Lynch”** means Merrill Lynch, Pierce, Fenner & Smith Incorporated, its successors and/or assigns.

**“Merrill Lynch Bank Deposit Program,” “MLBDP”** or **“MLBD Program”** is available through the Sweep Program. MLBDP balances may receive a tiered interest rate based on the total value of a Statement Link. MLBDP balances are held in specified deposit accounts established for you by Merrill Lynch as your agent with BANA and/or BA-CA for the CMA Account. Deposits in the Merrill Lynch Bank Deposit Program are insured by the FDIC for up to \$250,000 per depositor, per ownership category, per bank.

**“MLBTC”** means Merrill Lynch Bank and Trust Company (Cayman) Limited, an affiliated bank incorporated in the Cayman Islands.

**“MMDA”** means Money Market Deposit Account.

**“Money Accounts”** means the Merrill Lynch Bank Deposit Program and the ISA Program. For non-U.S. residents that are also non-U.S. citizens, “Money Accounts” means the International Bank Variable Rate Deposit Facility.

**“PIN”** means personal identification number.

**“Primary Money Account”** means the automatic sweep of Cash Balances into the MLBDP or for non-U.S. resident clients who are also non-U. S. citizens,

the Primary Money Account means the MLBDP or the International Bank Variable Rate Deposit Facility.

**“Purchasing Power”** means the amount available for cash management transactions, securities purchases or Disbursements.

**“Secondary Money Account”** means a Money Account that is available for deposit by contacting your financial advisor. A Secondary Money Account provides automatic withdrawal to cover Visa charges, checks and other cash management transactions, including security purchases when your Primary Money Account is depleted.

**“Securities and Other Property”** includes, but is not limited to, money, securities, securities entitlements, financial assets, investment property, financial instruments and commodities of every kind and nature, and all contracts and options relating thereto, whether for present or future delivery. This includes Securities and Other Property currently or in the future held, carried or maintained by us or by any of our affiliates, in our possession or control (or the possession or control of our affiliates) for any purpose, for any of your accounts now or in the future opened, including any accounts in which you may have an interest.

**“Service”** means the CMA Financial Service.

**“SIPC”** means the Securities Investor Protection Corporation.

**“SMDIA”** means the Standard Maximum Deposit Insurance Amount.

**“Statement Link”** means the accounts that have been linked for valuation and mailing purposes. You are able to link eligible Merrill Lynch accounts together for valuation and other purposes, such as the ability to have all of your statements packaged in one envelope, offering convenience and effective account management.

**“Stock Borrow Charge”** or **“SB Charge”** refers to a premium charged for borrowing certain securities in connection with short sale transactions.

**“Sweep Program”** means the automatic deposit of available Cash Balances into the Primary Money Account as well as an automatic withdrawal to cover Visa charges, checks and other cash management transactions, including security purchases.

**“TMA account”** means Trust Management Account.

### 3. SUBSCRIPTION TO THE SERVICE

To open an account (includes CMA Account, CMA SubAccount or CMAT), you must provide certain information about yourself and other account holders. Once you have provided this information and completed a Client Relationship Agreement, you may be eligible to open or activate new accounts or certain services without completing additional documentation. If you need a copy of our Client Relationship Agreement, call your financial advisor or 800.MERRILL (800.637.7455), or visit your nearest Merrill Lynch branch office. You may open a CMA Account with a minimum of \$20,000 in any combination of cash and securities (\$2,000 for CMA SubAccounts). For certain group plans and special accounts, the minimums may be different.

You may only open CMA SubAccounts for yourself or with members of your household who reside at your address and share a Merrill Lynch financial advisor. Unless you indicate otherwise, all CMA SubAccount statements and notices will go to the mailing address we have on record for your Master CMA Account. In addition, to the extent confirmed to you when your CMA SubAccount was established, you authorize Merrill Lynch to accept instructions from the CMA Account holder for the transfer of any cash and securities between such accounts. If an erroneous transfer is made, you authorize us to initiate appropriate corrections. These authorizations will remain in effect until we are notified otherwise in writing. Merrill Lynch will establish accounts for you with BANA or any successor processing bank for cards, for check clearing, incoming Fedwires and receiving ACH transactions. Merrill Lynch reserves the right to alter or waive the conditions of subscription to the Service and also reserves the right to reject any application to subscribe to the Service or any of its features for any reason.

### CMA ACCOUNT FOR TRUST

Merrill Lynch understands that trustees have unique needs. Through the U.S. Trust Company division of BANA, we offer a full range of fiduciary services. We also offer trust services directly to our CMAT clients. You can enroll your CMAT in the Trust Administrative Advantage service. Through this service, U.S. Trust Company provides trust accounting, fiduciary income tax preparation and bill payment services, as well as other trust-related

services. You can access the U.S. Trust Company's elder care services provider at preferred prices. Through this service you can gain access to a national provider of comprehensive long-term-care services for beneficiaries. You can access our historical pricing and valuation service (described within) to assist you in the valuation of trust assets for gift, estate tax or other administrative purposes. Call your financial advisor for more information about these services.

### 4. SECURITIES BROKERAGE SERVICES

#### (A) GENERAL

The CMA Account may be used to purchase, sell and hold securities and other investments available from or through Merrill Lynch. Trades are made through your financial advisor upon your instructions. If the CMA Account includes the Margin Lending Program, it may also be used to purchase and sell securities on credit or to obtain loans based on the current margin loan value of securities in the CMA Account. Whether or not the Account is a margin account, Merrill Lynch shall have all of the legal rights of secured credit with respect to the CMA Account, including the rights described in Section 5(A).

#### (B) SIPC PROTECTION

The securities and cash that Merrill Lynch holds in your CMA Account are protected by the SIPC. If a U.S. broker-dealer fails, SIPC funds are available to make up for any shortfall of clients' assets that the broker-dealer was required to maintain — up to a maximum of \$500,000 per client for securities, inclusive of up to \$250,000 per client for cash. In addition, Merrill Lynch has obtained "excess-SIPC" coverage from a Lloyd's of London syndicate for large client accounts. This policy provides further protection (including up to \$1.9 million for cash) for customers who have received full SIPC limits, subject to an aggregate loss limit of \$1 billion for all customer claims. SIPC and the excess coverage do not protect against investment losses from market action. You may obtain further information about the SIPC, including the SIPC brochure, via the SIPC's website at [sipc.org](http://sipc.org) or by calling the SIPC at 202.371.8300.

Each account held by a separate customer (as defined by applicable law) is treated separately for purposes of SIPC protection.

### **(C) DIRECT REINVESTMENT SERVICE**

By enrolling in the Direct Reinvestment Service, you can have dividends from all New York Stock Exchange, American Stock Exchange and Nasdaq Stock Market-listed stocks and most mutual funds automatically reinvested into more shares of the same stock or fund without commission charges. Call your financial advisor or 800.MERRILL (800.637.7455) for more information on this service.

### **(D) CUSTODY OF SECURITIES**

Merrill Lynch will hold all securities for the CMA Account in a control location acceptable to the U.S. Securities and Exchange Commission (SEC), which may include, but is not limited to: (i) a securities depository, such as the federally regulated Depository Trust Company for U.S. issuers and Euroclear for European issuers; (ii) a Federal Reserve member bank; or (iii) a mutual fund's transfer agent. Securities are commingled in a Merrill Lynch book-entry account, generally held in nominee name at the control location, along with securities belonging to other Merrill Lynch customers. Your securities will at all times be separately identified on the books and records of Merrill Lynch as belonging to you, and Merrill Lynch will provide you with statements that reflect your holdings. This method of custody, which has significantly increased efficiencies and reduced the risks associated with holding customer securities, is used by all major banks, trust companies and brokerage firms, and has been recognized as providing unsurpassed safety for holders of securities. With regard to the custody of your securities, Merrill Lynch acts as your agent and transmits your instructions through the appropriate control location. Where securities are not held in nominee name, the issuer or control location, as appropriate, recognizes Merrill Lynch as your agent and honors instructions provided by Merrill Lynch on your behalf.

### **(E) DELIVERY OF SECURITIES AND PAYMENTS**

When buying or selling securities, there are two key dates involved in the transaction. The first date is the trade date, which is the date that the order is executed. The second is the settlement date, at which time the transfer of ownership passes from the seller to the buyer. Typically, the settlement date is the day when payment is due for purchases

or when securities are due for sales. Unless you are enrolled in our Margin Lending Program, trades must be conducted on a "fully paid basis," meaning they must be paid in full on the settlement date. If you wish to trade on margin, your account must be enrolled in our Margin Lending Program. If payment is not received promptly, Merrill Lynch will liquidate the position unless an extension is obtained. Under exceptional circumstances and subject to Merrill Lynch's rights to liquidate, Merrill Lynch, on your behalf, may (in its sole discretion) apply for an extension from a regulatory organization. If Merrill Lynch does so, you will be charged an extension fee. If the position is liquidated, you will be responsible for any resulting deficiency, fees and late charges. Fees will be automatically debited from the CMA Account and are subject to change. If you elect to take delivery of securities, the account statement will evidence delivery once they have been mailed to you. If you do not receive them, you agree to notify Merrill Lynch promptly so that replacement proceedings can begin. If you fail to notify Merrill Lynch within six months of the delivery date shown on the account statement, you will be responsible for replacing the securities through the transfer agent and will have to pay all costs.

Securities purchased will be held in the CMA Account unless you request delivery to you or your designee, in which case Merrill Lynch will forward your instructions to the company's transfer agent after payment is received. Delivery normally takes several weeks after the purchase has been settled and fully paid for. Delivery of securities may not be available for issues that are held in book-entry form. Depending on the issuer, you may have the option of taking delivery of a security to be held in direct registration with the issuer's transfer agent.

### **(F) SECURITY INTEREST**

Whether or not the CMA Account is a margin account, all Securities and Other Property in any account, now or hereafter held, carried or maintained by Merrill Lynch or by any of its affiliates in Merrill Lynch's possession and control, or in the possession and control of any such affiliate, for any purpose, in or for any account of yours, now or hereafter opened, including any account in which you may have an interest (other than retirement accounts, such as IRAs),

shall be subject to a lien for the discharge of all the indebtedness and other obligations of you to Merrill Lynch and are held by Merrill Lynch as security for the payment of any liability or indebtedness of you to Merrill Lynch in any of said accounts. Securities and Other Property held in retirement accounts, such as IRAs, are not subject to this lien and are not used as security for the payment of your obligations or indebtedness for other accounts you maintain with Merrill Lynch. Merrill Lynch, subject to applicable laws, without giving you prior notice, shall have the right to use and/or transfer Securities and Other Property so held by Merrill Lynch from or to any of the accounts of yours whenever, in its judgment, Merrill Lynch considers such a transaction necessary for its protection. In enforcing its lien, Merrill Lynch shall have the discretion to determine which Securities and Other Property are to be sold and which contracts are to be closed. All Securities and Other Property will be treated as financial assets under Article 8 of the New York Uniform Commercial Codes.

#### **(G) PRIVACY**

You understand that Merrill Lynch shares information with its affiliates and the Banks in accordance with our privacy policies. For more information on how and why we can share information, please read our "U.S. Consumer Privacy Notice" by visiting [ml.com/privacy](https://ml.com/privacy). You may also ask your financial advisor or read the Client Relationship Agreement for more information.

#### **(H) SPECIAL PROVISIONS FOR FDIC DEPOSIT INSURANCE COVERAGE**

If you have opened a Merrill Lynch account that holds bank deposits on your behalf or on behalf of the beneficial owners of the assets in the account, you, as the account holder or representative, must be able to provide information, in the event of adverse circumstances, about your ownership of the deposits or information regarding the interests of the beneficial owner(s) or beneficiaries to Merrill Lynch in accordance with the FDIC's requirements.

In the event of adverse circumstances, you agree to:

- Cooperate fully with us and the FDIC in connection with determining the insured status of funds in such accounts at any time;

- Provide promptly the necessary data in the required format.

In the event of bank failure, the FDIC would be appointed as receiver and a hold would be placed on your account so that the FDIC can conduct the deposit insurance determination; that hold will not be released until the FDIC obtains the necessary data to enable the FDIC to calculate the deposit insurance. You understand and agree if you do not provide the necessary data to Merrill Lynch in a timely manner, it may result in a delay in receipt of insured funds and your ability to transact with these funds.

### **5. LENDING SERVICES**

#### **(A) MARGIN LENDING PROGRAM**

##### **ii) Margin requirements and credit charges.**

Our Margin Lending Program allows you to borrow against the value of eligible securities in your CMA Account. Merrill Lynch maintains the right, in our sole discretion at any time and without prior notice to you, to determine which securities are eligible to borrow against. We may refer to the program as the Margin Lending Program. You can use a margin loan to buy securities or sell securities "short," or as a source of credit for purchases using your CMA Visa card or checks. If enrolled in the Margin Lending Program, you agree to maintain such Securities and Other Property in your account as required by Merrill Lynch. You agree that your monthly margin loan balance shall be charged interest at a rate permitted by the laws of the State of New York. If interest charges are not paid at the close of a charge period, they will be added to the opening balance for the next charge period. Interest will then be charged upon the entire opening balance of that next charge period. Currently, you can borrow up to 50% of the market value of most exchange-listed stocks in your CMA Account or CMA SubAccount. A greater or lesser percentage of the value of bonds and other types of investments is available. With margin lending, you pay interest only on the amount you borrow. Payments are not required as long as your account meets minimum equity requirements. There are no filing fees, application fees or points.

You must keep a minimum of \$2,000 in equity in your CMA Account to remain eligible for margin lending. In general, you may enroll only one account. Certain fiduciary accounts, such as custodial accounts, are not eligible for this program. Margin requirements are subject to change and may vary depending upon factors such as security type, market price and concentration. Certain internet-related and other volatile securities and holders of controlled and restricted securities may be subject to higher initial equity and maintenance requirements. Merrill Lynch may change initial equity and maintenance requirements at any time without notice. Borrowing against tax-exempt bonds, tax-exempt municipal funds and tax-exempt unit investment trusts may involve the loss of the interest deduction from taxable income. You should check with your tax advisor before borrowing against tax-exempt investments or having them priced in your account. If the account holders are enrolled in the Margin Lending Program, all account holders further agree that all Securities and Other Property that Merrill Lynch may be holding for any of them, either in this account or otherwise, shall be subject to a lien for the discharge of obligations of this account to Merrill Lynch. Such lien is in addition to any rights and remedies Merrill Lynch may otherwise have.

**[ii] Security interest in favor of Merrill Lynch.**

Whether you enroll in the Margin Lending Program or not, the following additional provisions will apply to your account.

- You agree that at all times you are liable for the payment of, and agree to pay on demand, any debit balance or other obligations owing in any of your accounts at Merrill Lynch. You are liable for any deficiency remaining in such accounts in the event of the liquidation thereof, in whole or in part, by us or by you.
- You agree that to the extent permitted by New York law, Merrill Lynch shall collect from you reasonable costs and expenses of collection of any such debit balance(s) and any unpaid deficiency in your account, including but not limited to attorneys' fees, that Merrill Lynch incurs or pays in connection with such efforts. You agree that all Securities and Other Property in any account — margin or cash — in which you have an interest, or which at any time are

in your possession or under your control (other than retirement accounts, such as IRAs), shall be subject to a lien for the discharge of all your indebtedness and any other obligations that you may owe to Merrill Lynch and are held by us or our affiliates as security for payment of any indebtedness or obligations to Merrill Lynch in any of your accounts with us, including accounts in which you have an interest.

- Securities and Other Property held in retirement accounts, such as IRAs, are not subject to this lien and are not used as security for the payment of your obligations or indebtedness for other accounts, cash or margin you maintain with Merrill Lynch.
- Merrill Lynch, subject to applicable laws, retains the right to transfer Securities and Other Property between accounts without giving prior notice whenever, in our judgment, we consider it necessary for our protection.
- In enforcing our lien, we shall have the discretion to determine which Securities and Other Property are to be sold and which contracts are to be closed.
- All Securities and Other Property will be treated as financial assets under Article 8 of the New York Commercial Codes.

**[iii] Calls for additional collateral-liquidation rights**

**(a) Merrill Lynch has the right to make a margin or maintenance call and require additional collateral:**

- 1. In accordance with our general policies on maintenance requirements for margin lending, which may be modified, amended or supplemented from time to time;**
- 2. If in our discretion we consider it necessary for our protection at an earlier or later time than called for in the general policies;**
- 3. In the event that a petition in bankruptcy or for appointment of a receiver is filed by or against you;**
- 4. If an attachment is levied against your accounts; or**
- 5. In the event of your death.**



(b) **If you do not provide additional collateral as we may require for 1 and 2 within section 5(A) (iii) (a), or should an event described in 3, 4 or 5 within section 5(A) (iii) (a) occur (whether or not Merrill Lynch elects to require additional collateral), you agree that Merrill Lynch may:**

- 1. Sell any or all Securities and Other Property in your accounts with us or any of our affiliates, whether carried individually or jointly with others;**
- 2. Buy any or all Securities and Other Property which may be short in such accounts; and**
- 3. Cancel any open orders and close any or all outstanding contracts.**

**We may exercise any or all of these rights without further demand for additional collateral, or notice of sale or purchase, or other notice or advertisement. Any such sales or purchases may be made at our discretion on any exchange or other market where such business is usually transacted, or at public auction or private sale; and we may be the purchaser for our own account.**

**You agree that our giving of any prior demand or call or prior notice of the time and place of such sale or purchase shall not be considered a waiver of our right to sell or buy without any such demand, call or notice as provided in this agreement.**

**[iv] Payment of indebtedness upon demand.**

You agree that at all times you are liable for the payment of, and agree to pay on demand, any debit balance or other obligations owing in any of your accounts at Merrill Lynch. You are liable for any deficiency remaining in such accounts in the event of the liquidation thereof, in whole or in part, by us or by you.

**[v] Liability for costs of collection.** To the extent permitted by the laws of the State of New York, you agree to pay Merrill Lynch the reasonable costs and expenses of collection, including attorneys' fees, for any debit

balance and any unpaid deficiency that you owe. You agree that to the extent permitted by New York law, Merrill Lynch shall collect from you reasonable costs and expenses of collection of any such debit balance(s) and any unpaid deficiency in your account, including but not limited to attorneys' fees, that Merrill Lynch incurs or pays in connection with such efforts.

**[vi] Pledging and lending assets.** If you enroll in the Margin Lending Program, you agree that we have the right, subject to limitations under applicable laws, rules and regulations, to pledge or re-pledge Securities and Other Property in your accounts, either separately or in common with other such Securities or Other Property, and for any amount due in your account, or a greater amount. We may do so without notice to you and without retaining in our possession or under our control for delivery a like amount of similar Securities or Other Property. In return for extending credit to you under the Margin Lending Program, you acknowledge and agree that we may lend, either to Merrill Lynch or to others, the securities in your account (along with all attendant rights of ownership), to the extent not prohibited by applicable laws, rules and regulations. You understand that we may receive and retain certain benefits to which you will not be entitled in connection with such loans. You agree that, in certain circumstances, such loans could limit your ability to exercise voting rights, in whole or in part, with respect to the securities lent. In addition, you acknowledge that, in using certain securities in your account for, among other things, settling short sales and lending the securities for short sales, we may receive compensation in connection therewith.

**[vii] Stock Borrow Charges.** Effective August 7, 2017, if you short a stock that is in limited supply (i.e., "in demand"), you may be charged a SB Charge for borrowing that security. Whether there is a SB Charge for a particular security, and the relevant rate for the SB

Charge, depend on various factors, including, but not limited to, the availability of that stock based on supply and demand in the lending market at that time, the size of the transaction, rates charged by counterparty lenders, days to cover/short-interest ratio of the stock, the percentage of the issuer's float that is held short and the number of days that the position is held short (i.e., borrowed). Securities that are "in demand", and any corresponding SB Charges, are determined by market participants, and may fluctuate on a daily basis. **It is important to note that the SB Charges may be substantial. In some instances, where the demand for the security borrowed is extremely high, the SB Charge, on an annualized basis, may exceed the principal value of the security. It is also important to note that, even if a security is not "in demand" at the time of your short sale, it may become "in demand" at any time based on market factors, and at that point, it would be subject to a SB Charge. The SB Charge rate can fluctuate daily without prior notice.**

[viii] **SB Charges assessed.** If you short "in demand" securities, Merrill Lynch may charge you all SB Charges assessed in connection with your short sales with us on a daily basis starting on the settlement date of the trade. The charges may reflect work done by Merrill Lynch on your behalf in connection with these transactions to establish and maintain a short position in your account, which may result in a profit to Merrill Lynch. Short stock positions opened and closed intraday (not held overnight) will not be subject to an SB Charge.

