



Bank of America Corporation

MERRILL EDGE ADVISORY ACCOUNT PROGRAM

WRAP FEE PROGRAM BROCHURE

Please retain for your records

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This Brochure provides information about the qualifications and business practices of Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”) and Managed Account Advisors LLC (“MAA”) relating to the Merrill Edge Advisory Account Program (the “Program”).

If you have any questions about the contents of this Brochure, please contact us at 800.MERRILL (637.7455). Please note that the information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Investment adviser registration does not imply a certain level of skill or training.

It is important that you know that the advisory services described in this Brochure are not insured or otherwise protected by the Federal Deposit Insurance Corporation (FDIC) or any other government agency; are not an obligation of any bank or any Affiliate of MAA or MLPF&S; are not endorsed or guaranteed by Bank of America, N.A., MLPF&S, MAA, any bank or any Affiliate of MAA or MLPF&S; and involve investment risk, including possible loss of principal.

Additional information about MAA and MLPF&S also is available on the SEC’s website at http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_Search.aspx.

October 1, 2018

Investment products:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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Material Changes

On March 26, 2018, Merrill Lynch filed its last annual update for its Merrill Edge Advisory Account program brochure (“Brochure”). Set forth below is a summary of the material changes to this Brochure since that date. This summary of material changes is designed to make clients aware of information that has changed since the Brochure’s last annual update and that may be important to them. The material changes summarized below were also incorporated within this Brochure.

Capitalized terms that are not defined in this Brochure have the meanings provided in the Glossary.

The following was added to “Additional Information - Disciplinary Information.”

On August 20, 2018, the SEC announced that MLPF&S, without admitting or denying the findings, entered into a settlement related to willful violations of Sections 206(2) and 206(4) of the Advisers Act and Advisers Act Rule 206(4)-7. Specifically, the SEC’s administrative order found: (1) a failure to disclose that the portfolio manager process employed in connection with a January 2013 termination recommendation was exposed to a conflict of interest (less than one-seventh (1/7) of 1% of total advisory accounts (approximately 1,500) were invested in the products subject to the termination recommendation); and (2) a failure to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act. In determining the appropriate sanctions, the SEC considered Merrill Lynch’s remedial acts promptly undertaken and cooperation afforded the SEC staff. Merrill Lynch consented to the imposition of a cease-and-desist order, a censure, and disgorgement and a financial penalty totaling approximately \$8.8 million.

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Services, Fees and Compensation

This Brochure describes the Merrill Edge Advisory Account Program (the “Program”), which is offered by Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”) and Managed Account Advisors LLC (“MAA”). Both MLPF&S and MAA are indirect wholly-owned subsidiaries of Bank of America and are referred to in this Brochure as “Merrill Lynch,” “we,” or “us.” Both MLPF&S and MAA provide services in the Program, as described in detail below.

All capitalized terms are defined in the body of this Brochure and/or in the Glossary, which can be found at the end of this Brochure.

DESCRIPTION OF SERVICES

The Program is designed to help you pursue your investment goals by providing you with investment advice and guidance and access to a range of financial services and investment solutions (“Services”). This section contains a summary description of the Services generally available in the Program. A more detailed description of each Service is provided elsewhere in this Brochure, along with other material information about us and the Program. Before investing through the Program, please read the detailed descriptions of our Services and the other information in this Brochure, and speak with a Financial Solutions Advisor if you have any questions.

• **Portfolio Advice.** A Financial Solutions Advisor will work with you to create a Portfolio. For each Portfolio, a Financial Solutions Advisor will recommend: (i) an allocation of your assets across one or more asset classes (“Target Asset Allocation”); and (ii) a single investment strategy (“Strategy”) or group of Strategies aligned to that Target Asset Allocation and the specific needs of your Portfolio.

- The Program offers you the ability to combine the assets held in your Account(s) into one or more groups, each of which we refer to as a “Portfolio.” By grouping assets held in multiple Account(s) into Portfolios, the Program provides you with the flexibility to pursue different investment goals by allowing you to have each Portfolio, and each Account within a Portfolio, managed in accordance with a different objective or Strategy should you so choose. We will provide you with investment advice and guidance to help meet your specific investment needs, including:

On a periodic basis we will monitor the assets in your Portfolio for alignment with your Target Asset Allocation, and if appropriate, we will make recommendations regarding changes to your Portfolio, including changes to the Strategy (ies) you selected.

