

# Sweep Program Guide

## For Merrill Clients

This guide provides information on the sweep programs available for Merrill accounts and includes:

- An overview of automatic cash sweep options and how they work
- A chart of automatic cash sweep options by account type
- A description of the “No Sweep” option, available for certain account types
- An explanation of conflicts related to bank deposit programs and money market mutual funds
- Important information about rates/yields for bank deposit programs
- An overview of Federal Deposit Insurance Coverage (FDIC) and the Securities Investor Protection Corporation (SIPC)

If you have questions in connection with making your sweep decision, please review your account agreement and associated program disclosures or contact your Merrill advisor or Merrill Edge® representative.

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<b>Are Not FDIC Insured</b>	<b>Are Not Bank Guaranteed</b>	<b>May Lose Value</b>
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## Automatic cash sweeps

The deposit of checks, the sale of securities and other activities generate cash balances in your Merrill account. You can choose to have the cash automatically “swept” to a bank deposit program or, for a limited number of account types, you may be able to choose a money market mutual fund. This “automatic cash sweep” is also called a Primary Money Account. With an automatic cash sweep feature, you do not need to contact your Merrill advisor or speak to a Merrill Edge representative to deposit or withdraw funds from your Primary Money Account. The sweep happens automatically.

If your account has a bank deposit program as an automatic cash sweep, your cash is deposited into a deposit account with one or more Merrill Lynch Affiliated Banks: Bank of America, N.A. (“BANA”), Bank of America California, N.A. (“BA-CA”), or Merrill Lynch Bank and Trust Company (Cayman) Limited (“MLBTC”). Collectively, these banks are referred to as the “Merrill Lynch Affiliated Banks.”

**The charts on the following pages outline the available automatic cash sweep options by account type.**

### Primary money accounts for U.S. residents

Account type	Automatic cash sweep options — bank deposit programs	
	Name	Participating banks
Cash Management Account® (CMA® Account), CMA SubAccount®, Cash Management Account® for Trust, International Cash Management (ICMA) Account	Merrill Lynch Bank Deposit Program	BANA and BA-CA
IRA, Roth, Rollover, SEP, SIMPLE and BASIC	Retirement Asset Savings Program	BANA and BA-CA
Education Savings Account (ESA)	Retirement Asset Savings Program	BANA and BA-CA
Health Savings Account (HSA) and Medical Savings Accounts	Merrill Lynch Bank Deposit Program	BANA and BA-CA
Merrill Edge® Self-Directed CMA	Merrill Lynch Direct Deposit Program	BANA
Merrill Edge Self-Directed IRA, Roth, Rollover, SEP, SIMPLE and BASIC	Retirement Asset Savings Program	BANA and BA-CA

### Primary money accounts for non-U.S. residents\*

Account type	Automatic cash sweep options — bank deposit programs	
	Name	Participating banks
CMA, CMA SubAccount, CMA for Trust, ICMA Account	Merrill Lynch Bank Deposit Program	BANA and BA-CA
	International Bank Variable Rate Deposit Facility <sup>†</sup>	MLBTC <sup>‡</sup>

\* These automatic cash sweep options are not available to all clients. Jurisdictional restrictions apply. Please contact your Merrill advisor to determine if you are eligible to participate. For additional information on these automatic cash sweep options, please see your account agreement or contact your Merrill advisor or a Merrill Edge representative.

<sup>†</sup> International Bank Variable Rate Deposit Facility is offered only to non-U.S. citizens who are not residents of the United States.

<sup>‡</sup> Deposits are placed with MLBTC, a bank incorporated in the Cayman Islands. 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.

### Primary money accounts for U.S. entities

Account type	Automatic cash sweep options — bank deposit programs	
	Name	Participating banks
Business Investor Account (BIA)	Merrill Lynch Business Deposit Program	BANA and BA-CA
Working Capital Management Account (WCMA® Account), WCMA SubAccount and ICMA Account	Merrill Lynch Bank Deposit Program	BANA and BA-CA
Endowment Management Account™ (EMA®), EMA II and EMA SubAccount®	Merrill Lynch Bank Deposit Program	BANA and BA-CA
Merrill Edge Self-Directed BIA	Merrill Lynch Business Deposit Program	BANA and BA-CA
Merrill Edge Self-Directed WCMA	Merrill Lynch Bank Deposit Program	BANA and BA-CA