Please note that you may obtain updated information with respect to the status of your short positions (including any applicable SB Charges) by contacting your financial advisor, a Merrill Financial Solutions Advisor or an Investment Center representative at any time.

In addition, all applicable SB Charges assessed will be displayed under a "SB CHARGE" debit entry on your monthly account statement, including those positions that incurred charges after the initial settlement date as described in the prior paragraph. This will show, on an aggregated basis, the charges for all shorted securities that incurred a SB Charge during the applicable period (described below), as well as a detailed breakdown of each SB Charge, including the applicable borrowing rate for each "in demand" position for the applicable period. A daily breakdown can also be provided upon request by contacting your financial advisor, a Merrill Financial Solutions Advisor or an Investment Center representative.

Any SB Charge entry on your account statement represents the debit of such charges, which are made one Business Day after each applicable SB Charge is incurred. Applicable SB Charges in your account will then be posted online one Business Day after the charge is debited. Thus, if you incur SB Charges on weekend days, such charges will be debited on the next Business Day (i.e., Monday, unless Monday is a holiday), and the charges will be visible in your account online on Tuesday (or Wednesday, if Monday is a holiday).

Your account statement will include all SB Charges debited in your account in a calendar month, except that any SB Charge debits that occur on the last Business Day of a month will be reflected on the following month's account statement.

[ix] **Calculation of SB Charge.** SB Charges are calculated on an annualized basis based on the value of a short position and the SB rate for that position. SB Charges for a particular position are charged daily on a pro-rated basis depending on how many calendar days you hold the position short.

Below is an example of the calculation of an SB Charge. Please note that the example below is for illustrative purposes only and does not reflect the actual SB Charges that you may incur on any given short position, which may be significantly higher than the charges reflected in the example below. Please also note that in addition to SB Charges you may also be charged commissions and incur other expenses in connection with a short sale of securities that are not captured in the following example. Please note, the SB Charge amount for a given day is determined by multiplying the trade value of the stock borrowed by the applicable SB Charge rate, divided by 360. Therefore, the effective SB Charge rate for a given day can be obtained by multiplying the SB Charge amount by the number

of days in a given year (e.g., 365 days) and dividing by the trade value of the stock borrowed.

- *current price of stock = \$11.00 number of shares sold short = 10,000 SB Charge rate = 20%*
- *(market price of stock) x (share quantity) = trade value of stock borrowed \$11.00 x 10,000 = \$110,000*
- *(trade value of stock borrowed) x (SB Charge rate) = annual SB Charge amount \$110,000 x 0.20 = \$22,000*
- *(annual SB Charge) / (360 days) = daily SB Charge amount \$22,000 / 360 = \$61.11*
- *((daily SB Charge amount) x (365 days)) / (trade value of stock borrowed) = effective SB Charge rate (\$61.11 x 365) / \$110,000 = 20.28%*

**TABLE 1. ELIGIBLE SECURITIES, BORROWING LIMITS AND MAINTENANCE REQUIREMENTS\***

Security	Initial Equity	Borrowing Power	Maintenance Requirement
	At Least	Up To	At Least
Common stock	50% of purchase cost	50% of long-market value	30% of long-market value
State and municipal bonds	20% of purchase cost or 7% of principal, whichever is greater	80% of long-market value or any amount over 7% of principal, whichever is less	15% of long-market value or 7% of principal, whichever is greater
Most Merrill Lynch sponsored unit investment trusts	100% of purchase cost	50% of long-market value once fund has been owned for 31 days	30% of long-market value, regardless of share price
Other approved unit investment trusts	100% of purchase cost	50% of long-market value once fund has been owned for 31 days	30% of long-market value, regardless of share price
Approved open-end mutual funds	100% of purchase cost	50% of long-market value once fund has been owned for 31 days	30% of long-market value, regardless of share price
Convertible bonds	50% of purchase cost	50% of long-market value or any amount over 7% of principal, whichever is less	30% of long-market value or 7% of principal, whichever is greater
Non-convertible bonds	30% of purchase cost	70% of long-market value or any amount over 7% of principal, whichever is less	30% of long-market value or 7% of principal, whichever is greater
U.S. Treasury notes and bills	5% of purchase cost <sup>†</sup>	95% of long-market value	5% of long-market value <sup>†</sup>
U.S. Treasury bonds	8% of purchase cost <sup>†</sup>	92% of long-market value	6% of long-market value <sup>†</sup>
Other government agency issues	10–15% of purchase cost <sup>†</sup>	90% of long-market value	6%–10% of long-market value <sup>†</sup>

\* This chart is only intended as a general guide. Please speak to your financial advisor or call 800.MERRILL (800.637.7455) for more complete information on margin eligibility, initial equity and maintenance requirements.

<sup>†</sup> Minimum requirement is 3% of principal amount.

## 6. CASH MANAGEMENT SERVICES

### (A) GENERAL

The CMA Account may be used to manage deposits, payments and investments. Your Cash Balances are automatically swept into the Primary Money Account and are automatically withdrawn to pay for securities and cash management transactions including Disbursements and other amounts due. This automation allows you to keep Cash Balances in Money Accounts, which may earn interest. Although your CMA Account has Cash Management Services, it is not a bank account.

**Merrill Lynch is a registered broker-dealer and a wholly owned subsidiary of Bank of America Corporation. Merrill Lynch is not a bank and is separate from its FDIC-insured affiliates, which include BANA and BA-CA, and is also separate from Merrill Lynch Bank and Trust (Cayman) Limited, or other depository institutions. Merrill Lynch Bank and Trust (Cayman) Limited is an affiliate of Merrill Lynch; however, deposits within Merrill Lynch Bank and Trust (Cayman) Limited are not FDIC insured. Banking services available through the CMA Account are provided by or through licensed Banks. Except where specifically indicated, securities and products sold, offered or recommended by Merrill Lynch are not insured by the FDIC and are not obligations of, or endorsed or guaranteed in any way by, any bank, and may lose value.**

**Merrill Lynch is solely responsible for its own contractual obligations and commitments.**

### (B) ACCOUNT LINKING TO BANK OF AMERICA, N.A., DEBIT CARD

Certain Merrill Lynch CMA Accounts can be linked to a Bank of America debit card. Linking your CMA Account to your Bank of America debit card allows you to access your CMA Account at most Bank of America ATMs. If you choose to link your CMA Account to your Bank of America debit card and you also have a Merrill Lynch Visa deferred debit card for your CMA Account, both cards will remain active with their respective PINs; however, your Visa deferred debit card will not be able to access your

Bank of America deposit accounts. Please note that any limitations applicable to the card being used (such as daily cash withdrawal limits) will apply when that card is used — regardless of the account being accessed. Linking of a CMA Account to a Bank of America debit card will allow you to transfer funds between your CMA Accounts at Merrill Lynch and your deposit accounts at Bank of America when using your Bank of America debit card. Point of sale transactions with your Merrill Lynch Visa deferred debit card will continue to clear against your CMA Account, and point of sale transactions with your Bank of America debit card will continue to clear against your primary bank account linked to that card. Certain accounts may not yet have this ability. Please contact your financial advisor or call 800.MERRILL (800.637.7455) if you have any questions.

### (C) STATEMENT LINK SERVICE

The Statement Link Service allows certain Merrill Lynch accounts to be “linked” together for statement delivery purposes and, in some instances, to establish higher levels of eligible assets and a potentially higher interest rate tier within the MLBDP. Linking accounts may also result in waivers of certain fees. For more information, see CMA Fee Waiver Program, page 38 and for Fedwire fees page 56. For regulatory or other reasons, certain types of accounts that can be linked for statement delivery purposes cannot be counted for the purpose of determining your total eligible client assets for tier assignment, the CMA Fee Waiver Program and Fedwire fee benefits. If you have any questions about linking your accounts or linking eligibility, please contact your financial advisor.

Statements for linked accounts are sent to the primary account holders, who will receive their periodic statements. Please note, all account holders remain responsible for verifying the accuracy of their individual statements, reading notices and directing activity in their individual accounts. The assets of linked accounts are not commingled, and each account holder retains control over his or her individual account.

## (D) TIER ASSIGNMENT AND ACCOUNT VALUATION

[i] **Tier assignments.** Every month, Merrill Lynch will perform a valuation process on the eligible account types within the Statement Link or on the CMA Account not in a Statement Link and will assign each CMA Account a tier based on its Account Value. Tiers and tier assignments may be changed by Merrill Lynch without prior notice.

### CMA Accounts

Tier 1 – Less than \$250,000

Tier 2 – \$250,000 to \$999,999

Tier 3 – \$1,000,000 to \$9,999,999

Tier 4 – \$10,000,000 or more

[ii] **Effect of tier assignment.** The tier to which a CMA Account is assigned will determine the yield earned on deposits held in the Merrill Lynch Bank Deposit Program. Clients with higher total eligible assets generally receive a higher yield on their bank deposits than clients with lower total eligible assets.

[iii] **Valuation.** The valuation is determined by the value of Cash Balances, Bank Deposits and the long-market value of securities held within eligible Statement Linked accounts as of the "valuation date" (currently toward the end of each month). For clients with CMA Accounts that are not in a Statement Link, the tier assignment for each account will be based on the value of Cash Balances, Bank Deposits and the long-market value of securities within the account as of the valuation date. CMA Accounts enrolled in an Investment Advisory Service, irrevocable trusts and certain fiduciary accounts will be assigned to Tier 4 for the purposes of determining the interest rate.

Valuation procedures may be changed by Merrill Lynch without prior notice. Securities and other assets will be valued in a manner determined by Merrill Lynch, in its sole discretion, and in some cases may be based on estimates, which are obtained from various sources. Values may vary from prices achieved in actual transactions, especially for thinly

traded securities, and are not firm bids or offers or guarantees of any type with respect to the value of securities and other assets.

[iv] **Historical pricing and valuation service.** You can request a report showing the securities held in your CMA or CMAT Account as of a specific date. You may also request that we provide historical values for publicly traded securities for gift, estate tax or other planning purposes. Call your financial advisor for more information about this service.

[v] **Change in tier assignments.** Once a CMA Account has been assigned to a tier, the tier assignment may change on the first Business Day of the month due to valuation changes as described in Section 6(C) (iii). If a tier changes, the new tier assignment may affect the interest earned for the Merrill Lynch Bank Deposit Program. The asset tier for any of your accounts will not change between valuation dates, even if you open new accounts or link accounts. New accounts are not used to determine asset tiers until the next applicable valuation date.

[vi] **Newly opened accounts.** New CMA Account(s) will be assigned to Tier 2 during the month of enrollment. At the end of the month of enrollment and each month thereafter, the new CMA Accounts will be valued and assigned to a tier based on the value of the account itself or eligible account types within the Statement Link, if linked.

## (E) SWEEP PROGRAM

[i] **General.** The deposit of checks, the sale of securities and other activity generate Cash Balances in your CMA Account. Once you complete and return the Client Relationship Agreement to us, available Cash Balances in a CMA Account of \$1 or more (whole dollars only) are automatically swept to the Primary Money Account on the Business Day after the funds are received, provided the funds are received before our cashing deadline. However, if you have pending transactions in your CMA Accounts on the Business Day funds are to be swept into your Primary Money Account, the amount of those transactions may be deducted from the sweep amount. Until that

time, your Cash Balances will not earn interest. Additionally, if your account is enrolled in a Merrill Lynch investment advisory program, you should understand that Merrill Lynch may charge an asset-based advisory fee on the cash in the account even though you are not earning any interest on that cash. You may only establish one Primary Money Account for the automatic deposit of Cash Balances in your account. With the Primary Money Account, you do not need to contact your financial advisor to deposit or withdraw funds — it happens automatically.

Your Primary Money Account is designated on the Client Relationship Agreement or, for accounts you establish after signing a Client Relationship Agreement, by speaking to your financial advisor. If you ever want to change your Primary Money Account, you must contact your financial advisor. Your Merrill Lynch account statement indicates where your Cash Balances are currently deposited, as well as certain yield information.

In addition to the Primary Money Accounts, you may make a manual deposit into a Secondary Money Account by contacting your financial advisor. If you choose a Secondary Money Account for your account, you will be required to contact your financial advisor each time you want to deposit your cash in that particular Secondary Money Account. Otherwise, available cash will continue to sweep to the Primary Money Account. If you have established Secondary Money Accounts in addition to your Primary Money Account, and you do not have sufficient Cash Balances in your Primary Money Account, your Secondary Money Account balances will be withdrawn to satisfy securities and cash management transactions, including check writing and Visa card activity, in or through your account. If you are eligible to establish more than one Secondary Money Account, you may designate the order in which the Secondary Money Account balances will be automatically

withdrawn to satisfy transactions in or through your account by speaking to your financial advisor.

There may be minimum dollar requirements for deposits into the available Money Accounts. Ask for the applicable deposit account program disclosures for details on deposits. Your financial advisor will be available to discuss alternatives for your cash or bank deposit account balances. However, neither your financial advisor nor Merrill Lynch undertakes any obligation to ensure you receive any particular rate of interest, or to advise you to invest your cash or bank deposit balances in higher-yielding cash alternatives. Cash Balances in a Secondary Money Account are included in your "Purchasing Power," as described in section 6(H).

**[ii] Available Money Accounts**

The Money Accounts available under the Sweep Program are described below. Merrill Lynch may change the Money Account options under the Sweep Program at any time. Your Merrill Lynch financial advisor is always available to discuss your Money Account options as the yields may change, depending on market conditions, at different times throughout the year.

**YOU ARE ADVISED TO READ THE MERRILL LYNCH BANK DEPOSIT PROGRAM DISCLOSURES THAT BEGIN ON PAGE 41.**

**[iii] For customers who are residents of the United States of America (U.S. and non-U.S. citizens).**

The Primary Money Account generally available through the Sweep Program is the Merrill Lynch Bank Deposit Program.

The Secondary Money Accounts generally available is the ISA Program.

**[iv] For customers who are non-residents of the United States of America and non-U.S. citizens.**

The Primary Money Accounts generally available through the Sweep Program is the Merrill Lynch Bank Deposit Program or the International Bank Variable Rate Deposit Facility.<sup>1</sup>

The Secondary Money Account generally available is the ISA Program.

**[v] For customers who are non-residents of the United States of America and U.S. citizens.**

The Primary Money Account generally available through the Sweep Program is the Merrill Lynch Bank Deposit Program.

The Secondary Money Account generally available is the ISA Program.

Primary Money Accounts are also available as Secondary Money Accounts and are not available to all clients. Jurisdictional restrictions apply. Please contact your financial advisor to determine if you are eligible to participate before selecting your Primary Money Account on the Client Relationship Agreement.

**[vi] No sweep.** All customers may elect that Cash Balances do not sweep to the available Primary Money Account(s). Cash Balances will not earn interest or dividends. These balances will be part of the assets held in your securities account, which are protected by SIPC coverage (up to \$500,000 for securities and cash per customer, inclusive of \$250,000 for cash) and excess-SIPC coverage, as described in Section (6) (E) (iii), but will not be covered by FDIC insurance.

**[vii] Right to change/suspend Money Accounts.**

Merrill Lynch may change the Money Accounts available under the Sweep Program at any time. If a particular Money Account is no longer generally available in the Service or is no longer available, you authorize Merrill Lynch to transfer, exchange and/or convert any existing shares/balances in such Money Account into another Money Account. If the offering of any particular Money Account is suspended for any reason, Merrill Lynch is authorized, but not obligated, to cause available Cash Balances in the CMA Account to be invested/deposited in another Money Account. Merrill Lynch, may, with 30 days prior written notice, (i) make changes to the terms and conditions of our Sweep Program; (ii) make changes to the terms and conditions of any Money Account; (iii) change, add or remove the Money Account available as sweep product; (iv) transfer your Money Account from one sweep product to another.

**Merrill Lynch is permitted to use Cash Balances in our business, and such balances are not segregated. You have the right to receive any available Cash Balances, subject to any open commitments in the CMA Account.**

**(F) CONSIDERATIONS REGARDING BANK DEPOSIT PROGRAMS**

**[i] Bank Deposit Programs.** There are different bank deposit programs available through your CMA Account. These deposit programs offer different sweep features and levels of FDIC insurance. It's important to understand these differences. For example, the Merrill Lynch

<sup>1</sup>Account holders who, according to our records, are or could be a resident for tax purposes in the United States are unable to participate in this Primary Money Account. Deposits in this Primary Money Account are placed with MLBTC. MLBTC (Registration Number: 26981) is regulated by the Cayman Islands Monetary Authority ("CIMA") and currently maintains a Category B bank license, an unrestricted trust license and a securities investment business license. Details about the extent of our regulation by CIMA are available on request. Our registered office is at: 4th Floor Harbour Center, P.O. Box 1164 GT, North Church Street, Grand Cayman, KY1-1102, Cayman Islands. A list of names and personal details of every director of the company is available for inspection to the public at the company's registered office for a nominal fee.

Deposits held at MLBTC are not deposits within the meaning of the Federal Deposit Insurance Act (12 U.S.C. 1813(l)); are not insured or guaranteed by the U.S. Government, the FDIC or any other government agency, or covered by any other deposit protection program.

Note: U.S. persons (including U.S. residents) who have an economic interest in, or signature authority over, foreign financial accounts, including an account with MLBTC, may be required to file a Report of Foreign Financial Accounts ("FBAR") with the U.S. Department of the Treasury in respect of such foreign financial accounts. In addition, U.S. persons (and non-U.S. persons obligated to file U.S. federal income tax returns) who have an economic interest in foreign financial assets, including an account with MLBTC, may also be required to report such foreign financial assets on IRS Form 8938 to be filed with their U.S. federal income tax return. Clients should consult their own independent legal and/or tax advisor for further guidance regarding any U.S. disclosure and reporting obligations that clients may have with respect to their accounts, assets and other financial decisions.

Bank Deposit Program is available as a Primary Money Account option and the ISA Program is available as a Secondary Money Account option. For more information regarding how the Primary or Secondary Money Account option works, please see Section 6 (E)(i).

(a) **ISA Program.** The ISA Program offers MMDAs, each opened on your behalf by Merrill Lynch, at one or more banks and savings associations (depository institutions), whose deposits are insured by the FDIC up to applicable limits, including depository institutions affiliated with Merrill Lynch and its parent company, Bank of America Corporation, whose deposits are insured by the FDIC, up to applicable limits. To view a list of the depository institutions currently participating in the ISA Program, visit [www.ml.com/ISA](http://www.ml.com/ISA). The FDIC's SMDIA is \$250,000 per depositor, per ownership category, per insured bank. If you select the ISA Program as a Secondary Money Account, you may direct a deposit of funds from your CMA Account through the ISA Program by calling your financial advisor. Deposits may be made only in whole dollar amounts of \$1,000 or more.

The ISA Program is not appropriate for clients who anticipate effecting frequent third-party payments or transfers, including payments or transfers by check or through the Funds Transfer Service (FTS). Certain withdrawals from your CMA Account, such as transactions related to your card/check account, if applicable, may be subject to a limit of six (6) withdrawals per month.

Merrill Lynch will receive a fee directly from each depository institution of no more than 2% annually of the average daily deposit balance held by the depository institution in MMDAs established at the depository institution through the ISA Program. The amount of the fee varies from time to time and from depository institution to depository institution, and Merrill Lynch may waive all or part of this fee.