- **Strategies.** There are different Strategies available in the Program to choose from. You may choose a single Strategy or combine multiple Strategies for each Portfolio.
- **Brokerage and Custody Services.** The Program Fee you pay for investment advisory services also generally covers the custody of such assets and the execution of securities transactions occurring through the Program (except as otherwise indicated in this Brochure).
- **Account Preferences and Other Elective Services.** You may set certain preferences for your Accounts (“Account Preferences”) or elect additional Services (“Elective Services”), such as:
 - Imposing Reasonable Investment Restrictions;
 - Determining the frequency that you will receive trade confirmations;
 - Choosing to receive certain materials either electronically or in paper form;
 - Automatic Contribution and Withdrawal Services.

Advisory Account Agreement

To take advantage of the Services available through the Program, you must first enter into an advisory account agreement with us (the “Client Agreement”). The Client Agreement will cover each separate Account you choose to enroll in the Program and each Portfolio you choose to create.

In the Client Agreement we agree to act as your investment adviser and agent and to provide the Services described in this Brochure and you grant to us the investment discretion and trading authority necessary to deliver the Services you select and agree to the terms and conditions of the Program. After you are enrolled in the Program, you will generally be able to enroll new Accounts in the Program and select or change most Services with verbal instructions to a Financial Solutions Advisor; however, in certain circumstances we may ask you to sign a separate Client Agreement or complete additional documentation.

DETAILED DESCRIPTION OF SERVICES

PORTFOLIO ADVICE & GUIDANCE

In this section we describe for you our investment advice and guidance with respect to the assets in each of your Portfolios.

Creating Your Portfolio(s).

A Financial Solutions Advisor will work with you to create one or more Portfolios. To create each Portfolio, a Financial Solutions Advisor will:

- Gather information about you and your objectives for the Portfolio;
- Recommend a Target Asset Allocation; and
- Recommend a Strategy or group of Strategies suitable for each Portfolio.

a. Gathering Information About You.

A Financial Solutions Advisor will gather from you, or confirm with you, important financial and personal information that we will use as a basis for our advice and guidance about your Portfolio.

It is your responsibility to ensure that the information you provide to a Financial Solutions Advisor is complete and accurate. It is also your responsibility to notify a Financial Solutions Advisor if any information we have about you is inaccurate or becomes inaccurate. By providing accurate and complete information, a Financial Solutions Advisor will be better able to make suitable recommendations for you and your assets. This information helps determine whether this Program is, and continues to be, appropriate in light of your preferences and objectives. Your continued enrollment in the Program indicates your willingness and preferences to receive ongoing investment advice and guidance with respect to your Portfolio(s), continued access to investment solutions, ongoing investment monitoring and other fiduciary services under the Program. For more information regarding the factors you should consider when enrolling or remaining in the Program, please refer to the section, “Ability to Obtain the Program Services Separately”.

Using the information you provide, we will help you determine whether you should group your assets into one or more Portfolios. You may choose to create more than one Portfolio for many reasons, including: (i) if you identify more than one investment goal (e.g., paying for retirement, paying for college, general investing, paying for a vacation home, etc.); (ii) if you want separate groups of your assets managed in different ways; or (iii) if you simply want one group of your assets managed independently from another group of assets.

b. Portfolio Target Asset Allocation.

For each Portfolio you choose to create, we will help you identify the following information:

- **Portfolio Risk Tolerance.** Your Portfolio Risk Tolerance is a reflection of your ability and willingness to lose some or all the assets in your Portfolio in exchange for greater potential returns. Your Risk Tolerance will be determined by your answers to the Risk Tolerance profiling questions and can be one of three types: Low; Medium; or High Tolerance.
- **Portfolio Time Horizon.** Your Portfolio Time Horizon is a reflection of how long you expect to invest in order to achieve your investment goal. There are various time horizon ranges from which you may select.

We will use your Portfolio Risk Tolerance and Portfolio Time Horizon, along with other information you provide, to assist in recommending a Portfolio Target Asset Allocation and one or more Strategies for your Portfolio.

For each Portfolio, we will assist you in establishing a Target Asset Allocation based on the information we gathered about you and how you want your Portfolio managed. We currently offer different Target Asset Allocations (including Conservative, Moderately Conservative, Moderate, Moderately Aggressive and Aggressive). There may be additional Target Asset Allocation categories added by us from time to time.