## Primary money accounts for non-U.S. entities\*

Account type	Automatic cash sweep options — bank deposit programs	
	Name	Participating banks
WCMA, WCMA SubAccount and ICMA Account	Merrill Lynch Bank Deposit Program	BANA and BA-CA
	International Bank Variable Rate Deposit Facility	MLBTC†
Business Investor Account (BIA)	Merrill Lynch Business Deposit Program	BANA and BA-CA
	International Bank Variable Rate Deposit Facility	MLBTC†

\* These automatic cash sweep options are not available to all clients. Jurisdictional restrictions apply. Please contact your Merrill advisor or Merrill Edge representative to determine if you are eligible to participate. For additional information on these automatic cash sweep options, please see your account agreement or contact your Merrill advisor or a Merrill Edge representative.

† Deposits are placed with MLBTC, a bank incorporated in the Cayman Islands. 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.

## Primary money accounts for qualified retirement plans held in RCMA account types and self-directed brokerage (SDB) accounts

Account type*	Automatic cash sweep options — bank deposit programs		Automatic cash sweep options — money market mutual funds
	Name	Participating banks	
Retirement Cash Management Account (RCMA®) and RCMA SubAccount (for Investment Only)	Insured Savings Account ("ISA®") Program†	BANA and Non-Affiliated Banks†	<ul style="list-style-type: none"> <li>BlackRock Liquidity Funds: Fed Fund — Cash Reserve Class</li> <li>BlackRock Liquidity Funds: Treasury Trust — Cash Reserve Class</li> </ul>
	Merrill Lynch Bank Deposit Program	BANA and BA-CA	
RCMA II (for Investment Only) and RCMA accounts used for Advisor Alliance	Not available	Not available	<ul style="list-style-type: none"> <li>BlackRock Liquidity Funds: Fed Fund — Cash Reserve Class</li> </ul>
RCMA Investment Link®	Not available	Not available	<ul style="list-style-type: none"> <li>BlackRock Liquidity Funds: Fed Fund — Cash Reserve Class</li> <li>BlackRock Liquidity Funds: Treasury Trust — Cash Reserve Class</li> </ul>
Self-Directed Brokerage (SDB) Accounts held within a qualified retirement plan	Merrill Lynch Bank Deposit Program	BANA and BA-CA	<ul style="list-style-type: none"> <li>BlackRock Liquidity Funds: Fed Fund — Cash Reserve Class</li> </ul>
Merrill Edge Self-Directed Retirement Cash Management Account (RCMA®) (for Investment Only)	Merrill Lynch Bank Deposit Program	BANA and BA-CA	<ul style="list-style-type: none"> <li>BlackRock Liquidity Funds: Fed Fund — Cash Reserve Class</li> <li>BlackRock Liquidity Funds: Treasury Trust — Cash Reserve Class</li> </ul>
Merrill Edge Self-Directed RCMA II (for Investment Only)	Not available	Not available	<ul style="list-style-type: none"> <li>BlackRock Liquidity Funds: Fed Fund — Cash Reserve Class</li> </ul>

\* Cash sweep options for accounts enrolled in investment advisory programs may differ.

† The ISA Program is a series of electronically linked money market deposit accounts (MMDAs) into which funds are deposited on your behalf by Merrill. The MMDAs are held at one or more depository institutions, whose deposits are insured by the FDIC, up to applicable limits and may include depository institutions affiliated with Merrill and its parent, Bank of America Corporation. 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. The ISA Program has a minimum opening deposit of \$1,000. This minimum does not apply for RCMA accounts that select the ISA Program as an automatic cash sweep option. Merrill Edge Self-Directed clients are not eligible to participate in the ISA Program.

† Non-Affiliated Banks means banks not affiliated with Bank of America or Merrill.

## No sweep

A “No Sweep” option is available to CMA, WCMA, BIA, EMA and ICMA accounts. If you choose this option, your cash will not be automatically swept into a bank deposit program. Instead, it will remain as cash until it is needed to satisfy any debits and will not earn interest or dividends. Free credit balances and cash held in a brokerage account at Merrill are “cash” and receive SIPC and excess-SIPC protection. For additional information on the SIPC, visit [sipc.org](http://sipc.org).