By choosing the ISA Program as a Secondary Money Account, you agree to the terms and

conditions in the ISA Fact Sheet, which will be sent to you when you make your opening deposit. You may also ask your financial advisor for an ISA Fact Sheet.

(b) **Benefits of bank deposits to Merrill Lynch.**

Merrill Lynch receives deposit brokerage fees based on the number of accounts that sweep to the Merrill Lynch Bank Deposit Program and total deposit balances in the ISA Program. Your financial advisor may receive compensation based on total deposit balances. In addition, other Merrill Lynch affiliates may receive fees for providing services in connection with the Merrill Lynch Bank Deposit Program.

In connection with Visa cards, our affiliates may receive fees from sources other than Merrill Lynch customers.

For more specific information on the fees that Merrill Lynch receives, please see the Merrill Lynch Bank Deposit Program Disclosures and the ISA Program for more information regarding ISA.

(c) **FDIC insurance.** Deposits in the Merrill Lynch Bank Deposit Program and ISA Program are protected by FDIC insurance, up to applicable limits. The FDIC's SMDIA is \$250,000 per depositor, per ownership category, per insured bank. Any accounts or deposits maintained with the Banks in the same legal ownership category, whether directly, through other Merrill Lynch accounts or through any other intermediary, would be aggregated for FDIC insurance limit purposes. You are responsible for monitoring the total amount of deposits held at the Banks in order to determine the extent of FDIC insurance coverage available to such deposits. Merrill Lynch is not responsible for any insured or uninsured portion of such deposits. For additional information on the FDIC, visit [fdic.gov](http://fdic.gov).

Deposits placed with the MLBTC are not insured or guaranteed by the FDIC.

(ii) **Money Account interest.** Interest for the Merrill Lynch Bank Deposit Program and ISA Program will be compounded on a daily basis and credited to your account monthly.



## (G) AVAILABILITY, DEPOSITS AND APPLICATION OF FUNDS

- (i) **Availability delays.** The availability of Cash Balances for investment in a Money Account, to pay for securities and cash management transactions, including Disbursements or other amounts due will depend on the type of deposit. Merrill Lynch also reserves the right to impose additional availability delays under certain circumstances including, among others, (i) if a question exists about whether a deposit instrument will be paid; (ii) if an emergency exists such as a failure of communications or computer equipment; and (iii) other matters beyond the control of Merrill Lynch.

You can request more specific information about availability by calling your financial advisor or 800.MERRILL (800.637.7455).

- (ii) **Check deposits and electronic transfers.** We reserve the right not to effect redemptions or withdrawals of Money Account balances within eight days of the receipt of checks and, subject to applicable law, within six days of the receipt of funds credited to your account electronically. However, funds from electronic fund transfers and funds from deposits of many types of checks, such as mobile check deposits, ATM check deposits and check deposits made through a local Merrill Lynch branch office, frequently can be withdrawn the next Business Day following their receipt by Merrill Lynch. Longer delays generally apply, among other things, to larger dollar deposits and deposits to new accounts.

- (iii) **ATM cash deposit availability.** Cash deposited at any Bank of America ATM will be immediately available and reflected in your Purchasing Power. See Section 6(H).

- (iv) **Sales of securities or dividend/interest payments.** For all CMA Accounts, Cash Balances from the proceeds of sales of securities or dividend/interest payments become available on the next Business Day following receipt.

- (v) **Ways to make a deposit.** You may deposit funds into your CMA Account through the following:

- Merrill Lynch branch office. Merrill Lynch branch offices, however, cannot accept cash deposits.
- By U.S. mail. Cash will not be accepted via the mail. Merrill Lynch  
Attn: CMA Deposits FL9-801-01-02  
4802 Deer Lake Drive E  
Jacksonville, FL 32246
- Any deposit-taking Bank of America ATM. Deposit-taking Bank of America ATMs can accept both check and cash deposits (40-bill maximum). Check deposits greater than \$1,000,000 will not be accepted at any Bank of America ATMs. **Note:** the 40-bill limit is “per insertion,” not “per transaction,” because this is a physical limitation of the ATM hardware. Clients can choose to “Add Cash” throughout the transaction and insert additional cash (e.g., 10 more bills, 20 more bills, etc.).
- Mobile deposit. You may make check deposits to your CMA Account by using the MyMerrill mobile application with your mobile device. Please be advised, Merrill Lynch may impose limits on the amount you can deposit using this service. There is no fee to download and to use the Merrill Lynch application but you may be charged fees by your wireless service provider. Please contact your service provider for details on specific fees. For more information regarding this application, please call your financial advisor or visit [mymerrill.com](http://mymerrill.com).
- Direct deposit
- Fedwire
- Funds Transfer Service
- Other electronic transfers

Deposits to your CMA Accounts cannot be accepted by Bank of America financial center tellers.

All checks delivered to us (via a Bank of America ATM or otherwise) for credit to your account must be in U.S. dollars and drawn on a U.S. bank or other financial institution, and are subject to final collection.

The deposit of checks followed by the prompt withdrawal of funds, for the primary purpose of earning dividends or interest on Money Account balances from the time Merrill Lynch advances funds on your behalf until checks so deposited are collected, is inconsistent with the Service. Merrill Lynch may terminate your subscription to

the Service if, in its sole judgment, it appears to Merrill Lynch that this is happening.

[vi] **Manual investments/manual deposits.** You may make “manual investments” or “manual deposits” in the Money Accounts by contacting your Merrill Lynch financial advisor. Subject to the availability delays described in Section 6(G)(i), manual deposits of \$1 or more may be made in the Merrill Lynch Bank Deposit Program or the International Variable Bank Rate Deposit Facility at any time; manual deposits of \$1,000 or more may be made in the ISA Program at any time.

[vii] **Automatic application of funds.** Subject to the availability delays described in Section 6(G)(i), any available balances will generally be applied as follows:

- (a) To pay for any purchases or amounts due in the CMA Account.
- (b) To pay for manual subscriptions to Money Accounts.
- (c) To pay for cash management transactions or disbursements.
- (d) To sweep on the next Business Day to the Primary Money Account.

## **(H) PURCHASING POWER AND OVERDRAFT**

[i] **General.** The amount available for cash management transactions, securities purchases or disbursements is called “Purchasing Power.” Purchasing Power equals the total of:

- (a) any available Cash Balances in the CMA Account;
- (b) the available value of the Primary and Secondary Money Accounts; and
- (c) for margin accounts, the unused loan value of eligible securities in the CMA Account.

Since your Purchasing Power is dependent upon a variety of factors, such as card usage and, if you participate in the Margin Lending Program, the price of the securities held in your account, your Purchasing Power will fluctuate from day to day.

Purchasing Power is reduced at the following times:

- (d) At the time the Banks and Merrill Lynch are notified of card, check, ACH and Fedwire transactions, not when the charges are paid;

(e) On the trade date of securities transactions, not the settlement date;

(f) At the time of request for outgoing transfers through the Funds Transfer Service.

(g) Two Business Days prior to the release of any future or recurring transfers through the Funds Transfer Service.

### [ii] **Transactions exceeding Purchasing Power.**

You agree that you will not incur charges with your checks and cards that exceed the Purchasing Power. If a transaction exceeds the Purchasing Power, Merrill Lynch may elect to decline such a transaction and you will be in default, which may result in, among other things, termination of your subscription to the Service. However, BANA may, but is not obligated to, accept such transaction as an overdraft and advance funds to you in the amount exceeding the Purchasing Power. If BANA does so, you will be notified, and you agree to immediately pay the amount of the overdraft together with any applicable finance charges. BANA overdraft loans incur finance charges on the average daily balance at an annual rate specified in this Agreement. Additional fees and charges may apply. You may remit payment for your overdraft in one of the following manners:

- (a) Contact your financial advisor to transfer funds from another Merrill Lynch account or a BANA account (if applicable).
- (b) Send a check or money order payable to Merrill Lynch  
PO. Box 43247  
Jacksonville, FL 32231-3247

Include your account number on your check or money order to ensure proper credit to your account. You may not use a Merrill Lynch check drawn on the same account that has the debit balance.

- (c) Make a deposit at any Merrill Lynch branch office or Bank of America deposit-taking ATM.
- (d) Wire funds from an external account at another institution to your Merrill Lynch account.

- (e) Liquidate securities held in the account.
- (f) Consider upgrading to a margin account and transfer the debit for an interest rate lower than overdraft. Contact your financial advisor for current margin rates.

Please note that in the event there has been any nonrelated debit activity in your account since the overdraft occurred, any deposits made to your account will be used to satisfy that activity before being credited to the overdraft.

Alternatively, if you have established an LMA account, you may elect to use your LMA account for overdraft purposes. The terms of the LMA loan are governed by the LMA agreement and related documents. LMA loan proceeds may not be used, directly or indirectly, to purchase, carry or trade securities in any brokerage account with Merrill Lynch. LMA loans charge interest and may be subject to fees and other charges, all as set forth in the LMA agreement and documents.

- (iii) **Overdraft.** In each overdraft statement cycle, finance charges are figured by applying a daily periodic rate of .049315% (18% annual percentage rate) to the average daily balance of overdrafts and by multiplying the resulting figure by the number of days in that statement cycle. A daily overdraft balance is calculated by starting with the beginning balance of amounts owed, adding any new overdrafts and unpaid finance charges and subtracting any payments or credits received that day. The average daily balance is then calculated by adding all of the daily balances of overdrafts in that statement cycle and dividing the total by the number of days in the overdraft statement cycle. Finance charges accrue from the date BANA accepts an overdraft until the date payment is made. Any payments you make will be applied on the date of receipt, first to any accrued and unpaid finance charges and then to the balance of overdrafts in the order they were incurred.

You will be notified in writing if BANA has accepted your transaction as an overdraft and advanced funds to you. You will receive

a periodic overdraft billing statement from BANA that will detail, among other disclosures, any overdraft(s) plus finance charges on the overdraft(s), payments and credits, and the balance due.

[iv] **Billing rights and overdrafts.**

**YOUR BILLING RIGHTS. KEEP THIS NOTICE FOR FUTURE USE.**

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

**Notify us in case of errors or questions**

If you think any transaction on your account statement or a BANA overdraft notice is wrong, or if you need more information about a transaction, you should write to BANA, c/o Merrill Lynch, as soon as possible at:

Bank of America N.A.  
c/o Merrill Lynch  
Attn: Billing Inquiries  
PO. Box 43247  
Jacksonville, FL 32231-3247

In your letter, provide the following information:

BANA must hear from you no later than 60 days after we send you the first account statement or overdraft notice on which the error or problem appeared. You may also call us at 800.MERRILL (800.637.7455), but doing so will not preserve your rights. Outside the U.S., call collect at 609.818.8000.

**Your rights and our responsibilities after we receive your written notice**

BANA must acknowledge your letter within 30 days unless it has corrected the error by then. Within 90 days, it must either correct the error or explain why it believes the statement or overdraft notice is correct. After BANA receives your letter, it cannot try to collect an amount you question or report you as delinquent. It can continue to bill you for the amount, including finance charges, and can apply any unpaid amount against your Purchasing Power. You do not have to pay any amount in question while BANA is investigating, but you are still obligated to pay any amount that is not in question. If it is determined that a mistake was

made on your overdraft notice, you will not have to pay any related finance charges. If BANA finds that a mistake was not made on your statement or overdraft notice, you will have to pay the questioned amount, including any overdraft finance charges. BANA will notify you in writing, through us, of the amount owed and due date for payment.

If you fail to pay the amount that BANA thinks that you owe, it may report you as delinquent. However, if you receive BANA's explanation but still believe your bill is wrong, you must write to Bank of America, N.A. within 10 days telling it that you still refuse to pay. If you do so, BANA cannot report you as delinquent without also reporting that you are questioning your bill. BANA must tell you the name of anyone to whom it reported you as delinquent, and BANA must let those organizations know when the matter has been settled. If BANA does not follow these rules, it cannot collect the first \$50 of the amount in question, even if your statement or overdraft notice is correct.

#### **(I) DEBIT BALANCES AND DISBURSEMENT PRIORITY**

(i) **Debit balances.** Merrill Lynch may satisfy amounts you owe in connection with your CMA Account(s) (including debit balances in Visa card debits or charges, checks presented, or investments or deposits later reversed) from your assets, including Money Account balances, or through margin lending (if applicable).

(ii) **Disbursement priority.** Amounts due in connection with the Service, including but not limited to margin calls or other obligations, will be automatically withdrawn in the following order of priority: From available Cash Balances;

1. From any remaining balances in the Primary Money Account and then from balances in the Secondary Money Accounts, if any, based on the order designated by the customer, until depleted;
2. Customers with margin accounts, from extensions of credit in the securities account within its available loan value. This system avoids cost of a margin loan until available Cash Balances and funds in your Primary and

Secondary Money Accounts are fully used. Funds in the Directed Reserve Program are excluded. See Section 6 (J) for more information on the Directed Reserve Program.

#### **(J) DIRECTED RESERVE PROGRAM**

- (i) **General.** If you have a margin loan, you may elect to maintain a minimum Money Accounts balance by designating an amount to be maintained in your Money Accounts. If you elect to maintain a minimum Money Accounts balance, you should note that interest expense (including on any margin loan) may be subject to disallowance for tax purposes. Merrill Lynch does not offer advice on these tax issues except to recommend that you consult a qualified tax advisor.
- (a) If a minimum Money Accounts balance is selected, then advances pursuant to margin loans may be made while you maintain a Money Accounts balance. When selecting the minimum Money Accounts balance option and designating an amount, you should be aware that the rates at which interest will be charged with respect to margin loans will generally exceed the yield represented by interest paid on balances you designate to be maintained in your Money Accounts.
- (b) If at any time the Cash Balances in your Primary and/or Secondary Money Account(s) or the ISA Program are less than the selected minimum Money Accounts balance, then available Cash Balances and, if applicable, a margin loan will be automatically made to re-establish the minimum Money Accounts balance in your Primary Money Account.

#### **(K) CHECK AND CARD USAGE**

- (i) **General.**
- (a) **Accounts for cards and checks.** You authorize Merrill Lynch to open accounts with BANA or any successor processing bank for check clearing, ACH transactions and cards. You agree that checks and cards, if any, shall be used solely in conjunction with the CMA Account. Checks and cards may be issued for use with CMA Accounts

(but not CMA SubAccounts). The cards are issued to you by BANA, and may only be issued to account holders with an official address located in the United States. Checks are drawn on BANA or such other banks as selected from time to time by Merrill Lynch. Check transactions are processed through an account established by Merrill Lynch with BANA, or such other banks as selected from time to time by Merrill Lynch. Checks should be written in U.S. dollars only. You agree to be liable for all authorized transactions arising through the use of cards and checks.

(b) **Limitation on use of checks and cards.**

You may not use CMA checks and cards to:

- Purchase securities
- Make deposits through the Merrill Lynch Bank Deposit Program or the ISA Program
- Make payments on outstanding loans from, or overdraft advances extended by, BANA

- (c) **Safekeeping.** You shall, on a continuing basis, be responsible for the care and safekeeping of the cards, checks and checking account number information, and shall not permit an unauthorized person to have access to them. You shall review the periodic statements provided by Merrill Lynch within 60 days, in order to promptly discover and report to Merrill Lynch the possible unauthorized use of said cards and checks. Unless limited by law, you are responsible for any and all losses and damages — direct, indirect or consequential — that arise from or are attributable to the breach of your undertaking to safeguard your cards, checks and checking account number information and for reviewing periodic statements. You must notify Merrill Lynch immediately by calling one of the phone numbers provided in Section 6(K)(i)(d) if you believe or have reason to believe that your cards, checks or account number information have been used or signed by an unauthorized person. In addition, you will be responsible for

reviewing the periodic statement in order to discover and report to Merrill Lynch any possible unauthorized use of the cards and checks. You agree to notify Merrill Lynch immediately if you believe or have a reason to believe there may be or has been an unauthorized use of the cards or checks. Inquiries and error allegations concerning the CMA Account and the periodic statement should be directed only through Merrill Lynch and not through BANA or any successor processing bank.

- (d) **Lost/stolen checks/cards.** If a card, PIN or checks are lost or stolen, you should report the loss or other actual or possible unauthorized use of your CMA Accounts, cards, PIN and checks immediately by calling 800.262.LOST (800.262.5678), which can be reached 24 hours a day, seven days a week. From outside the U.S., you should call collect, at any time, the following number in the U.S.: 609.818.8000.

[ii] **Check usage.**

- (a) **Signatures.** If you request that checks be printed with two or more signature lines for countersignature purposes and/or that checks be signed with a signature stamp or signature plate, you agree that such requirements are for your internal purposes only, and neither Merrill Lynch, BANA nor any successor processing bank shall have any responsibility or liability for the payment of any check signed with a signature stamp/plate, without a countersignature or with an unauthorized countersignature.
- (b) **Check copies.** Original checks will not be returned to you. You can view, download or print copies of your canceled checks through [mymerrill.com](http://mymerrill.com), or you can request copies by calling your financial advisor or 800.MERRILL (800.637.7455).
- (c) **Stop-payment procedures.** You may request that payment of checks drawn on the CMA Account be stopped. In order to

process a stop payment, you must notify Merrill Lynch of the exact amount of the check, the full check number, date and payee, and the full account number for the CMA Account. If that information is not correct, or is untimely, or you do not promptly comply with a request for other reasonable information about the check, then Merrill Lynch, BANA and any successor processing bank will not be responsible if the check cannot be stopped. If a check was not stopped for any reason and there was a timely and proper stop-payment order in effect for such check, then Merrill Lynch may, without liability, delay crediting the CMA Account until it determines the rights of the parties involved, including BANA and any successor processing bank. In addition, neither Merrill Lynch, BANA nor any successor processing bank will be liable if, through the payment of a check contrary to a stop-payment order, any other items drawn on the CMA Account are returned unpaid. To request a stop payment on a check, call your financial advisor or 800.MERRILL (800.637.7455).

- (d) **Post-dated and incomplete checks.** BANA and any successor processing bank reserve the right to pay post-dated checks, although it and we are not obligated to do so. BANA and any successor processing bank also reserve the right not to pay checks that it determines, in its sole discretion, are incomplete or improperly completed.

[iii] **Card usage.**

- (a) **General.** In connection with your subscription to the Service, you may request that the Banks issue one or more cards. Cards may be used to make purchases at Visa participating establishments or to obtain cash and cash advances from ATMs and Visa participating banks or branches. Cash advances may be limited by banks to \$5,000 per account per day. ATM withdrawals and card cash advances are debited against your CMA Account when the charge is presented to us. There are no fixed limits on your card

transactions. You are only limited by your Purchasing Power or spending limit (see "Purchasing Power and Overdraft," page 19).

- (b) **Personal identification numbers.** Upon receipt of your card(s), you may need to call Merrill Lynch to obtain a PIN. You should safeguard your PIN: Do not write it on your card or keep it in any place where it may be found with your card. If you lose or forget your PIN, call 800.MERRILL (800.637.7455).
- (c) **Ownership.** The card(s) remain the property of BANA and may be canceled by BANA at any time without prior notice. You agree to surrender the card(s) immediately upon the request of BANA or Merrill Lynch.
- (d) **Unauthorized card use.** You and/or your authorized cardholders will not be liable for any unauthorized use that occurs after Merrill Lynch or BANA have been notified orally of loss, theft or possible unauthorized use. Notice should be directed to 800.MERRILL (800.637.7455).
- (e) **International transactions.** Merrill Lynch will charge an international transaction fee equal to 2% of the U.S. dollar amount of all transactions that occur outside of the United States, including purchases, credits, ATM withdrawals and cash advance transactions. This fee will only apply to transactions submitted to Visa in a currency other than U.S. dollars and will be in addition to any other applicable transaction fees.

Visa transactions in a foreign currency are converted by Visa into a U.S. dollar amount in accordance with Visa's operating regulations and conversion procedures in effect at the time the transaction is processed. Visa's regulations and procedures currently provide that the currency conversion rate used is a rate selected by Visa from the range of rates available in wholesale currency markets. The rate may vary from the rate Visa itself receives, or a government-mandated rate.

The method of currency conversion is subject to change by Visa without notice. The currency conversion rate in effect on

the processing date may also differ from the rate in effect on the transaction date or posting date. Transactions made in a foreign currency that are submitted to Visa in U.S. dollars will be posted to your CMA Account in that U.S. dollar amount.

(f) **Automated Teller Machine (ATM)**

**service.** Upon the selection of a valid PIN, you may choose to use your card(s) to access cash and perform other Cash Management Services at an ATM. Each cardholder will have the following ATM capabilities:

**Cash withdrawals:** Cash withdrawals may be obtained at an ATM. The daily ATM cash withdrawal limit is \$2,500 per CMA Account, subject to the Purchasing Power of the CMA Account. Please note, some ATM operators may have different limits on withdrawals.

**Deposits:** You may deposit checks and cash at any deposit-taking Bank of America ATM. Check deposits greater than \$1,000,000 will not be accepted at any Bank of America ATMs.

**Purchasing Power (available balance) inquiry:** You may view your account's Purchasing Power at most Bank of America ATMs by choosing to check your "Available Balance" on the ATM screen. Your Purchasing Power will be reflected at the ATM as noted in "Total Available Funds," below.

**Total Available Funds:**<sup>1</sup> This is the total amount of funds available to you at the time of your ATM balance inquiry.

**Personal identification number changes:** Authorized cardholders with a valid PIN will have the ability to change this PIN at most Bank of America ATMs.

(g) **Termination of card(s).** Your right to use the card(s) will be automatically terminated if your subscription to the Service is terminated by you or Merrill Lynch. You

agree that the cards issued in connection with the CMA Service remain the property of BANA. It is also understood that BANA may terminate your right to use the card(s) at any time in its discretion without prior notice. If your right to use the card(s) is terminated for any reason, you shall promptly return the card(s) to the Banks or Merrill Lynch.

(h) **Deferred debiting of the CMA Account.**

You agree to pay BANA for the card purchases (including direct debits) posted to your card account. You authorize Merrill Lynch to pay BANA from the assets in your CMA Account, including, if applicable, through a margin loan (if you have enrolled in the Margin Lending Service). Card purchases are debited from your account once a month. Merrill Lynch will debit your CMA Account on the Wednesday before the last Friday of the month for all purchases posted to your card account for that monthly period ("Deferred Debit").

You may make payments by other means provided they are compatible with our operations and procedures, and you agree to notify Merrill Lynch of your intention to do so.

If purchases exceed \$100,000 in a monthly cycle, you must execute a Statement of Purpose (Federal Reserve Form U-1) for BANA. If the Form U-1 is not on file, the entire amount of outstanding purchases will be immediately debited from your CMA Account. Any subsequent charges not exceeding \$100,000 clearing the CMA Account during the same monthly cycle will be debited on the Wednesday before the last Friday of the month.

You agree to waive your rights under federal law to be notified in advance of variable debits provided the amount does not exceed \$500,000.

<sup>1</sup> Total Available Funds is not your account value; it's the amount available for purchases and/or transactions in your CMA Account at a particular point in time.

If for any reason your card is canceled, you must cease using your card(s). Current charges will be debited to your CMA Account on the next Business Day, and new items will be debited on receipt instead of at the end of the monthly cycle.

Cash advances and ATM transactions obtained with your card(s) at participating financial institutions or at ATMs will not be deferred and will be debited directly from the CMA Account on the date that the notice of the transaction is received by Merrill Lynch.

- (i) **Disposal of assets.** You agree to not dispose of assets in the CMA Account or any other securities account with Merrill Lynch or its affiliates if such disposal will negatively affect your ability to pay BANA for card transactions. You may continue, however, to trade securities in the CMA Account.
- (j) **U.S. Residency.** Cards for your CMA Account may only be issued to you if you reside in the U.S. and you use an official U.S. address for your place of residence.

## (L) ELECTRONIC FUNDS TRANSFERS

- (i) **General.** Requests for transfers of funds will be transmitted to banks selected by Merrill Lynch as agent for you. Such banks and any subsequent banks involved in the transfer may use various systems, including the federal funds wire transfer system, when carrying out your request. Your rights and obligations, and the rights and obligations of Merrill Lynch and any banks involved in carrying out your funds transfer requests, are governed by Article 4A of the Uniform Commercial Code, and by applicable rules of ACH associations or, for federal funds wire transfers, by Subpart B of Regulation J of the Federal Reserve Board of Governors.

Transfer of funds throughout the banking system and related funds transfer and communications systems, including the federal funds wire transfer system, involve various risks, which you assume in requesting

wire transfers. Such risks include, but are not limited to, the following:

- (a) The liability of banks with respect to funds transfers may be limited by law and by contract; in particular, their responsibility for processing transfers may be limited to relying upon identifying (e.g., account) numbers rather than account party names;
- (b) You may not be able to cancel or amend a funds transfer request once transmitted to a bank for processing; and
- (c) Federal funds wire transfers are irreversible once transmitted by a bank and may not be recoverable.

Merrill Lynch shall act as your agent in transmitting funds transfer requests to banks selected by Merrill Lynch, and you shall be regarded as the “sender” of such transfers. In addition to applicable law, your rights and obligations shall be governed by contracts that Merrill Lynch enters into with banks from time to time for funds transfers of its own and your funds.

You agree that Merrill Lynch's security procedures, which may include a confidential password to initiate electronic transfers, and the security procedures of banks that Merrill Lynch contracts with for transfers of funds, are commercially reasonable. If Merrill Lynch notifies you of changes in its own security procedures, or if Merrill Lynch agrees to modified security procedures of such banks from time to time, your continued use of these services to request transfers shall constitute your agreement that such changed security procedures are commercially reasonable. You have a right to request information about applicable security procedures at any time.

- (ii) **Additional notes on electronic transfers.** Your account may be subject to the federal law on electronic fund transfers if you maintain the account as a natural person (as opposed to a trustee or in another capacity) and have established your account primarily for personal, household or family purposes. *Your rights and responsibilities will depend on the type of electronic transfer. From time to time, these rights and responsibilities may change. You will be notified of any changes as required*



by applicable law. If the change is necessary for security reasons, you do not have to be notified in advance.

Electronic transfers include:

- Visa card cash advances
- Visa point-of-sale transactions
- ATM withdrawals
- Transfers through a direct deposit service
- Transfers through the FTS
- Transfers through an ATM
- Preauthorized debits through a program offered by a third-party or us
- Transfers to and from your account under a bank deposit program
- Payments through our Web Bill Pay service or Merrill Lynch standing letters of authorization

- (a) **Your liability.** You are liable for no more than \$50 for unauthorized use of your FTS password. You are not liable for unauthorized purchases using your Visa card or for the unauthorized use of your Visa card PIN. You are also not liable for any amount for the loss, theft or possible unauthorized transaction once you have notified us or the issuer of the card. Call immediately if a Visa card is lost or stolen, or if you think someone has transferred or may transfer funds from your CMA Account without permission:

- 800.262.LOST toll-free (800.262.5678)
- 609.818.8000 from outside the U.S.(collect calls accepted) Telephoning is the best way of minimizing your losses, but you may also notify us in writing at:

Merrill Lynch  
Bankcard Processing  
P.O. Box 1519  
Pennington, NJ 08534-1519

Any funds that are withdrawn in connection with a transaction for which you are not liable will be credited back to you or your CMA Account.

- (b) **Limits on electronic transfers.** You are limited to \$2,500 a day in ATM withdrawals using your Visa card. Some ATM transactions that exceed this limit may be completed. In general, you may make an unlimited number of withdrawals, although some transactions may be limited or not completed for security reasons. Some ATM owners and operators may have limits on the frequency of transactions and the amount of cash withdrawals permitted.

- (c) **Transaction information.** You will be sent a monthly statement listing all electronic transfers for the preceding month. In addition, you will receive a receipt for all electronic transfers made with a Visa card at ATMs or other electronic terminals in the U.S.

You may also check on the status of transfers at any time by calling 800.MERRILL (800.637.7455) or your financial advisor at the number provided on your account statement. Information about transfers is also available online at [mymerrill.com](http://mymerrill.com).

- (d) **Recurring transfers.** To stop recurring electronic payments or transfers, call 800.MERRILL (800.637.7455) or your financial advisor at the number provided on your monthly statement. If you prefer, you may write to us at:

Merrill Lynch  
Attn: CMA Operations  
NJ2-800-01-03  
P.O. Box 1501  
Pennington, NJ 08534-0671

Your notice to cease payments should be timed to arrive at least three Business Days before the payment is due to be made. If you have been asked to put a stop payment request in writing, you must write to us at the above address within 14 days of your telephone call. Once stopped, recurring

payments will not resume until we receive notice from you. Any request to change the title of an account will be treated as a request to stop payment of electronic transfers. If you request that we stop a regular payment at least three Business Days before the electronic payment is scheduled and we do not do so, we will be liable for your losses or damages.

If you have arranged with a third party for recurring transfers from your CMA Account of variable amounts, the third-party will notify you 10 days before each electronic payment of the amount and date of payment. If you prefer, you may choose to get this notice only when the amount falls outside certain limits.

If you have a Visa card, you will receive advance notice of the varying amounts of the monthly debit if the amount of the debit exceeds \$500,000.

- (e) **Our liability for failure to make transfers.** If an electronic transfer is not completed on time or in the correct amount according to agreements governing the Service, we or the Visa card issuer may be liable for the resulting losses or damages.

There are some exceptions. Merrill Lynch and the Visa card issuer will not be liable, for instance, if:

- Through no fault on our or its part, the transfer amount will exceed your Purchasing Power or spending limit;
- Circumstances beyond our or its control (such as fire or flood) prevent the transfer, despite reasonable precautions that were taken;
- The ATM, electronic terminal or electronic system was not working properly and you knew about the breakdown when the transfer started; or

The ATM where you obtained cash did not have enough cash.

There may be other exceptions stated in this Agreement or provided by applicable law.

If you see an error or have a question about an electronic transfer, including electronic bill payments, call 800.MERRILL (800.637.7455) or write to us at the address below. *We must receive notice of problems or errors within 60 days after the first statement or receipt was sent on which the problem or error appeared.*

If you call us, we may ask you to report the error or problem in writing within 10 Business Days. Report errors or problems in writing to:

Merrill Lynch  
Attn: CMA Operations  
NJ2-800-01-03  
P.O. Box 1501  
Pennington, NJ 08534-0671

Include the following information:

- Your name, address and account number
- A description of the error or the electronic transfer you are unsure about
- The amount of the suspected error

If the electronic transfer in question involved obtaining cash at an ATM or financial institution or was a pre-authorized electronic transfer, the question or complaint will be resolved promptly but no more than 45 calendar days after the notice is received. If the electronic transfer in question took place in a foreign country or involved a point-of-sale transfer made with a Visa card, the question or complaint will be resolved promptly but no later than 90 calendar days after notice is received. If it is decided that no error occurred, you will be sent a written explanation within three Business Days after the investigation is finished. You may ask for copies of the documents used in the investigation.

- (f) **Disclosure of account information.** Subject to applicable law, we, the Visa card issuer or Banks holding your deposit accounts, will disclose information to third parties about your

CMA Account or CMA SubAccounts and Visa card only:

- Where it is necessary to complete a transaction;
- To third parties, including our affiliates, who have a business purpose for requesting information regarding the account or card;
- To credit bureaus and other consumer reporting agencies;
- To comply with a government agency or court orders;
- If you have given written permission; or
- If you authorize a merchant to automatically initiate recurring payments.

[iii] **Remittance Transfers.** A Remittance Transfer is a wire transfer initiated by a natural person (as opposed to a trustee or in another capacity) from an account based in the United States primarily for personal, family or household purposes to a designated recipient outside of the United States. Your rights with respect to Remittance Transfers, including error resolution and cancellation rights, will be explained to you in oral or written disclosures provided to you contemporaneously with each Remittance Transfer transaction you initiate.

Federal law provides certain rights and obligations related to Remittance Transfers that may differ from rights and obligations that apply to other types of electronic transfers, including disclosure, cancellation and error resolution rights. To the extent the provisions of this Agreement are inconsistent with the oral or written disclosures provided to you for a Remittance Transfer governed by section 919 of the Electronic Fund Transfer Act (EFTA), 15 U.S.C. Section 1693o-1, the terms of such disclosures shall govern. Notwithstanding anything to the contrary contained herein, rights and obligations that apply to Remittance Transfers are as set forth in EFTA, and as applicable, as set forth in New York law.

Wire transfers to your account or funded from your account or otherwise funded by you may involve one or more funds transfer systems, including without limitation, Fedwire

or Clearing House Interbank Payments System (CHIPS). Accordingly, notwithstanding any choice of law that may be provided elsewhere in this Agreement, such wire transfers will be governed by the rules of any funds transfer system through which the transfers are made, as amended from time to time, including without limitation, Fedwire, the National Automated Clearing House Association, any regional association (each an "ACH") and CHIPS.

Funds transfers through Fedwire will be governed by and subject to Regulation J, Subpart B, and Uniform Commercial Code Article 4A incorporated by reference hereunder.

Wire transfers through CHIPS are governed by, and subject to, CHIPS Rules and Administrative Procedures and by the laws of the State of New York, including Article 4-A of the New York Uniform Commercial Code, regardless of whether the payment message is part of a wire transfer that is a Remittance Transfer, except that, in the case of an inconsistency between New York law and EFTA, EFTA shall govern.

[iv] **Funds Transfer Service ("FTS").** You may elect to enroll in the FTS by completing the Funds Transfer Service Enrollment Form. This document, as amended from time to time by Merrill Lynch, is hereby incorporated by reference and made a part hereof. You can transfer funds electronically to accounts outside of Merrill Lynch, to linked CMA SubAccounts or to other securities accounts at Merrill Lynch by enrolling in the FTS. There is a \$100 minimum for electronic fund transfers. All FTS transfer requests must be accompanied by the number of the account and the confidential password ("FTS Password") selected by you. You will be prompted to call us to set up an FTS Password for use in initiating transfers. You should safeguard this FTS Password and not share it with anyone. Such transfers may be made by initiating credit or debit transfers to or from accounts at Merrill Lynch or at one or more financial institutions designated by you through the Funds Transfer Service Enrollment Form, and the institutions participating in such transfers

are hereby authorized to accept such debit or credit transfer instructions communicated by Merrill Lynch and to transfer funds in accordance therewith.

In the event that erroneous transfers are made pursuant to the FTS, Merrill Lynch is authorized to initiate debit or credit transfers to correct such erroneous transfers, provided that any such correction is made in accordance with applicable laws, rules or regulations.

For purposes of this Agreement, an FTS Password shall cease to be effective at the commencement of business by Merrill Lynch on the first Business Day following receipt of written or telephone notice of cancellation of your FTS Password, directed to Merrill Lynch. You should not disclose your FTS Password to any person.

You understand that you will be liable for all transfers of funds, whether or not actually authorized by you, that are initiated by instructions that include the FTS Password, as well as any and all losses and damages — direct, indirect or consequential — that arise from or are attributable to such transfers.

You can arrange a funds transfer online at **mymerrill.com** or by calling 800.MERRILL (800.637.7455). Transfers will be completed as soon as the next Business Day (or the same day if between Merrill Lynch accounts). You can also set up recurring transfers.

Restrictions apply on fund transfers from certain fiduciary accounts. The FTS is not available for CMA SubAccounts. Call your financial advisor or 800.MERRILL (800.637.7455) for details.

- (v) **Rejection of Payment Orders.** Merrill and/ or Bank of America may reject payment orders (e.g., wire transfers, checks, etc.). We will notify you of any rejection orally, electronically or in writing. If we send written notices by mail, we will do so by the end of the next business day. We are not liable to you for the rejection or obligated to pay you interest for the period before you receive timely notice of rejection.

## **(M) AUTOMATED INVESTING**

When you enroll in automated investing, we will automatically buy shares on your behalf in a mutual fund according to a predetermined schedule. You may enroll to invest through your CMA Accounts or transfer funds from your accounts for investment through another Merrill Lynch account. All mutual fund purchases are subject to the eligibility terms in the mutual fund's prospectus or statement of additional information. The availability of certain mutual funds and/or share classes offered by a mutual fund may be limited at Merrill Lynch to specific service models. Your financial advisor can provide you with further information about this service.

## **(N) ELECTRONIC BILL PAYMENT**

You can pay your monthly bills with ease using our electronic bill payment service (also referred to as Web Bill Pay). The service allows you to make one-time or recurring payments from your CMA Account to third parties using your web-connected home or office computer. Bill payments are debited from your CMA Account electronically or by drafts that clear like CMA Account checks. Bill payments are clearly indicated on your monthly statements. *In the event of erroneous bill payments, we are authorized to credit or debit your CMA Account to correct such transactions, subject to applicable laws, rules and regulations. Payments will not be cleared if they exceed your Purchasing Power (see "Transactions Exceeding Purchasing Power," Section 6(H)(ii)), and BANA is not obligated to provide you with funds to cover an overdraft.*

For more information on electronic bill payment, refer to Electronic Bill Pay service at **mymerrill.com** or call 800.MERRILL (800.637.7455).

## **(O) DIRECT DEPOSIT SERVICE**

Through the Direct Deposit Service, you can have payroll, pension, Social Security and other recurring payments sent electronically into your CMA Account on your payroll date or on the effective date of the payment, and those payments will be swept into your Primary Money Account on the Business Day after the funds and data necessary to identify your CMA Account are received. Call your financial advisor or 800.MERRILL (800.637.7455) for information about enrolling in this service. Or visit **mymerrill.com**.

## (P) MYMERRILL

All account holders may enroll in **mymerrill.com**. This internet-based service provides 24-hour access to your account information, Merrill Lynch research and investment information, market data, and news. To activate this service, a User ID and password are required. It is important to safeguard this information. If you have not received a User ID or password, or have forgotten either of them, you can request this information online at **mymerrill.com** or by calling 800.MERRILL (800.637.7455).

- (i) **Intercompany transfer of funds.** If you have both a Bank of America checking or savings account and a CMA Account, you may be able to transfer funds between these accounts using **BankofAmerica.com** or **mymerrill.com**. In order to transfer funds, your online profiles must be linked. To link your online profiles, log on to either **BankofAmerica.com** or **mymerrill.com** and follow the instructions to link your online profiles. If you have any questions, please call 800.MERRILL (800.637.7455) or 800.432.1000.

## 7. TERMINATION OF THE SERVICE

Merrill Lynch, the Banks or you may terminate the Service and close your account(s) at any time and for any reason. You agree to remain responsible for authorized charges and any debit balances that arise before or after termination.

Merrill Lynch and/or the Banks require you provide transfer instructions to transfer your account to another financial institution or elsewhere or liquidation instructions within 30 days of receiving written notification from Merrill Lynch and/or the Banks informing you that Merrill Lynch and/or the Banks are terminating your account and your subscription to the Service. If such instructions are not submitted by you within 30 days:

- Cash and Bank Deposits, such as the Merrill Lynch Bank Deposit Program, and/or the ISA Program, will be withdrawn and the proceeds will be sent to you in the form of a check;
- Equity securities eligible for direct registration will be issued to you in statement form;
- Equity and fixed income securities eligible for certificate delivery will be issued to you in that form;

- Equity and fixed income securities ineligible for certificate delivery will be liquidated;
- Any non-transferable securities, including but not limited to mutual fund positions and option contracts, will be liquidated at current market prices; and
- Sale proceeds will also be issued to you in the form of a check.

Any outstanding obligations and/or debit balance(s) you may owe in your CMA Account(s), including any annual and closing fees, will be paid prior to any checks being issued. Liquidation of any security will likely be a taxable event and may incur fees, including mutual fund contingent deferred sales charges, or other applicable liquidation fees. Merrill Lynch recommends that you consult a tax advisor to determine what result, if any, liquidation may have on your tax situation.

All rights and remedies of Merrill Lynch existing at termination of your subscription to the Service shall survive and shall be in addition to all other rights and remedies available at law or equity.