If your account is enrolled in a Merrill investment advisory program and you choose the No Sweep option, you should understand that Merrill may charge an asset-based advisory fee on the cash in the account even though you are not earning any interest or dividends on that cash.

## Benefits to Merrill

### Bank deposit programs

Deposits held at the Merrill Lynch Affiliated Banks are financially beneficial to Merrill and its affiliates. For example, the Merrill Lynch Affiliated Banks use bank deposits to fund current and new lending, investment and other business activities. Like other depository institutions, the profitability of the Merrill Lynch Affiliated Banks 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 the Merrill Lynch Affiliated Banks, and borrowing costs incurred to fund the business activities of the Merrill Lynch Affiliated Banks have been reduced by the use of deposits from Merrill clients.

Merrill receives:

- Up to \$100 per year from BANA and BA-CA for each account that sweeps to the Merrill Lynch Bank Deposit Program, Merrill Lynch Business Deposit Program and Merrill Lynch Direct Deposit Program
- Up to \$85 per year for each account that sweeps to the Retirement Asset Savings Program
- Up to \$100 per year from MLBTC for each account that sweeps to the International Bank Variable Rate Deposit Facility
- A fee of up to 2% per annum of the average daily balances from the ISA banks

This compensation is subject to change from time to time, and Merrill may waive all or part of it.

Merrill advisors are compensated based on their clients' total deposits held in the Merrill Lynch Affiliated Banks (excludes Retirement Asset Savings Program). Advisors are also compensated on balances held in the ISA Program from participating banks.

## Money market mutual funds

Assets held in the money market mutual funds are also financially beneficial to Merrill and its affiliates. Merrill provides the platform infrastructure related to the use of these money market mutual funds as the automatic cash sweep option in accounts at Merrill as well as distribution, marketing support and other services with respect to the money market mutual funds. In consideration of the provision of the infrastructure, marketing support and/or other services, Merrill receives compensation of up to 0.09% annually of the value of money market mutual fund shares held in Merrill accounts.

The money market mutual funds may include an annual asset-based administrative service fee of up to a maximum of 0.40%. This and other important information can be found in the fund's prospectus.

Merrill also provides various subaccounting and other related administrative services with respect to each money market mutual fund position held in an account at Merrill. As compensation for these services, Merrill receives up to 0.005% annually of the value of money market mutual fund shares held in a client's account at Merrill.

Merrill advisors are compensated based on their clients' total assets held in the cash sweep option money market mutual funds.

## No sweep

If you choose the “No Sweep” option, it is important to understand that as a registered broker-dealer, Merrill may benefit from the possession or use of cash balances, also known as free credit balances, in your accounts, subject to restrictions imposed by Rule 15c3-3 under the Securities Exchange Act of 1934.

## Rates and yields

Interest rates for the Merrill Lynch Bank Deposit Program, Merrill Lynch Business Deposit Program, Merrill Lynch Direct Deposit Program, Retirement Asset Savings Program and International Bank Variable Rate Deposit Facility:

- Are determined by the Merrill Lynch Affiliated Banks in their sole discretion
- Are variable and may change at any time after the account is opened, without notice or limit; fees may reduce earnings
- May be higher or lower than the interest rates and annual percentage yield (APY) available to other depositors of the Merrill Lynch Affiliated Banks for comparable accounts or the rates of return payable on comparable arrangements offered to Merrill clients

MMDAs established through the ISA Program will receive the same interest rate regardless of the depository institutions at which the MMDAs are established. This rate will be determined each week, on the basis of prevailing market conditions, at a level at which Merrill is willing to have MMDAs offered to its

customers. The interest rates paid with respect to the MMDAs established through the ISA Program may be higher or lower than the interest rates available to depositors making deposits directly with the depository institutions for comparable accounts.

For certain account types with the Merrill Lynch Bank Deposit Program, Retirement Asset Savings Program or Merrill Lynch Business Deposit Program, interest rates are tiered based upon your relationship with Merrill. Clients with higher total eligible assets may receive a higher yield on their bank deposits. You may be eligible to link your accounts to potentially earn a higher rate of interest on your bank deposit balances. For rules regarding linking, please see your account agreement.