Upon termination of your subscription to the Service, you shall promptly return all cards and unused checks to Merrill Lynch.

## 8. FEES AND CHARGES

- (a) **General.** All CMA Account fees, including an annual account fee, will be charged to the CMA Account. You authorize Merrill Lynch to pay such fees from assets in the CMA Account, including Cash Balances, Money Accounts balance, and, if necessary, by selling other assets in the CMA Account. See the Appendix for details regarding CMA Account fees. Merrill Lynch and the Banks reserve the right to change their fees, including the annual account fee, as well as any other fees or charges, or to implement additional fees and charges at any time, except as limited by applicable law. Fees are nonrefundable.

No transaction charge or commission will be made with respect to deposits to or withdrawals from the Merrill Lynch Bank Deposit Program, International Bank Variable Rate Deposit Facility, or the ISA Program.

- (b) **Low balance donation.** If your CMA Account contains a balance of less than \$15, the next assessment of annual account fees may result in a debit balance for your account. If this occurs, you will be required to pay Merrill Lynch that balance. If you choose, you have the right to direct Merrill Lynch to close your account and mail you a check. If you fail to provide instructions to do so, Merrill Lynch will donate this balance to charity. This policy is designed to prevent you from owing Merrill Lynch money and to prevent the inconvenience of having your account remain open with such a small balance. By not directing us to send you a check or otherwise transfer your remaining balance, you are deemed to expressly consent to this charitable donation.

## 9. AUTHORIZATION WITH RESPECT TO CONSUMER INFORMATION

You hereby authorize Merrill Lynch, the Banks and their affiliates to obtain and verify and disclose any and all financial, credit and other information relating to you, to each other, to Merrill Lynch and to any affiliates of Merrill Lynch.

You authorize Merrill Lynch and its affiliates (including the Banks) to request a consumer report about you from one or more consumer reporting agencies for the purposes of:

- Evaluating your application for the Service or related program or service;
- Reviewing or collecting any customer information for CMA Accounts opened by you; or
- Any other legitimate business purpose.

At your request, we will supply you with the name and address of each consumer reporting agency from which we obtained a consumer report, if any, in connection with your CMA Accounts or application.

## 10. CONFIRMATIONS, PERIODIC STATEMENTS AND NOTICES

You agree that communications, including periodic statements and other notices, may be sent to your address or to such other address you provide in writing. The periodic transaction statement from Merrill Lynch will detail all account transactions during the preceding period.

As part of the CMA Master Financial Service, monthly statements for each CMA SubAccount will be mailed to the Master CMA Account holder's address.

All account holders remain responsible for verifying the accuracy of their account statements, reading notices about their CMA Accounts and directing activity in their CMA Accounts. The periodic statement will include information provided by Merrill Lynch as agent for the Banks, any successor processing bank and any ISA Program participating depository institutions.

**Trade confirmations and monthly statements shall be conclusive if not objected to by written notice delivered to Merrill Lynch within 10 Business Days after delivery of or communication of the confirmations or statements to you by Merrill Lynch.**

Any notices or other communications by Merrill Lynch to your address listed on the account application or to such other address as may be designated from time to time in writing or orally by you, and all notices and other communications so sent by whatever means, shall be deemed to have been given personally to you upon such sending, whether or not actually received. If you have one or more CMA SubAccounts that is linked to a Master CMA Account for statement delivery purposes, you agree that the account holder for the Master CMA Account is its agent for the purpose of receiving your (1) CMA periodic statement for the CMA SubAccount; and (2) any notices or other communications. Merrill Lynch may mail all such statements and communications to the address designated by you for the Master CMA Account.

## 11. ACCOUNT INFORMATION

You can obtain account information in four ways: through your financial advisor; through our 24-hour client service number 800.MERRILL (800.637.7455); on your account statements; and through [mymerrill.com](https://www.mymerrill.com) (once activated).

## 12. EXTRAORDINARY EVENTS

Merrill Lynch, its affiliates and the Banks shall neither be responsible for any loss sustained by you, nor have any obligation to provide services to you or your CMA Account, when and to the extent that Merrill Lynch, or any party that provides services or facilities to Merrill Lynch in connection with the

Service, is prevented from doing so by government acts or restrictions, exchange or market rulings, suspension of trading, electronic or telephone failures, labor disputes, civil commotion, enemy action, war, acts of terrorism, or any other cause not within Merrill Lynch's or such other party's control.

### 13. AMENDMENTS AND ADDITIONAL DOCUMENTATION

(i) **Amendments.** Merrill Lynch and the Banks (as applicable) shall have the right to amend this Agreement by modifying or rescinding any of its existing provisions, or by adding new provisions, by notifying you in advance in writing. You agree that any such amendments shall be effective as of the date Merrill Lynch establishes, subject to applicable law. Unless the context otherwise requires, the term "Agreement" shall include this Agreement relating to your CMA Account and the Documents, as amended from time to time. Nothing in this Agreement shall be read to limit the right of Merrill Lynch to make any change, amendment, termination of the Service, or the Agreement.

(ii) **Additional documentation.** You understand that additional documentation may be required by applicable law or the policies and procedures of Merrill Lynch or the Banks. You shall promptly comply with any such requests for additional documents.

### 14. MISCELLANEOUS

#### (A) SEVERABILITY

If any provisions of this Agreement are held to be invalid, illegal, void or unenforceable by reason of any law, rule, administrative order or judicial decision, all other provisions of this Agreement shall nevertheless remain in full force and effect.

#### (B) JOINT ACCOUNTS AND JOINT SEVERAL LIABILITY

If there is more than one account holder, their obligations are "joint and several." The legal ownership of the CMA Account shall be in such form as you designate and as confirmed by Merrill Lynch, as reflected in the CMA Account title. If no designation is made, Merrill Lynch is authorized to deal with account holders as tenants in common (without rights of survivorship).

If you are a U.S. citizen, legal ownership of the CMA Account will be governed by the internal laws of your state of permanent residence. If you are a nonresident alien, you agree that the form of joint ownership designated for the CMA Account shall be governed by the internal laws of the State of New York (notwithstanding the laws of any other jurisdiction to the contrary). You also agree to submit to the jurisdiction of the courts of New York and the federal courts in the Southern District of New York for purposes of determining all matters with regard to the CMA Account and consent to service of process by certified mail to the CMA Account's address of record.

All account holders agree that each CMA Account holder has authority to transact any business on behalf of the CMA Account as fully and completely as if he or she were sole owner of the CMA Account.

Merrill Lynch is authorized, subject to our policies and procedures, to accept written or oral orders and instructions with respect to the CMA Account from each account holder, without notice to any other account holder, for the receipt or transfer and withdrawal of funds by check, wire transfer or otherwise, and for the purchase, sale, exchange, transfer or other disposition of Securities and Other Property (with or without consideration), including, but not limited to, checks drawn to, or transfers made directly to, the account holder requesting the check or transfer and/or to third parties.

Merrill Lynch reserves the right to require joint instructions by all account holders or a court order at any time with regard to the transfer of funds or securities.

Each account holder acknowledges and agrees that any one account holder has the authority to grant, for and on behalf of all account holders, a third party with read-only online access to the CMA Account, and that such read-only access provides the third party with the ability to access, view, and/or download various information related to the CMA Account and to each of the account holders, including but not limited to the account number, the account statements, the address of record for the CMA Account, account holder names, canceled checks drawn on the CMA Account (if applicable), and details of holdings, balances, and transactions and other activity for the CMA Account.

Furthermore, each account holder authorizes and directs Merrill Lynch to act on the instructions of any account holder, for and on behalf of all account holders, to grant and/or revoke such read-only access to a third party.

If the account holders have enrolled in the Margin Lending Program, all account holders further agree that all Securities and Other Property that Merrill Lynch may be holding for any of them, either in this CMA Account or otherwise, shall be subject to a lien for the discharge of obligations of this CMA Account to Merrill Lynch. Such lien is in addition to any rights and remedies Merrill Lynch may otherwise have.

All statements, notices or other communications sent or given to one account holder by Merrill Lynch shall be considered notice to all account holders.

### **(C) OWNERSHIP CHANGES ON JOINT ACCOUNTS**

On the death of an account holder, the divorce of married account holders, the assignment of an account holder's interest or other event that causes a change in ownership, all account holders or the surviving account holder(s), as applicable, shall immediately give Merrill Lynch written notice thereof. In such event, Merrill Lynch may take such action, including requiring such documents or imposing such restrictions on the account, as we deem necessary in the circumstances.

The estate of a deceased account holder and a departing account holder by assignment or divorce shall remain liable, jointly and severally, with the remaining or surviving account holder(s) for any obligations of the account arising before Merrill Lynch receives such notice, or incurred in liquidation of the account or the adjustment of the interests of the account holders.

In the event of any such change of ownership of the CMA Account, Merrill Lynch is authorized to divide or retitle the CMA Account in accordance with the form of legal ownership of the CMA Account as reflected on our records or by written instructions of the remaining or surviving account holder(s), or by obtaining a court order, as we may reasonably determine is appropriate in the circumstances.

Unless agreed otherwise among account holders in writing provided to Merrill Lynch, joint accounts designated "with right of survivorship" (e.g., JTWROS) shall vest the interest of a deceased account holder in the surviving account holder(s). CMA Accounts designated "without right of survivorship" (e.g., TIC) shall entitle the estate of a deceased account holder and the surviving account holder(s) to equal shares of the CMA Account.

All account holders agree to indemnify Merrill Lynch against any liability, loss or expense incurred from acting in accordance with this Agreement in the event of a change of ownership of the CMA Account.

### **(D) COSTS OF COLLECTION**

To the extent permitted by applicable law, you shall pay the reasonable costs and expenses of collection, including attorneys' fees, for any unpaid balance in the CMA Account, finance charges as a result of any overdraft(s), or other amounts owed to Merrill Lynch, its agents or the Banks pursuant to this Agreement.

### **(E) APPLICABLE RULES AND REGULATIONS**

All transactions in the CMA Account and all Margin Lending Program transactions shall be subject to the constitution, rules, regulations, customs, usages, rulings and interpretations of the exchange or market and its clearing house, if any, on which such transactions are executed by Merrill Lynch or its agents, including subsidiaries and affiliates of Merrill Lynch, and if not executed on an exchange, FINRA. The CMA Account is governed by the rules and regulations of the Securities and Exchange Commission (SEC), the Federal Reserve System, the State of New York, and the Financial Industry Regulatory Authority (FINRA), as well as Merrill Lynch's own policies and procedures. Nothing in this provision, however, shall be read to create any right by you to enforce any provision of such constitution, rules, regulations, customs and usages against Merrill Lynch.

You may not use the CMA Account or relationship to the firm to process transactions that are prohibited by law, including, but not limited to, restricted transactions prohibited by the Unlawful Internet Gambling Enforcement Act of 2006.



## **(F) DISPUTES**

If Merrill Lynch believes there is a dispute concerning the control or ownership of assets in your CMA Account, Merrill Lynch may, but is not obligated to, take one or more of the following actions, without any liability, until such dispute is resolved to our satisfaction:

- Restrict activity in the CMA Account;
- Require that all instructions be in writing, signed by all account holders or persons claiming ownership or authority to control the CMA Account;
- Suspend or terminate the Service; and/or
- File an interpleader action in an appropriate court at your expense.

## **(G) SPECIAL ACCOUNTS**

We may modify the conditions of the Service for certain group plans and different categories of clients. For these clients, certain features of the Service may be modified. For instance, Cash Balances may be swept into Money Accounts on a more frequent basis; additional or different Money Account options may be offered; and eligibility for the Margin Lending Program and use of Visa cards and checks may be restricted. In addition, we may raise or waive minimum account-opening requirements. We may also charge such clients different fees from those generally charged to clients, or we may waive fees.

## **(H) THIRD-PARTY RESEARCH**

Merrill Lynch may offer you access to third-party research on certain U.S. and non-U.S. equity and fixed-income securities. You agree that neither Merrill Lynch nor any of its affiliates bears any responsibility or liability for third-party research or its content which may be made available to you. You assume full responsibility for any trading decision you make based on third-party research. Access to third-party research is provided for informational purposes only and does not constitute investment advice. Merrill Lynch does not endorse or otherwise adopt third party research reports or ratings.

## **(I) SUBSTITUTE PAYMENTS**

Merrill Lynch will aim to reduce the occurrence of circumstances that lead to its clients receiving substitute interest or dividend payments for

their securities in lieu of payments from the issuer of the securities. For municipal securities, we may do so by informing clients when such circumstances arise in a transaction, and giving clients the opportunity to instruct us to either: (i) cancel and correct the transaction in question if a cancellation and correction can reasonably be executed; or (ii) purchase a comparable security if a comparable security is available for purchase. There may be circumstances where a transaction cannot reasonably be canceled or corrected or a comparable security is not available for purchase, which may lead to clients receiving substitute payments for their securities in lieu of payments from the issuer of the securities. In addition, clients may receive substitute payments for their securities under a number of circumstances in normal business activities that may create a temporary shortfall that results in Merrill Lynch holding an insufficient amount of the securities at the Depository Trust Company to enable all our clients to receive the actual payment from the issuer of the securities. Under such circumstances, we have established policies and procedures to determine which clients to allocate substitute payments to. Clients who receive a substitute payment will see the payment indicated as such in their account statements. Merrill Lynch is committed to ensuring that its clients are not adversely impacted by their receipt of substitute payments. Therefore, to the extent substitute payments are made to our clients, Merrill Lynch will “gross up” substitute payments after the close of the year the payments are made with an objective to compensate you for any federal, state, or local tax liabilities that might be incurred, including an amount equal to the tax liability on the gross up itself, in accordance with our policies, copies of which will be provided upon request. If you believe the gross up amount received is not sufficient to offset the tax liability incurred due to substitute payments, please contact your financial advisor for resolution.

## **(J) NON-U.S.-ISSUED SECURITIES**

If you trade and hold non-U.S.-issued securities, you acknowledge and agree that Merrill Lynch or its affiliates are, or may be, required to disclose your name and other identifying information, including Social Security number or tax identification

number, to regulators (including taxing authorities) and/or issuers to comply with local law and/or custom and practice. For example, we may be required to provide personal information in order to meet local regulations that require the submission of investor names to the local stock exchange, or an issuer may request residence and taxpayer identification information in order to obtain favorable tax treatment, such as lower withholding rates, for shareholders.

If you hold shares of Italian companies whose equity securities are traded in any regulated market, you hereby represent that you only hold "Non-Qualified Equity Investments" (Partecipazioni Non Qualificate). You agree, and acknowledge that it is your responsibility, to immediately inform Merrill Lynch if this representation is inaccurate or untrue or if it becomes inaccurate or untrue.

If you trade and hold securities issued by European Economic Area ("EEA") issuers on a European Union ("EU") regulated market you agree and acknowledge that:

Due to an EU regulatory directive, the primary communication channel Merrill Lynch will use to inform you about corporate actions (mandatory and voluntary), general meetings and proxy voting (together, "EEA Issuer Notices") will be via e-delivery. To ensure that you receive EEA Issuer Notices in the most timely manner, you must agree to and enroll in e-delivery of Service Notices (for Corporate Actions) and Shareholder Notices (for General Meetings/Proxy).

While Merrill Lynch will make reasonable efforts to send you that information via physical mail to the address of record associated with your account(s), the mailings may be delayed. We will nevertheless promptly post all EEA Issuer Notices applicable to your account online. However, absent your consent to be notified by e-delivery, it is your responsibility to check these resources periodically.

We will continue to send you Pre-Ballot Notifications we receive for EEA issuer company meetings, one type of EEA Issuer Notices, where required. However, we will only send you a full proxy ballot and other voting materials for a particular EEA issuer company meeting if you request us to do so. If you wish to take action please contact your Advisor and proxy materials and forms will be

provided to you. To vote, you will need to provide us with information and other documentation that may be required.

Certain EEA countries require shareholders to provide passport numbers, other personal client information and/or powers of attorney in order for a vote to be accepted. In transmitting your vote, this information will be provided to various intermediaries that are unrelated to us. Other proxy requirements may limit your ability to sell the security, usually for the time between the record and meeting dates.

\*As of January, 2021, the EEA consists of Member States of the EU as well as Iceland, Liechtenstein and Norway and may change.

### **(K) REFERRAL POLICY**

Merrill Lynch is an affiliate of BANA and other subsidiaries of Bank of America Corporation. Merrill Lynch is one of the world's largest financial institutions, serving individual consumers, small- and middle-market businesses, institutional investors, large corporations, and governments with a full range of banking, investing, asset management, and other financial and risk management products and services. In the event Merrill Lynch refers your business among its affiliates to provide you with certain products or services, Merrill Lynch (or its employees or representatives) may receive financial or other benefits for such referrals.

### **(L) COMPLIANCE WITH APPLICABLE LAWS**

You represent that you (and any beneficial owner(s) if signed in a representative capacity) have complied, and you agree that you and any such beneficial owner(s) will comply, for so long as this Agreement is in effect, with all applicable laws (including obligations related to tax payments and reporting and to currency exchange controls) related to (i) the assets deposited, acquired or otherwise held in any CMA Account held at Merrill Lynch now or in the future; or (ii) any other transaction you enter into with Merrill Lynch or its affiliates. You further agree and acknowledge that you (and any beneficial owner(s) if signed in a representative capacity) are responsible for timely paying any taxes owed to any tax authority and for timely filing all relevant tax returns in relation to assets held in any CMA Account held

at Merrill Lynch now or in the future, or any other transaction you enter into with Merrill Lynch or its affiliates.

### **(M) INVESTMENT POLICY STATEMENTS — RESPONSIBILITY TO REVIEW AND MONITOR**

You acknowledge that it is your sole responsibility to adhere to any investment policy statement (IPS) or similar document that applies to you. You further acknowledge that, in connection with your Merrill Lynch Account(s), Merrill Lynch shall not have any responsibility to review, monitor, or adhere to your IPS or similar document.

### **(N) EXERCISING EMPLOYEE STOCK OPTIONS**

In order to sell shares under a company's stock option plan, you constitute and appoint Merrill Lynch as agent and attorney-in-fact for the purpose of:

- Determining and selling the number of shares of stock required to pay the amounts due upon exercise of the options;
- Making such payments; and
- Taking such further actions as shall be necessary to implement employee stock option exercises.

You authorize and instruct the employer to deliver the stock issued pursuant to the stock option exercises. You agree that this authorization is irrevocable and will continue in full force and effect and will apply to each stock option exercise.

All company stock held or carried in the CMA Account shall be subject to a lien for the discharge of any debt resulting from funds advanced for payment of the stock option exercise, applicable taxes, interest, and fees or commission.

### **(O) NON-U.S. INDIVIDUAL CLIENTS AND U.S. CITIZENS LIVING ABROAD**

Regardless of your citizenship, if you are living outside the U.S. at your death, assets held in your account(s) with Merrill Lynch may be subject to U.S. federal estate taxes. To ensure any U.S. federal estate tax liabilities are satisfied, U.S. law imposes (i) a lien on all of your assets (both U.S.-situs and non-U.S.-situs assets) held with Merrill Lynch at your death and (ii) statutory executor status on Merrill Lynch on behalf of the U.S. government at such time. As a result of this lien and the potential liability of Merrill Lynch as statutory executor for

any unsatisfied U.S. federal estate tax, all of the assets in your CMA Account(s) with Merrill Lynch at your death will be restricted from withdrawal or transfer until (a) Merrill Lynch concludes that an exception applies based on an affidavit confirming your total U.S. assets held at death, your country of citizenship (this exception is not available for U.S. citizens), and your country of permanent residence; (b) Merrill Lynch receives documentation satisfactory to Merrill Lynch confirming that your assets are subject to a state probate proceeding within the U.S.; or (c) a release from the U.S. Internal Revenue Service (IRS), known as a "Federal Transfer Certificate," is provided to Merrill Lynch (obtaining this from the IRS can take up to a year or more). As Merrill Lynch does not provide tax advice, please seek guidance on this topic from your own legal or tax advisor.

### **(P) SUCCESSORS**

This Agreement is binding on and will inure to the benefit of your heirs, successors and personal representatives, and may not be assigned without the written consent of Merrill Lynch and the Banks. This Agreement is binding upon the successors of, and may be assigned by, Merrill Lynch and the Banks.

### **(Q) HEADINGS**

The heading of each provision of this Agreement is for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such provision.

### **(R) INTEGRATION**

Subject to Merrill Lynch's right to amend this Agreement and the Documents in Section 13, this Agreement, the Documents and all other documents incorporated herein by reference or required by Merrill Lynch in connection herewith, constitutes the entire understanding of the parties with respect to the subject matter hereof.

### **(S) REVISED UNIFORM FIDUCIARY ACCESS TO DIGITAL ASSETS ACT**

In connection with the Revised Uniform Fiduciary Access to Digital Assets Act ("RUFADAA") and applicable state enabling statutes, Merrill Lynch will provide an authorized fiduciary for a Merrill Lynch client, as determined by Merrill Lynch, with "read-only" online access to such client's account(s)

provided that the client's fiduciary creates his/her own user name and password, complies with the terms and conditions set forth in the Brokerage Website Terms and Conditions, as appropriate and provides Merrill Lynch with any additional requested documentation. Online access is at all times subject to the terms, conditions and requirement applicable to Merrill Lynch websites and/or mobile applications, including any requirements for access. If Merrill Lynch determines that online access cannot be reasonably granted to such authorized fiduciary, hard copies of the information/documents requested by the authorized fiduciary may be provided.

#### **15. REPRESENTATIONS AS TO OWNERSHIP AND CAPACITY TO ENTER INTO AGREEMENT**

You represent that no one except you (or the beneficial owner(s) if signed in a representative capacity) has an interest in your CMA Account(s) with Merrill Lynch. If this CMA Account is beneficially owned by any person who is a U.S. Securities Exchange Act of 1934, Section 16, reporting person of a U.S. public company, you represent that no funds or assets belonging to such U.S. public company, or any entity affiliate of such U.S. public company, will be invested through this CMA Account. If you are a sole proprietor, you represent that you are of legal age to contract in your jurisdiction of residence. You represent that no person having an ownership interest in your CMA Account is an employee of any exchange, or of any corporation of which any exchange owns a majority of the capital stock, or of a member of any exchange, or of a member firm or member corporation registered on an exchange, or of a bank, trust company, insurance company or any corporation, firm or individual engaged in the business of dealing either as broker or as principal in securities, bills of exchange, acceptances, or other forms of commercial paper. If any of the foregoing representations is inaccurate or becomes inaccurate, you will promptly so advise Merrill Lynch in writing.

#### **16. APPLICABLE LAWS**

**This Agreement, with respect to all aspects of the Service, including margin interest charges, shall be governed by and construed in accordance with the laws of the State of New York, except as follows:**

**The terms of the Agreement with BANA are governed by federal and North Carolina law, and the terms of the Agreement with BA-CA are governed by federal law.**

Your rights and obligations for Remittance Transfers will be governed by and interpreted as described in the section titled "Remittance Transfers."

#### **17. CUSTOMER INFORMATION AND DUE DILIGENCE**

**Merrill Lynch, like all U.S. financial institutions, is required to follow federal regulations to assist the government in its efforts to fight money laundering and other financial crimes, and to counter terrorist financing efforts in the U.S. and globally. Merrill Lynch obtains specific personal information from you in order to verify your identity; you may be required to present documentary evidence of your identity in the form of government-issued identification. Merrill Lynch also uses third-party vendors to verify customer information. Foreign nationals who are permanent legal residents of the U.S. may be required to present a Permanent Resident card (i.e., "green card") and a Social Security number to open a CMA Account in a U.S.-based Merrill Lynch office. Non-individuals (e.g., a business, trust or estate) must submit sufficient evidence of legal status.**

**In addition to verifying the identity of our customers, Merrill Lynch captures personal information on all customers and related authorized parties who have the ability to transact, control, influence or manage a CMA Account, whether directly or indirectly. Merrill Lynch, at its discretion, may elect not to accept a CMA Account or to terminate the CMA Account Agreement and the Account Agreements of any related parties.**

#### **18. BALANCE CONNECT® FOR OVERDRAFT PROTECTION**

Balance Connect is a service provided by BANA that can help you cover your payments and purchases when you do not have sufficient funds in your Bank of America checking account by automatically transferring/advancing available funds from one or more of your linked backup accounts. If you have

a Bank of America checking account, you may be able to establish your CMA Account as a linked backup account in Balance Connect. Please see your BANA Deposit Agreement for further information regarding Balance Connect.

If you choose to link your CMA Account as a backup account within Balance Connect and your Bank of America checking account has insufficient funds for a transaction, available funds will transfer/advance from your CMA Account to your designated Bank of America checking account and your Purchasing Power will be reduced to cover the amount needed for the transaction. See Section 6 (H) Purchasing Power and Overdraft and Section 6

(I) (ii) Debit Balances and Disbursement Priority of this Agreement. If your CMA Account is enrolled in the Margin Lending Program, extensions of credit from the available loan value will be used to satisfy disbursements triggered by Balance Connect after your Cash Balances and Primary and Secondary Money Accounts are depleted. Any funds advanced under the Margin Lending Program are an extension of credit subject to credit availability and interest charges under the terms of the Margin Lending Program. See Section 5(A) Margin Lending Program and the Margin Truth-In-Lending Disclosure Statement for more information.

L-07-23

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# About the CMA Annual Account Fee Waiver Program

- [1] The CMA Annual Account Fee Waiver Program (the “Program”) provides you multiple ways to qualify for annual account fee waivers on your CMA Account(s) and CMA SubAccount(s).
- [2] Each year, we will automatically evaluate the accounts you have with Merrill Lynch and Bank of America, as defined in “Ways to Qualify for the Program,” below. If you are eligible and qualify for CMA annual account fee waivers under the Program, we will automatically waive the annual account fee(s) for your CMA Account(s) and CMA SubAccount(s) for that calendar year. Note that annual account fees on other brokerage account types, such as IRAs, are not waived under the Program.
- [3] If you do not qualify for the Program, you will be charged the standard annual fee. For additional information about fees, see Appendix.
- [4] There are other fees associated with your account besides annual account fees, including fees for optional services and certain transactions. These fees are not waived under the Program. Please see Appendix for details.

## CMA STATEMENT LINKS

- [5] For the purposes of this Program, a “CMA Statement Link” is defined as one or more CMA Accounts you may have linked together with any other eligible account(s) through our Statement Link Service. For the Program, a CMA Statement Link includes assets in the following account types:
  - CMA Account
  - CMA SubAccount®
  - CMA for Trust (Revocable Living Trust Only)
  - Individual Investor Account (Retail Only)
  - Working Capital Management Account® (WCMA®) classified as a Family Business Entity
  - Business Investor Account (BIA) classified as a Family Business Entity

- 529 College Savings Plan
- Education Savings Account
- Individual Retirement Account (IRA)
- Individual Retirement Rollover Account (IRRA®)
- Simplified Employee Pension (SEP) Plan
- Roth IRA
- Savings Incentive Match Plan for Employees Individual Retirement Account (SIMPLE IRA)
- Eligible Trust Management Accounts (TMA accounts):
  - Trusteed IRAs
  - Revocable Personal Trusts
  - Revocable Agency Accounts

Any above account type available through Merrill Edge® Self-Directed Investing (when consent is provided to the Merrill Edge Self-Directed Investment Center for your advisor to view the account).

- [6] When we determine Program eligibility, we do not include assets in the following types of CMA, CMA SubAccounts and Individual Investor Accounts, even if they are in a CMA Statement Link:
  - Irrevocable Living Trust
  - Testamentary Trust
  - Estate
  - Investment Club
  - Curator/Guardian/Conservator/Tutor/Committee
  - Usufruct

## EVALUATION

- [7] Each January, we will evaluate your CMA Account and/or CMA Statement Link to determine whether we will waive your annual account fee(s) for that calendar year. We will provide each CMA Account and CMA SubAccount with a “Fee Waiver Status”; that is, either waived or not waived.
- [8] To have your CMA and CMA SubAccount annual account fees waived, you must meet the “Program Eligibility Requirement” and at least one of the four “Ways to Qualify for the Program” each year, as outlined below.

## PROGRAM ELIGIBILITY REQUIREMENT

[9] Your CMA Account or CMA Statement Link must have an eligible asset value of \$250,000 or more. We calculate the \$250,000 based on month-end balances (as of the last Friday of the month) averaged over the six-month time frame prior to each January's evaluation.

## WAYS TO QUALIFY FOR THE PROGRAM

[10] If you meet the Program Eligibility Requirement, you have four ways to qualify for an annual account fee waiver on your CMA Account(s) and CMA SubAccount(s). (Note: Merrill Edge Self-Directed Investing accounts will not be reviewed for the "Managed Program Qualification," the "Direct Deposit Qualification" or the "Credit Card Qualification"). You must have one of the following at the time we evaluate your accounts:

1. **Managed Program Qualification:** Within a CMA Statement Link, a CMA Account, CMA SubAccount, IRA, IRRA, Roth IRA, SEP plan or SIMPLE IRA enrolled in a managed program.

We include the following managed programs:

- Merrill Lynch Investment Advisory Program
- Merrill Lynch Strategic Portfolio Advisor® (SPA)
- BlackRock Private Investors
- Merrill Lynch Managed Account Service™ (MAS)
- Merrill Edge Advisory Account
- Merrill Guided Investing with Advisor

Eligible TMA accounts in a CMA Statement Link are considered "managed" for the Managed Program Qualification.

Managed programs included in the CMA Annual Account Fee Waiver Program may change in the future. Please speak with your financial advisor if you have any questions.

*Note: CMA Accounts and CMA SubAccounts enrolled in managed solutions group programs automatically receive annual account fee waivers, and the \$250,000 statement-link minimum asset requirement does not apply. Under the Program, if a CMA Account, CMA SubAccount, IRA, IRA Rollover, Roth IRA, SEP plan or SIMPLE IRA is enrolled in*

*a managed solutions group program and there are other non-managed CMA Accounts or CMA SubAccounts in the statement link, the \$250,000 statement-link minimum asset requirement must be met in order for the non-managed CMA Accounts and CMA SubAccounts in the statement link to qualify for annual account fee waivers.*

**2. Total Assets Qualification:** A CMA Account or CMA Statement Link with a total eligible asset value of \$5 million or more.

We calculate the \$5 million Total Assets Qualification based on month-end balances (as of the last Friday of the month) averaged over the six-month time frame prior to each January's evaluation.

**3. Direct Deposit Qualification:** Direct deposit total of \$2,000 or more per month across your CMA Account/CMA Statement Link and Bank of America personal checking account(s) for three consecutive months prior to each January's evaluation.

Personal checking accounts are accounts opened for individuals, not for businesses. For CMA Accounts, we will include all direct deposit payment types. For Bank of America personal checking accounts, we will include the following direct deposit payment types:

- Annuity
- Child support
- Dividend and interest
- Military-related
- Department of Social and Health Services
- PayPal
- Employment be pay
- Pension transfers
- National Council on Compensation Insurance
- Social Security
- Supplemental Social Security
- Trust/beneficiary

*Note: If you or any party in your CMA Statement Link has chosen to opt out of the Advised Client Model, we will not count personal*

*Bank of America direct deposit payment activity toward the Direct Deposit Qualification. You or any party in your CMA Statement Link may opt in or opt out of the Advised Client Model at any time. To update the preference or to understand more about the Advised Client Model, please contact your financial advisor or 800.MERRILL (800.637.7455).*

**4. Credit Card Qualification:** A total purchase amount of \$36,000 or more aggregated across your personal Bank of America credit cards for the 12 billing cycles prior to each January's evaluation. Personal credit cards are credit cards opened for individuals, not for businesses. Eligible credit card types are subject to change. The primary cardholder will receive credit for the purchase amounts on all of the credit cards within the credit card account. We base this amount on net purchases; that is, purchases minus returns/credits. We do not include balance transfers or cash advances. Fees, interest charges and unauthorized/fraudulent transactions do not qualify.

*Note: If you or any party in your CMA Statement Link has chosen to opt out of the Advised Client Model, we will not count personal Bank of America credit card activity toward the Credit card Qualification. You or any party in your CMA Statement Link may opt in or opt out of the Advised Client Model at any time. To update the preference or to understand more about the Advised Client Model, please contact your financial advisor or 800.MERRILL (800.637.7455).*

## **CHANGES TO CMA STATEMENT LINKS PREVIOUSLY EVALUATED DURING A CALENDAR YEAR**

- [11] If you make changes to your CMA Statement Link after it has been evaluated for the Program in January, the Fee Waiver Status will remain with each CMA Account and CMA SubAccount until the next January's evaluation.
- [12] If you open a new CMA Account or CMA SubAccount and link it to a previously evaluated CMA Statement Link, the new CMA Account/CMA SubAccount will inherit the Fee Waiver Status that was assigned to the other CMA

Accounts in your CMA Statement Link. The new CMA Account/CMA SubAccount will be included in your CMA Statement Link during the next January's evaluation.

## **NEW CMA ACCOUNTS AND NEW CMA STATEMENT LINKS**

- [13] For the purposes of the Program, a "New Account" is a CMA Account or CMA SubAccount that has been opened for less than six months and not added to a CMA Statement Link that was previously evaluated for the Program. The Program will exclude these New Accounts from the January evaluation until the New Accounts have been opened for six months. After the end of the six-month period, we will evaluate your New Accounts using the same qualification process performed in January, with the following exception:
  - For the Credit Card Qualification, we will calculate your total purchase amount based on the prior six billing cycles, instead of 12 billing cycles, and qualify the total purchase amount on \$18,000 or more, instead of \$36,000 or more.
- [14] After the first evaluation of your New Accounts for the Program, we will evaluate your CMA Account(s) and CMA SubAccount(s), and any CMA Statement Link they are in, if any, each January.
- [15] If you have questions about the Program, please contact your financial advisor or call 800.MERRILL (800.637.7455).

L-07-23



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# About the Merrill Lynch Bank Deposit Program

- [1] This section describes the manner in which free credit balances of the Service, which includes CMA Accounts and CMA SubAccounts, will be deposited in bank deposit accounts established in the name of Merrill Lynch as your agent at either BANA, and/or BA-CA, by Merrill Lynch. This feature is called the MLBD Program.
- [2] If you subscribe to the MLBD Program for your CMA Account or CMA SubAccount, Merrill Lynch, as your agent, will establish two bank deposit accounts on your behalf at BANA and BA-CA: (1) a BTA; and (2) an MMDA. The BTAs and MMDAs established through the MLBD Program are each a "Deposit Account" and collectively the "Deposit Accounts."

## ELIGIBILITY

- [3] The MLBD Program is available only to individuals, business entities, certain nonprofit organizations such as 501(c)(3) entities, and certain fiduciaries and trusts, provided the beneficiaries are individuals or otherwise eligible.

## HOW THE PROGRAM WORKS

### Deposits for single account holders

- [4] The timing of the deposit of available free credit balances will be as set forth in this Agreement.
- [5] For CMA Accounts held by only one individual, free credit balances of up to \$246,000 are remitted automatically for deposit by Merrill Lynch, acting as your agent, to your Deposit Accounts established by Merrill Lynch at BANA. Merrill Lynch will make this deposit on your behalf without reference to any other amounts you may have on deposit with BANA. If your Deposit Account balances with BANA (from your CMA Account) reach \$246,000, then free credit balances are remitted for deposit to your Deposit Accounts established by Merrill Lynch at BA-CA, until Deposit Account balances at BA-CA (from your CMA Account) reach \$246,000. If your Deposit Account

balances at BA-CA (from your CMA Account) reach \$246,000, subsequent funds will be deposited in your Deposit Accounts at BANA, even if the amounts then deposited in BANA through the MLBD Program exceed \$250,000.

- [6] All deposits made to the Deposit Accounts will be made to your MMDA accounts, except as described under "Transfers and withdrawals," page 42.

### Deposits for joint account holders and accounts for trusts

- [7] The timing of the deposit of available free credit balances will be as set forth in the Agreement.
- [8] For joint CMA Accounts and CMATs, free credit balances of up to \$246,000 are remitted automatically for deposit by Merrill Lynch, acting as your agent, to your Deposit Accounts established by Merrill Lynch at BANA. Merrill Lynch will make this deposit on your behalf without reference to any other amounts you may have on deposit with BANA. If your Deposit Account balances with BANA reach \$246,000, then free credit balances are remitted for deposit to your Deposit Accounts established by Merrill Lynch at BA-CA, until Deposit Account balances at BA-CA (from your CMA Account) reach \$492,000. If your Deposit Account balances at BA-CA (from your CMA Account) reach \$492,000, subsequent funds will be deposited in your Deposit Accounts at BANA, even if the amounts then deposited in BANA through the MLBD Program exceed \$500,000.
- [9] All deposits made to the Deposit Accounts will be made to your MMDAs, except as described under "Transfers and withdrawals," page 42.

### Important deposit insurance considerations

- [10] All funds on deposit in each Merrill Lynch affiliated Bank are eligible for insurance by the FDIC. Deposits are insured up to the SMDIA, per ownership category, per bank, as defined in paragraph 34. For purposes of determining deposit insurance coverage, all accounts or deposits (including CDs you hold either directly or through any other account at Merrill Lynch or any other intermediary) in the same

Merrill Lynch affiliated Bank will be aggregated. Amounts on deposit at BANA or BA-CA in the same insurable capacity in excess of the applicable FDIC insurance limit will not be covered by FDIC insurance. You are responsible for monitoring the total amount of all Merrill Lynch affiliated Bank deposits in order for you to determine the extent of insurance coverage available to you on those deposits, including the Deposit Accounts and CDs.

[11] If you have elected the MLBD Program through the Sweep Program in connection with more than one Merrill Lynch account (such as a CMA Account and a CMA SubAccount), you should note that remittances of funds from the CMA and CMA SubAccount securities accounts to the Deposit Accounts are made by Merrill Lynch, as your agent, on an automated and independent basis. Merrill Lynch will not monitor and adjust deposits to the Deposit Accounts to achieve the greatest deposit insurance coverage for you between or among your Merrill Lynch accounts. Persons with more than one Merrill Lynch account with the MLBD Program should consider various alternatives to lessen the amount of their uninsured Deposit Accounts. These alternatives may include selecting a different Money Account into which available Cash Balances in their second (or additional) Merrill Lynch accounts are swept, and carefully monitoring and periodically adjusting the amount of their deposits with BANA and BA-CA (whether in the Deposit Accounts, CDs or other deposits).

[12] As a result of the automated and independent nature of the deposit-making process for the MLBD Program, it is possible, for example, that individual (e.g., non-joint) Merrill Lynch account holders with both a CMA Account and a CMA SubAccount could have amounts on deposit with BANA in excess of the FDIC insurance maximum before any deposits are made, under the MLBD Program, to the individual's Deposit Accounts at BA-CA. In this example, an individual who has more than one Merrill Lynch securities account with the MLBD Program in those accounts may lessen the amount of uninsured deposits in his or her Deposit Accounts by selecting a different Money

Account into which available Cash Balances from his or her second (and subsequent) Merrill Lynch accounts are swept. As an alternative, an individual Merrill Lynch account holder (e.g., non-joint account holders) with more than the SMDIA in Deposit Accounts can maximize FDIC insurance coverage by effecting transfers of funds between his or her CMA Account and CMA SubAccount so that twice the SMDIA deposited in Deposit Accounts through the MLBD Program comes from either his or her CMA Account or CMA SubAccount, but not from a combination of both accounts.

[13] Merrill Lynch is not responsible for any insured or uninsured portion of the deposits made under the MLBD Program, or any CDs or any other deposits you may have.

[14] For more information on FDIC deposit insurance, see "About Deposit Insurance," page 44.