Clients should compare the terms, interest rates, APY, rates of return, required minimum amounts, charges and other features with other accounts and alternative investments before deciding to maintain balances in deposit accounts through the Merrill Lynch Bank Deposit Program, Retirement Asset Savings Program, Merrill Lynch Business Deposit Program, Merrill Lynch Direct Deposit Program, International Bank Variable Rate Deposit Facility or ISA Program.

Your Merrill advisor is available to discuss alternatives for your cash as the yields on respective cash sweep options may change, depending on market conditions, at different times throughout the year.

Yield information on any deposits held at the Merrill Lynch Affiliated Banks and in the ISA Program is included on your Merrill account statement. You can also obtain current interest rate information on MyMerrill.com® or MerrillEdge.com (see the “Deposit Account & Money Fund Rates” link at the bottom of each page).

## FDIC insurance

Sweep deposits in BANA, BA-CA and the non-affiliated banks in the ISA Program (together, “Sweep Banks”) are insured by the FDIC up to the applicable standard maximum deposit insurance amount (SMDIA). The SMDIA is currently \$250,000 per depositor, per ownership category, per bank. 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 applicable insurance limits. FDIC insurance covers both principal and credited interest. Any accounts or deposits maintained with one of the participating Sweep Banks in the same legal ownership category, whether directly, through other Merrill accounts or through any other intermediary, would be aggregated for FDIC insurance limit purposes.

Deposits placed with MLBTC are not deposits within the meaning of the Federal Deposit Insurance Act (12 U.S.C. 1813(l)). MLBTC deposits 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.

**Clients are responsible for monitoring the total amount of deposits held at the Sweep Banks in order to determine the extent of FDIC insurance.**

For additional information on FDIC insurance, visit [fdic.gov](https://www.fdic.gov).

## SIPC and excess-SIPC coverage

The securities and cash that Merrill holds in your brokerage account are protected by the SIPC. If a U.S. broker-dealer fails, SIPC funds are available to make up for any shortfall of client 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 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 would not be made whole by the SIPC, subject to an aggregate loss limit of \$1 billion for all customer claims.

Please note that money market mutual funds and deposits in the Sweep Banks or MLBTC are not “cash” for purposes of SIPC account protection. Rather, money market mutual funds receive SIPC and excess-SIPC protection as securities, and deposits in the Sweep Banks are protected by FDIC insurance. SIPC and excess-SIPC coverage do not protect against investment losses from market action.

For additional information on the SIPC, visit [sipc.org](https://www.sipc.org).

## Additional information on cash sweep options

Please refer to the disclosures in your account agreement for additional and more detailed information concerning sweep deposits with the Merrill Lynch Affiliated Banks. For additional information on the ISA Program, refer to your ISA Fact Sheet.

You may take action to move cash from your sweep deposits into other investments, including other cash products or cash alternatives. There are other cash management products available for investment that may pay a higher yield than is provided in the sweep deposits. Certain eligibility rules may apply. Please contact your Merrill advisor or Merrill Edge representative if you would like to discuss other available cash alternatives.

**Merrill, its affiliates and financial advisors do not provide legal, tax or accounting advice. You should consult your legal and/or tax advisors before making any financial decisions.**

Merrill Lynch Bank and Trust Company (Cayman) Limited (Registration Number: 26981) is regulated by the Cayman Islands Monetary Authority ("CIMA") and currently maintains a Category B bank licence, an unrestricted trust licence and a securities investment business licence. 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.

MLBTC does not act as a bank in all jurisdictions. U.S. products and services may not be available in all jurisdictions or to all clients.


#### **Money market mutual funds**

**Investing involves risk. For more complete information on any mutual fund, please request a prospectus and/or, if available, a summary prospectus from your Merrill advisor or Merrill Edge representative and read it carefully. Before investing, carefully consider the investment objectives, risks, and charges and expenses of the fund. This and other information can be found in the fund's prospectus and/or, if available, summary prospectus.**

***You could lose money by investing in the money market mutual fund. Although the money market mutual fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the money market mutual fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The money market mutual fund's sponsor has no legal obligation to provide financial support to the money market mutual fund, and you should not expect that the sponsor will provide financial support to the money market mutual fund at any time.***

ISA is an FDIC-insured deposit product offered through MLPF&S comprising linked money market deposit accounts at participating depository institutions, which include non-Bank of America owned banks and may include wholly owned BofA Corp. banks.

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