### **Transfers and withdrawals**

[15] Withdrawals will be made from your BTAs by Merrill Lynch as your agent as necessary to satisfy debits (securities purchases, checks, Visa and other charges) in your respective CMA Account. If you have Deposit Accounts only with BANA, then withdrawals will be made from your Deposit Accounts at BANA. In general, if you have Deposit Accounts at both BANA and BA-CA, withdrawals will be made from your Deposit Accounts in the reverse of the order in which deposits are made to the accounts.

[16] If funds in a BTA are insufficient to satisfy a debit, funds in the MMDA at either BANA or BA-CA will be transferred to the BTA at BANA or BA-CA to satisfy the pending withdrawal, plus a "cushion" to be determined from time to time by Merrill Lynch. Certain transfers from an MMDA may be subject to a limit of six during a monthly statement cycle, and certain aggregation rules may apply to transfers from the MMDAs at BANA or BA-CA. At any point during a month in which transfers from the MMDAs at BANA or BA-CA have reached the applicable limit, funds will be transferred from all MMDAs you have at BANA or BA-CA to the related BTAs. For the remainder of the month,

free credit balances in your CMA Account will be deposited in your BTAs instead of the MMDAs as described above. At the beginning of each month, all funds in the BTAs (less \$1) will be transferred to the MMDAs. The limits on MMDA transfers will not limit the number of withdrawals you can make from funds on deposit at BANA or BA-CA through the MLBD Program.

- [17] As required by federal regulations, BANA and BA-CA reserve the right to require seven days' prior notice before permitting a transfer out of MMDAs. BANA and BA-CA have not exercised this right in the past.
- [18] The BTAs and MMDAs are not transferable.

### **Interest rates, yields and tiering**

- [19] Interest rates paid on deposits in the MLBD Program are determined at the discretion of BANA and BA-CA based on economic and business conditions. Interest rates may change daily. The current yield on any deposits held in the MLBD Program is included on your Merrill Lynch account statement. Recent yields may be accessed on [mymerrill.com](http://mymerrill.com) (see the "Deposit Account & Money Fund Rates" link at the bottom of each page) or by contacting your financial advisor.
- [20] Balances in the BTAs and MMDAs at BANA and BA-CA will earn the same interest rate and rate of return.
- [21] Interest rates paid on deposits in the MLBD Program are tiered based upon your relationship with Merrill Lynch, as determined by the total value of assets in your account, or statement-linked assets as described on pages 12 and 13. Clients with higher total eligible assets generally receive a higher yield on their bank deposits. Interest rate tiering does not apply to deposits from accounts enrolled in certain discretionary programs, such as the Merrill Lynch Investment Advisory Program; these accounts are entitled to the same interest rate paid to accounts in Tier 4.
- [22] For more information on asset tiering, please see "Tier Assignment and Account Valuation," page 14.

- [23] The rates of return paid with respect to the accounts may be higher or lower than the rates of return available to direct depositors of either BANA or BA-CA for comparable accounts. Of course, you should compare the terms, rates of return, required minimum amounts, charges and other features of the deposits at either BANA or BA-CA with other accounts, sweep programs and alternative investments offered by Merrill Lynch or other institutions.
- [24] Interest will accrue on Deposit Account balances from the day they are deposited to either BANA or BA-CA to (but not including) the date of withdrawal, and will be compounded daily and credited monthly. Both BANA and BA-CA use the daily balance method to calculate interest on the accounts. This method applies the applicable rate to the principal in the accounts each day.

### **Account statements and information**

- [25] All deposits to and withdrawals from your Deposit Accounts will be confirmed and appear in chronological sequence on separate monthly CMA Account statements. In addition, the statements will show the total of your opening and closing deposit balances for the period at BANA and/or BA-CA. If you have more than one CMA Account or CMA SubAccount to determine your total deposits in BANA and/or BA-CA through the MLBD Program, you will need to add the balances shown on each statement. The statements will also include interest earned for the period at BANA and/or BA-CA.
- [26] You may obtain information about your accounts with either BANA and/or BA-CA, including balances and checking activity, by calling your financial advisor or 800.MERRILL (800.637.7455).

### **Your relationship with Merrill Lynch**

- [27] Merrill Lynch is acting as agent and messenger for its customers for the deposits at BANA and/or BA-CA. The separate accounts established by Merrill Lynch on your behalf will be evidenced by a book entry on the account records of BANA and/or BA-CA and reflected on your periodic Merrill Lynch account statements. No evidence of ownership, such as a passbook or certificate, will be issued to you.

[28] Checks clear through the check writing facility provided for your CMA Account, which results in debits directly against your CMA Account at Merrill Lynch. As a central asset account, the CMA Account is an investment and money management vehicle. The CMA Account is not a bank account. Checks are provided to you by Merrill Lynch and not by either BANA or BA-CA. In addition, all transactions are effected through Merrill Lynch, as agent, and not directly between you and either BANA or BA-CA.

[29] **Deposits with BANA are obligations of BANA only and are not guaranteed by or obligations of Bank of America Corporation or any other subsidiary thereof. Deposits with BA-CA are obligations of BA-CA only and are not guaranteed by or obligations of Bank of America Corporation or any other subsidiary thereof. Upon request, you will be provided with the publicly available summary financial information that Merrill Lynch has relating to BANA and BA-CA. Merrill Lynch is not a bank. Securities made available through Merrill Lynch are not guaranteed by any bank, are not insured by the FDIC and may lose value.**

[30] Merrill Lynch may, in its sole discretion and without notice, terminate your use of the CMA Account. Either BANA or BA-CA may also terminate, in its sole discretion and without notice, your Deposit Accounts. If Merrill Lynch does not wish to continue to act as your agent with respect to your Deposit Accounts, you may deal directly with either BANA or BA-CA, subject to its rules with respect to maintaining direct bank accounts. Similarly, if you decide that you no longer wish to have Merrill Lynch act as your agent and messenger with respect to the Deposit Accounts established for you at either BANA or BA-CA, you may establish a direct relationship with either BANA or BA-CA, subject to its rules with respect to maintaining such accounts, by requesting to have the accounts established in your name. This will result in severance of the Deposit Accounts from your CMA Accounts.

[31] As stated in the CMA Financial Service Cash Management Account Disclosures and Account Agreement, Merrill Lynch may delay payment

from your account for a certain number of days based upon factors including whether the source of the funds placed in your CMA Account was an electronic funds transfer, check, draft or similar instrument.

### **Benefits to Merrill Lynch**

[32] Deposits held in BANA and BA-CA are financially beneficial to Merrill Lynch and its affiliates. BANA and BA-CA use bank deposits to fund current and new lending, investment, and other business activities. Like other depository institutions, the profitability of BANA and BA-CA is determined in large part by the difference between the interest paid and other costs incurred by them on bank deposits, and the interest or other income earned on their loans, investments and other assets. The deposits provide a stable source of funding for BANA and BA-CA, and borrowing costs incurred to fund the business activities of BANA and BA-CA have been reduced by the use of deposits from Merrill Lynch clients.

[33] Merrill Lynch receives compensation from BANA and BA-CA of up to \$100 per year for each CMA Account and CMA SubAccount that has uninvested Cash Balances automatically swept to BANA and/or BA-CA under the MLBD Program. The amount of this compensation is subject to change from time to time, and Merrill Lynch may waive all or part of it. Other than the regular annual Merrill Lynch account fees, there will be no charge, fee or commission imposed with respect to your deposits with BANA or BA-CA. Our financial advisors are compensated based on clients' total deposits held in either BANA or BA-CA.

## **ABOUT DEPOSIT INSURANCE**

### **FDIC insurance**

[34] FDIC insurance covers all deposit accounts at an FDIC-insured bank, which includes MLBD Program deposits. Deposits maintained in different categories of legal ownership — such as individual accounts, joint accounts or certain retirement accounts — are separately insured by the FDIC, up to the applicable SMDIA per depository institution. The SMDIA is \$250,000 per depositor, per ownership category, per insured bank.

[35] Your FDIC protection takes effect as soon as BANA and/or BA-CA receives your deposits from Merrill Lynch. Amounts in excess of the applicable FDIC insurance limit may be deposited to the Merrill Lynch affiliated Banks from the same Merrill Lynch account. It is important to note that uninvested cash held in more than one Merrill Lynch account (such as a CMA Account and a CMA SubAccount) may be deposited to the same Merrill Lynch affiliated Banks. Any accounts or deposits (e.g., CDs) maintained with a Merrill Lynch affiliated Bank in the same legal ownership category, whether directly, through other Merrill Lynch accounts or through any other intermediary, would be aggregated for FDIC insurance limit purposes.

[36] **You are responsible for monitoring the total amount of your deposits in order for you to determine the extent of insurance coverage available to you on your deposits, including any CDs. Merrill Lynch is not responsible for any insured or uninsured portion of MLBD Program deposits, CDs or any other deposits.**

[37] Merrill Lynch will not be obligated to you for amounts not covered by deposit insurance, nor will Merrill Lynch be obligated to make any payments to you in satisfaction of a loss you might incur as a result of a delay in insurance payouts applicable to your Deposit Accounts. Merrill Lynch will not be obligated to credit your CMA Account with funds in advance of their payment to Merrill Lynch by the FDIC. Each Deposit Account constitutes a direct obligation of the issuing depository institution and is not directly or indirectly an obligation of Merrill Lynch

[38] Since deposit insurance coverage is based on a customer's funds on deposit in any one depository institution, coverage can change if two or more institutions where you have funds on deposit merge or consolidate. Please note that if your deposits at a depository institution are assumed by another depository institution ("acquirer") pursuant to a merger or consolidation, such deposits will continue to be separately insured from the deposits that you might have established with the acquirer until the expiration of a six-month period from the date of the acquisition. Thereafter,

any assumed deposits will be aggregated with your existing deposits with the acquirer held in the same ownership category for purposes of federal deposit insurance. Any deposit opened at the acquired institution after the acquisition will be aggregated with deposits established with the acquirer for purposes of federal deposit insurance.

[39] The application of the SMDIA is illustrated by several common situations discussed below. For additional information, including FDIC rules related to retirement accounts, visit [fdic.gov](https://www.fdic.gov).

### Individual customer accounts

[40] An individual account is an account owned by one person. Individual accounts include accounts established for the benefit of the owner by agents, nominees, guardians, custodians or conservators, and accounts established by a business that is a sole proprietorship. All individual accounts established by, or for the benefit of, the same owner at an FDIC-insured institution are added together and the total is insured up to \$250,000.

[41] For example, funds in accounts held by a custodian under the Uniform Gifts to Minors Act are not treated as owned by the custodian, but are added to other deposits of the minor held in an individual capacity and insured up to \$250,000.

### Joint accounts

[42] A joint account is an account owned by two or more people. Each co-owner's interest in joint accounts at an FDIC-insured institution is insured up to \$250,000. For example, a joint account owned by two persons would be eligible for insurance coverage of up to \$500,000 (\$250,000 for each person), subject to aggregation with each co-owner's interests in other joint accounts at the same depository institution. Joint accounts are separately insured from the co-owner's deposits maintained in other ownership categories at the depository institution (e.g., individual accounts) if each co-owner (1) is an individual person; and (2) has signed an account agreement with Merrill Lynch and has an equal right of withdrawal from the account.

## Revocable trust accounts

- [43] A revocable trust is an account that indicates an intention that funds will belong to named beneficiaries upon the owner's death. A revocable trust can be revoked or terminated at the discretion of the owner. The FDIC's insurance regulations distinguish between two types of revocable trusts — formal trusts and informal trusts.
- [44] A formal revocable trust is established through a written trust document or agreement. The beneficiaries must be a natural living person and/or a charity/nonprofit organization recognized by the IRS. Because Merrill Lynch account records do not specifically name the beneficiaries of a formal revocable trust, it is necessary for the account title to indicate that the account is held by a formal revocable trust in order for each named beneficiary to qualify for FDIC insurance.
- [45] An informal revocable trust is created if all of the following conditions are met: (1) the account title must include commonly accepted terms such as "transfer on death," "in trust for" or similar language to indicate the existence of a trust relationship (the terms may be abbreviated); (2) the beneficiaries must be identified by name in the deposit account records for the bank; (3) the beneficiaries must be a natural living person and/or a charity/nonprofit organization recognized by the IRS
- [46] FDIC coverage is determined by the number of beneficiaries named by an owner and the amount of the deposit. For revocable trust accounts where the owner has a balance of \$1,250,000 or less at an FDIC-insured institution and has named five or fewer beneficiaries, rather than evaluate the proportional interest of each beneficiary, the maximum coverage is determined by multiplying the number of beneficiaries by \$250,000. For revocable trust accounts where the owner has more than \$1,250,000 and has named six or more unique beneficiaries, each with an equal interest in the trust, the calculation is the same as for revocable trusts that name five or fewer beneficiaries.
- The maximum insurance coverage is up to \$1,500,000. For revocable trust accounts where the owner has more than \$1,250,000 at an FDIC-insured institution and has named more than five beneficiaries in the revocable trust with unequal interests, the maximum coverage is the greater of (i) \$1,250,000 or (ii) the aggregate amount of all the beneficiaries' proportional interests in the revocable trusts, limited to \$250,000 per beneficiary.
- [47] Properly established revocable trust account deposits, whether formal or informal, are separately insured from the owner's deposits maintained in other ownership categories at the depository institution. However, a revocable trust account established by a husband and wife that names the husband and wife as sole beneficiaries will be treated as a joint account and will be aggregated with other joint accounts subject to the rules described above under "Joint accounts."

## Irrevocable trust accounts

- [48] An irrevocable trust is an account in which the grantor gives up all power to revoke or amend the trust. The irrevocable trust may be created through an irrevocable trust document or agreement, statute or court order, or could spring from a revocable trust. The deposit account records of the depository institution must disclose the existence of the trust relationship. The interests of the beneficiaries must be non-contingent (i.e., capable of determination without evaluation of contingencies) and ascertainable from the deposit account records of the depository institution or from the records of the trustee maintained in good faith and in the regular course of business. The value of each beneficiary's interest must be capable of determination in accordance with FDIC regulations. The trust must be valid under state law. Irrevocable trust accounts are separately insured from the owner's deposits maintained in other ownership categories at the depository institution (e.g., revocable trust accounts). The interests of a beneficiary in all deposit accounts under an irrevocable trust established by the same grantor, at the same FDIC-insured

institution, are added together and insured up to \$250,000. If the owner retains an interest in the trust, that interest is added to the owner's single accounts, if any, and that total is insured up to \$250,000.

### **Treatment of accounts upon death of owner**

[49] Under certain circumstances, if you become the owner of deposits at a depository institution because another depositor dies, beginning six months after the death of the depositor, the FDIC will aggregate those deposits for purposes of the SMDIA with any other deposits that you own in the same ownership category at the depository institution. Accounts that may be subject to this FDIC policy include joint accounts, "payable on death" accounts and certain trust accounts. For example, in the event of the death of one of two co-owners of a joint account, beginning six months after the death of the depositor, all the funds would be treated as individually held by the surviving co-owner and would, therefore, be aggregated with all other individually owned deposits of such survivor at the same depository institution for insurance purposes, unless some other action is taken. The FDIC provides the six month "grace period" to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

### **Payments under adverse circumstances**

[50] In the event that federal deposit insurance payments become necessary, the FDIC is required to pay principal plus unpaid and accrued interest to the date of the closing of the relevant depository institution as prescribed by law and applicable regulations. Since there is no specific time period during which the FDIC must make available such insurance payments, you should be prepared for the possibility of an indeterminate delay in obtaining insurance payments. In addition, you may be required to provide certain documentation to the FDIC and to Merrill Lynch before any insurance payments are released to you. For example, if a deposit account is held by you as trustee for the benefit of trust participants, you may be required to furnish an affidavit to that effect; you may be required to furnish other affidavits and indemnities regarding the insurance payments.

### **Additional information from the FDIC**

[51] If you have questions about FDIC insurance coverage, you may obtain information by contacting the FDIC by letter at Deposit Insurance Outreach, Division of Depositor and Consumer Protection, 550 17th Street, N.W., Washington, D.C. 20429; by phone at 877.275.3342 or 800.877.8339 (TTY); or by visiting the FDIC website at [fdic.gov](https://www.fdic.gov).

L-06-21

# Margin Truth-in-Lending Disclosure Statement

## MARGIN INTEREST RATES

Interest will be charged for any loan extended to you, whether for the purpose of buying, trading or carrying securities or for other purposes.

Your interest rate will be the current Merrill Lynch Base Lending Rate (BLR) plus a supplementary percentage or “spread” based on (1) your average daily loan or debit balance; and (2) the value of the assets and liabilities in your “Relationship Group” at the time that your account is approved for the Margin Lending Program or when your Relationship Group is reset, which can be done at your request. Your “Relationship Group” is defined as: (i) your accounts at Merrill Lynch, and (ii) in Merrill Lynch’s discretion, your accounts and eligible accounts of others in your household at Merrill Lynch and Merrill Lynch’s affiliates, such as Bank of America, N.A. The BLR is adjusted weekly with reference to commercial interest rates and market conditions. Please note that your spread will not automatically be updated to reflect changes in the value of the assets and liabilities in your Relationship Group over time. To obtain the current BLR, understand what accounts are currently in your Relationship Group, request that other accounts be added to or

removed from your Relationship Group, or to have the value of your Relationship Group reset, call your financial advisor or 800.MERRILL (800.637.7455).

The following table shows the supplementary percentage or spread that will be added to the BLR based on different average daily loan or debit balances and Relationship Group values. The spreads depicted in this table are as of February 22, 2022, and are subject to change in Merrill’s discretion.

Your account statement will show the interest rate applied, the average daily loan balance, the number of days the loan was outstanding, and the actual interest charged to your CMA Account for the charge period. If there was a change in the BLR during the charge period, your account statement will itemize that information for each rate applied during the charge period.

*Your total interest rate is subject to change without notice in accordance with changes in the BLR, your average daily loan balance, or the value of the accounts in your Relationship Group if or when that information is reset. If there is a change in the BLR during a charge period, you will be charged the new interest rate for the remainder of the charge period or until another change in the BLR occurs. If your rate is changed for any reason other than those described in this paragraph or in the case of concessions granted at the discretion of Merrill Lynch, you will receive a written notice at least 30 days before the change.*

Tiers	Debit balance			
	< \$100M	\$100M – \$999M	\$1MM – \$4.99MM	>=\$5MM
<\$100M	8.500	7.750	6.750	5.500
\$100M – \$249M	8.250	7.500	6.500	5.250
\$250M – \$499M	8.000	7.250	6.250	5.000
\$500M – \$749M	7.750	7.000	6.000	4.750
\$750M – \$999M	7.500	6.750	5.750	4.500
\$1.0MM – \$2.49MM	7.250	6.500	5.500	4.250
\$2.5MM – \$4.99MM	7.000	6.250	5.250	4.000
\$5.0MM – \$7.49MM	6.875	6.125	5.125	3.875
\$7.5MM – \$9.99MM	6.875	6.125	5.125	3.875
\$10MM – \$14.99MM	6.750	6.000	5.000	3.750
\$15MM – \$24.99MM	6.750	6.000	5.000	3.750
\$25MM – \$49.99MM	6.500	5.750	4.750	3.500
\$50MM – \$99.99MM	6.500	5.750	4.750	3.500
>=\$100MM	6.250	5.500	4.500	3.250

The rates shown may vary in individual situations at Merrill Lynch’s discretion.



## CHARGE PERIOD

The period for which interest charges are made runs from the last Friday of each month up to and including the last Thursday of the following month. There are three variations to this: (1) if the last Friday of the month is a holiday, then the interest charge period will end one Business Day earlier; (2) in December, the interest charge period will end on the next-to-last Business Day of the year (and the interest charge period for January of the following year will begin on the last Business Day of the year); and (3) for CMA Accounts that receive calendar month-end statements, the interest charge period runs from the last Business Day of the calendar month up to and including the next-to-last Business Day of the calendar month.

The interest charge period parallels the monthly statement period, except that interest for the final day of the statement period will be carried over and reflected on the next month's statement. The final day of the statement period is the last Friday of the month, except (1) if that Friday is a holiday, the final day of the statement period is the prior Business Day; (2) in December, when the final day of the statement period is the last Business Day of the year; and (3) for CMA Accounts that receive calendar month-end statements, the final day of the statement period is the last Business Day of the calendar month.

The average daily debit-balance entry which will appear on the CMA Account statement is calculated based upon the number of days on which there was a debit balance in your CMA Account and not on the total number of days in either the charge period or the statement period.

## CALCULATION OF CHARGES

The interest charge is determined at the close of the charge period by multiplying the average daily loan balance by the applicable interest rate and the number of days a loan was outstanding, then dividing by 360. If the Base Lending Rate was changed during the charge period, interest charges are calculated separately for the appropriate number of days at each rate and itemized on your CMA Account statement. Interest charges are due and payable at the close of the charge period.

The exact amount due may be obtained from your financial advisor or office serving your CMA Account. If you do not pay the interest charge at the close of the charge period, the interest will be added to the opening loan balance for the next charge period.

## SHORT SALES

The market values of securities you sell "short" are adjusted daily for interest calculation purposes by a process called "marking to market." "Short sales against the box" are treated in exactly the same way as short sales. The market value of all securities sold short in your CMA Account, including securities sold "short against the box," are treated as a debit for the purpose of calculating interest charges.

The closing market value of the securities which were sold short is determined each Business Day and is either added to the net debit balance or subtracted from the net credit balance in order to calculate interest charges. If the total market value of the securities sold short increases, then the debit adjustment to the net balance will increase by the same amount for the calculation of interest charges. Conversely, if the total market value of the securities sold short decreases, then the debit adjustment to the net balance will also decrease by a like amount for the calculation of interest charges. The market value of "long" securities held in your CMA Account against which a short sale is made is not included in the computation of interest charges. *Please note that upward or downward adjustments of balances are for interest calculation purposes only.*

## A NOTE ON SELLING SECURITIES NOT IN YOUR ACCOUNT

If you sell securities through us that you own but have not yet placed into your CMA Account, they must be delivered to Merrill Lynch by the settlement date of the transaction. Proceeds of such sales will not be used as an offset in calculating interest charges until the securities are received into your CMA Account in good deliverable form. Similarly, credits resulting from the exercise of employee stock options and sale of the underlying stock will not be used as an offset until the securities are actually received into your

CMA Account in good deliverable form. The exercise of an employee stock option may include either (1) a loan to you by Merrill Lynch for the amount of the exercise price, together with any additional tax withholding, up to the maximum amount that may be obtained under federal law, currently 50% of the value of most equity securities; or (2) an advance of funds for the amount of the exercise price, together with any additional tax withholding up to the net sales proceeds to be received if you are exercising an option and concurrently selling the securities. In computing interest charges, any credit resulting from the proceeds of such a sale will not be used as an offset until the securities to be obtained on the exercise of your employee stock option are actually received into your CMA Account in good deliverable form.

### **OPTION TRADING**

Options can be traded through your CMA Account and may be used to hedge a leveraged position. However, options themselves cannot be bought or sold on credit or borrowed against for purchases of any kind. Writers of options, other than certain covered call writers and certain writers of cash secured puts, must comply with the applicable initial equity and maintenance requirements that are set by Merrill Lynch, subject to minimum requirements imposed by the Federal Reserve Board, by securities and options exchanges, and by other self-regulatory organizations. These requirements vary depending on the underlying interest and the number of option contracts sold, and may be increased at any time by any of the above-mentioned organizations.

In addition, we may impose certain position limits, and additional initial equity and maintenance requirements may be imposed from time to time without notice. If these limits and requirements are not met, Merrill Lynch may close sufficient option contracts to bring the CMA Account into compliance with them. Please note that option trading must be approved in advance by Merrill Lynch and additional documents are necessary. Option transactions involve certain risks and are not appropriate for every investor. Contact your financial advisor for specific information.

### **LIENS AND MARGIN CALLS**

Securities and Other Property in any of your CMA Account(s) with us except for those held in retirement accounts, such as IRAs, are collateral for any loan balances in any of your CMA Account(s). A lien is created by these debits or margin loans to secure the amount owed to us. We retain the right to require additional collateral any time we deem it necessary for our protection. These margin or maintenance calls can be met by the prompt delivery of acceptable securities or cash. In accordance with this Agreement, should the equity in your accounts fall below our minimum requirements for the Margin Lending Program, securities in your accounts may be sold to reduce or satisfy your loan balance.

You understand and agree that any credit extended to you in connection with your CMA Account is primarily for investment or business purposes.

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# Securities-Based Loan Disclosure Statement

## RISK FACTORS YOU SHOULD CONSIDER BEFORE USING MARGIN OR OTHER LOANS SECURED BY YOUR SECURITIES ACCOUNTS

- [1] Merrill Lynch is furnishing this Disclosure Statement to provide you with a summary of the risks involved in borrowing on margin from Merrill Lynch or otherwise borrowing funds secured by assets in your securities account(s) through an affiliated loan program, known as “securities-based credit.” You should understand those risks before using securities-based credit as part of your investment strategy or as a liquidity source. In addition, you should understand:
- The terms of your loan agreement;
  - The interest rate you will pay;
  - Initial margin and maintenance requirements and how market fluctuations may result in a “maintenance call”; and
  - The lender’s procedures for issuing maintenance calls and liquidating securities and other assets in your accounts.
- [2] Please carefully review your loan agreement and speak to your financial advisor regarding any questions or concerns before trading securities in a margin account or otherwise using leverage. Trading “on margin” increases your market risk exposure.

## BORROWING FOR PURPOSES OF PURCHASING SECURITIES

- [3] When you purchase securities, you may pay for the securities in full or, if your account has been established as a margin account with the Margin Lending Program, you may borrow part of the purchase price from Merrill Lynch, thereby “leveraging” your investment. If you choose to borrow funds for your purchase, Merrill Lynch’s collateral for the loan will be the securities purchased, other assets in your margin account and your assets in any other accounts at Merrill Lynch, other than retirement accounts (such as IRAs). If the securities in your margin account decline

in value, so does the value of the collateral supporting your loan and, as a result, Merrill Lynch can take action, including issuing a margin call and/or selling securities in your account with Merrill Lynch to maintain the required equity in your account.

- [4] If your securities account has a Visa card and/or checks, you may also create a margin debit if your withdrawals (by Visa card, checks, pre-authorized debits, FTS or other transfers) exceed the sum of any available free credit balances plus available Money Account balances. Please refer to your account documents for more information.
- [5] You should note that it may be more advantageous to pay cash than to use margin for smaller securities purchases. On smaller purchases of securities, a higher percentage of the transaction costs goes to commissions and interest charges, which are generally higher on smaller balances. The commissions plus the interest charges could equal or exceed any appreciation in your securities.
- [6] If you want to borrow for the purpose of purchasing securities or paying off debt that has been incurred to purchase securities, you may also explore other securities-based credit alternatives from an affiliated lender that allow you to set up a “purpose credit” under Regulation U promulgated by the Federal Reserve. A “purpose” securities-based line may be subject to lower advance and call rates and withdrawal and substitution will be subject to compliance with Regulation U. Please carefully review the terms and risks set out in the applicable loan agreement.

## BORROWING FOR PURPOSES OTHER THAN PURCHASING SECURITIES

- [7] You may also borrow against the value of securities or other assets in your securities accounts for purposes other than to purchase securities. When you do so, the assets in your account are “pledged” as collateral to secure the loan. In such cases, your loan may be made by Merrill Lynch (in a margin account) or by an affiliated lender. For example, the Loan Management Account® (LMA® account) is a demand loan made by our affiliate,

Bank of America, N.A., that is secured by a pledge of assets in one or more eligible Merrill Lynch securities account. Securities-based credit such as an LMA account involves special risks and is not for everyone. Please carefully review the governing loan documentation for a complete description of the loan terms and risk disclosures.

- [8] Eligible collateral and other collateral requirements may differ across margin and other securities-based credits. Review the terms and conditions of your lending arrangement carefully.

### Interest rates

- [9] Interest rates vary by loan program, so be sure you understand how interest rates are determined. The interest rate charged on the loan will reduce your overall rate of return.
- [10] Interest rates are usually based on an index plus or minus a percentage. The index may be an internal one, such as our base lending rate (BLR) for margin, or an external one, such as the one-month Bloomberg Short-Term Bank Yield Index (BSBY), or any such other successor index rate as determined by lender. In either case, your interest rate can change without notice to you if the index changes. A fixed rate of interest may be available with certain loan programs.
- [11] Your interest rate may be based on your outstanding loan balance (such as in our Margin Lending Program). As a result, your interest rate can change without notice to you in accord with changes to your loan balance.
- [12] Interest charges not paid at the close of the applicable interest period are typically added to your loan balance. You can elect to pay the interest charges plus any principal balance. Your interest charges will be shown on your account statements. Not all loans operate in this manner. Please review the terms and conditions of your lending arrangement carefully.

### Maintenance requirements

- [13] Your pledged assets must meet specified maintenance requirements as determined by

the lender. In other words, the assets must at all times maintain a certain minimum value. If the assets in your account decline in value and fall below these maintenance requirements, the lender may require you to deposit additional collateral — known as a “margin call” or “maintenance call” — or take other action as permitted by the loan agreement. The lender is also permitted, for example, to sell assets in any of your pledged Merrill Lynch accounts to meet maintenance requirements.

- [14] The forced sale of your assets may negatively affect your ability to follow your investment strategy or achieve your investment objectives. Some or all of the assets may be sold at prices higher than what it initially cost you to acquire them. If that happens, you may suffer adverse tax consequences.
- [15] You can reduce the possibility of maintenance calls by carefully considering the volatility of the securities you pledge as collateral and the amount that you borrow. Risk-management strategies you should consider include:
- Borrowing less than the maximum allowable amount.
  - Borrowing against a portfolio of less-volatile securities such as government Treasuries, high-grade corporate bonds and blue-chip stocks.
  - Pledging a diversified portfolio as collateral.
  - Watching your portfolio carefully, especially when market conditions are fluctuating. By doing so, you will be aware of a potential decline in value before a maintenance call becomes necessary.

### ALTERNATIVE CREDIT ARRANGEMENTS

- [16] As explained above, there are various credit arrangements available from Bank of America, N.A., an affiliate of Merrill Lynch, (as well as potentially from other financial institutions) that may fit your needs. These other types of credit products may provide more definite terms, greater flexibility with respect to collateral requirements, and other terms and other benefits, including the acceptance of collateral other than marketable securities. Please consult with your independent legal, tax, or other advisors as you deem necessary.

You should also discuss the range of credit solutions available from Merrill Lynch and its

affiliates with your financial advisor, including but not limited to the products in the chart below.

Product	Credit Terms; Setup and Access	Pricing	Advisor Compensation
<p><b>Loan Management Account (LMA account)</b></p> <ul style="list-style-type: none"> <li>• Flexible line of credit that uses securities in eligible MLPF&amp;S brokerage accounts as collateral</li> <li>• Lender is Bank of America, N.A.</li> </ul>	<ul style="list-style-type: none"> <li>• \$100,000 minimum credit line</li> <li>• No set term, minimum draws, or balance required</li> <li>• Variable and fixed rate advances available</li> <li>• Structures may include additional pledgors and guarantors</li> <li>• Flexible repayment schedule as long as required level of collateral is maintained</li> <li>• Overdraft protection available for eligible pledged accounts</li> <li>• Stand-by Letters of Credit available</li> <li>• Demand loan</li> <li>• Uncommitted except up to \$100,000 for individuals and trusts</li> <li>• Simple no fee application</li> <li>• Typically approved within 1–2 days of fully executed client documents</li> <li>• Credit pull</li> <li>• Access via checks, wire transfers, ACH</li> </ul>	<ul style="list-style-type: none"> <li>• BSBY Rate plus a Spread that is based on the relationship size at the time of approval.</li> </ul> <p>Borrower will select whether the LMA account will be designated as “Non-Purpose” or “Purpose”. —Selection of “Purpose” may result in a higher pricing, and may be subject to lower advance and call rates, and compliance with Regulation U withdrawal and substitution rules.</p>	<ul style="list-style-type: none"> <li>• Advisors are compensated based on loan revenue of Bank on the loan.</li> </ul>
<p><b>Margin</b></p> <ul style="list-style-type: none"> <li>• Extension of credit based on securities in eligible MLPF&amp;S brokerage accounts</li> <li>• Lender is Merrill Lynch (MLPF&amp;S)</li> </ul>	<ul style="list-style-type: none"> <li>• No set term, minimum draw, or balance required</li> <li>• Flexible repayment as long as the required level of equity is maintained</li> <li>• Overdraft protection provided including Visa point of sale</li> <li>• Demand loan</li> <li>• No separate application</li> <li>• Access through trading or via checks, wire transfers</li> </ul>	<ul style="list-style-type: none"> <li>• Merrill Base Rate +/- spread.</li> <li>• Spread rate is tied to outstanding balance and relationship size, and will fluctuate.</li> </ul> <p>Note: no differentiation between “Non-Purpose” or “Purpose”</p>	<ul style="list-style-type: none"> <li>• Advisors are compensated based on loan revenue of MLPF&amp;S on the loan.</li> </ul>

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# Margin Risk Disclosure Statement

[1] In accordance with FINRA requirements, Merrill Lynch is furnishing this information to you to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin terms in this agreement. As used below, “we” or “us” refer to Merrill Lynch.

When you purchase securities, you may pay for the securities in full, or you may borrow part of the purchase price from Merrill Lynch if your account has been established as a margin account with the Margin Lending Program. If you choose to borrow funds, the securities purchased are the collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, we can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with us, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

- **You can lose more funds than you deposit in your margin account.** A decline in the value of securities that are purchased on margin may require you to provide additional funds to us to avoid the forced sale of those securities or other assets in your account(s).
- **We can force the sale of securities or other property in your account(s).** If the equity in your account falls below the maintenance margin requirements or our higher “house” requirements, we can sell the assets in your accounts pledged by you to Merrill Lynch to cover the margin deficiency. For margin loans, we can sell the assets in any of your accounts held by Merrill Lynch. For other securities-based loans, you should check your loan agreement. You also will be responsible for any remaining loan balance in the account after such a sale.

- **We can sell your securities or other property without contacting you.** Investors sometimes mistakenly believe that they must be contacted for a maintenance call to be valid, and that securities or other property in their accounts cannot be liquidated to meet the call unless they are contacted first. This is not the case. We will attempt to notify you of maintenance calls, but we are not required to do so. Even if we have contacted you and provided a specific date by which you can meet a maintenance call, we can still take necessary steps to protect our interests, including immediately selling the securities or other property without notice to you.

- **You are not entitled to choose which securities or other property in your account(s) are liquidated or sold to meet a maintenance call.** Because the securities and other assets in your account(s) are collateral for the loan, we have the right to decide which assets to sell in order to protect our interests.

- **We can increase our “house” maintenance requirements at any time and are not required to provide you advance written notice.** These changes in our policy may take effect immediately and may result in the issuance of a maintenance call. Your failure to satisfy the call may cause us to liquidate or sell assets in your account(s).

- **You are not entitled to an extension of time on a maintenance call.** While an extension of time to meet maintenance requirements may be available to you under certain conditions, you do not have a right to the extension.

[2] If you have any questions or concerns about margin or the Margin Lending Program, please contact your financial advisor.

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## APPENDIX: CMA Account Fees<sup>1</sup>

The following fees will be charged in addition to brokerage commissions, fees, mark-ups and mark-downs in connection with securities transactions in the CMA Account and CMA SubAccount. The listed fees below do not include commissions, markups, commission equivalents or advisory fees.

Description	CMA Account Fees	CMA SubAccount Fees <sup>2</sup>
Annual Fee (per account)	\$125 <sup>3</sup>	\$25 <sup>3</sup>
Annual Fee for CMA for Trust (per account) (Living Trust & Living Trust – Bank as Trustee)	\$125 <sup>4</sup>	\$50 <sup>4</sup>
<b>Transaction Fees</b>		
Domestic Fedwires (Incoming)	No Fee	No Fee
Domestic and International Fedwires (Outgoing) – U.S. currency	\$30 per wire if you have less than \$250,000 in eligible statement-linked assets. Four free wires per calendar year (\$30 per wire thereafter) if you have accounts with more than \$250,000 in eligible statement-linked assets.	\$30 per wire if you have less than \$250,000 in eligible statement-linked assets. Four free wires per calendar year (\$30 per wire thereafter) if you have accounts with more than \$250,000 in eligible statement-linked assets.
International Fedwire (Outgoing) – Non-U.S. currency	No Fee	No Fee
Check Writing	No Fee	No Fee
Securities purchases/sales	Commissions vary; <sup>5</sup> contact your advisor	Commissions vary; <sup>5</sup> contact your advisor
Merrill Lynch ATM Fee	No Fee	N/A
Bank of America ATM Fee	No Fee	N/A
Non-Bank of America ATM Fee	ATM surcharges are reimbursed for up to \$200 per year at U.S. ATMs (includes all U.S. territories – U.S. Virgin Islands, Guam, Federated States of Micronesia, Midway Islands and Puerto Rico)	N/A
Cash advances on Visa cards	0.25% of total dollar amount, \$2.50 minimum <sup>6</sup>	N/A
Return Check Deposit Fee	No Fee	No Fee
Check Returned	\$30	N/A
Non-sufficient Funds – Funds Transfer Service Returned	\$10	\$10
Stop Payment	No Fee	N/A
Visa International Transaction Fee	2% of the U.S. dollar amount of all transactions occurring outside the U.S.	N/A
Bank of America, N.A. overdrafts daily periodic rate	0.049315% (18% annual percentage rate)	0.049315% (18% annual percentage rate)
Margin interest rates	Refer to margin lending rates section of your account agreement	Refer to margin lending rates section of your account agreement

<b>Description</b>	<b>CMA Account Fees</b>	<b>CMA SubAccount Fees<sup>2</sup></b>
<b>Optional Services</b>	No Fee	No Fee
Check Order	No Fee	No Fee
Specialty Check Order	No Fee	No Fee
<a href="http://mymerrill.com">mymerrill.com</a>	No Fee	No Fee
Electronic bill payment	No Fee	No Fee
Funds Transfer Service	No Fee	No Fee
Statement Linking	No Fee	No Fee
CMA Access Visa card	No Fee	No Fee
<b>Miscellaneous</b>		
Account transfers (to another firm): CMA	\$95	\$95
Voluntary exchange fee	\$30	\$30
Mandatory Exchange	\$50	\$50
Return of pre-authorized debit	\$20	\$20
Delivery of non-gov't securities – not Direct Registration System (DRS) eligible or participating	\$500	\$500
Delivery of non-gov't securities – DRS eligible <sup>7</sup>	\$25	\$25
Deposit of bond coupon	\$5	\$5
Reregister certificated securities held in the name of a decedent	\$50	\$50
Foreign Check Deposits sent for clearance	\$10	\$10
Foreign Check Deposits sent for collection <sup>8</sup>	\$60	\$60
Monthly Account Statement	No Fee	No Fee

<sup>1</sup> Fees are subject to change. Additional account and service fees may apply.

<sup>2</sup> The annual fees for SubAccounts may either be charged to the CMA Account to which they are linked or be charged directly.

<sup>3</sup> If a CMA Account meets certain eligibility criteria, the account may be eligible for an annual account fee waiver under the CMA Annual Account Fee Waiver Program. For additional information, please see page 38.

<sup>4</sup> The annual account fee will be automatically waived for the following client/ownership types: Irrevocable Living Trust, Testamentary Trust, Estate, Curator/Guardian/Conservator/Tutor/Committee and Usufruct.

<sup>5</sup> On most transactions, there is also a processing fee (shown on the confirmation) to help cover the costs associated with trades and statement processing.

<sup>6</sup> International cash advances on domestic CMA Accounts will not be charged.

<sup>7</sup> DRS eligibility is determined by the issuer of the stock.

<sup>8</sup> An additional foreign bank fee may apply. Fee is determined by the paying bank. Please speak with your financial advisor for further details.

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