Currently, our Target Asset Allocations recommend allocation ranges of 0% to 100% to four asset classes:

- Equity Securities;
- Fixed-Income Securities;
- Alternative Investments (i.e., non-traditional Funds); and
- Cash.

We will generally adjust our Target Asset Allocation ranges based on market conditions and other factors and may do so without prior notice to you.

We will recommend a Target Asset Allocation based on a combination of your Portfolio Risk Tolerance and Time Horizon. Our more conservative Target Asset Allocations typically recommend a greater percentage of your assets be allocated to fixed-income investments and cash, rather than to equity securities. Our more aggressive Target Asset Allocations typically recommend a greater percentage of your assets be allocated to equity investments, rather than to fixed-income investments and cash.

You may choose a Target Asset Allocation that is more conservative than our recommendation by speaking with a Financial Solutions Advisor. If you would like a more aggressive Target Asset Allocation, you must discuss with a Financial Solutions Advisor whether certain information that we have about your Portfolio accurately reflects how you want your assets managed, and a Financial Solutions Advisor may recommend that you adjust your Portfolio Risk Tolerance and/or Time Horizon to reflect your preference for a more aggressive Target Asset Allocation.

c. Portfolio Advice & Guidance.

You will have the flexibility to direct a Financial Solutions Advisor to manage multiple Accounts, each with a different Strategy, in a single Portfolio. Your Portfolio assets in the aggregate should be aligned to the applicable Target Asset Allocation, which is based on your Portfolio Risk Tolerance and Time Horizon. Because the Target Asset Allocation is determined at the Portfolio level, you should understand that each Account and the Funds held in each particular Account, must be evaluated in the context of the overall Portfolio. The Accounts, Funds and other investment solutions that comprise a Portfolio will not necessarily be consistent with your Portfolio Risk Tolerance and Time Horizon if they are evaluated on a stand-alone basis.

The Portfolio Target Asset Allocation applies to the assets held in the Portfolio. While assets held outside of the Program may affect or influence the Target Asset Allocation that you may select for the Portfolio, these

outside assets will not be considered part of the Portfolio and will not be covered under the Program and the Services provided hereunder.

On a periodic basis we will monitor the assets in each Portfolio to help ensure that they generally remain aligned to the applicable Target Asset Allocation, regardless of the Strategies you select. If you have multiple Strategies in a Portfolio, we will measure your alignment to your Target Asset Allocation across each Strategy in the Portfolio in the aggregate. Because your Target Asset Allocation is based on your Portfolio Risk Tolerance and Time Horizon, if you make changes to any of the foregoing, your Target Asset Allocation may be adjusted accordingly, which may require one or more adjustments to your Portfolio.

We will also periodically report to you in writing an asset allocation for the Strategy(ies) in each Portfolio against the Target Asset Allocation. The asset allocation will be based on the actual holdings of the Portfolio. An actual asset allocation may become misaligned with your Target Asset Allocation for many reasons, such as market movement, additions and withdrawals of assets from your Portfolio, changes in the Strategies you select, or purchases and sales of certain securities in your Strategies. If an asset allocation reported for a Portfolio is outside the applicable Target Asset Allocation ranges, we may recommend that you take action to realign your assets, including by:

- Changing the Strategies in the Portfolio;
- Adjusting your Portfolio Risk Tolerance and/or Time Horizon, which would result in a change to your Target Asset Allocation.

In addition, where we are authorized to do so, we may take other actions that we deem suitable and appropriate under the circumstances without notifying you. In most instances it is solely your responsibility to determine whether you follow our recommendations. If you choose to invest your assets in a manner that differs materially from our recommendations, you may assume additional risks that result from your decisions. We may also, at our discretion, terminate a Portfolio, or any Strategy within it (including any Accounts), if you do not agree to adjust your Portfolio's Asset Allocation if it is outside the applicable Target Asset Allocation ranges.

d. Selecting Strategies.

After we help you establish a Target Asset Allocation for your Portfolio, a Financial Solutions Advisor will recommend to you one or more Strategies that we believe will meet the specific investment needs of your Portfolio and your investment preferences based on the information that you have provided to us.

Strategies used in the Program are designed to obtain exposure to the various asset classes through a portfolio of ETFs, mutual funds, and cash.

There may be more than one Strategy that is suitable for your investment needs and the same or similar types of investments may be available in multiple Strategies as well as available through other programs and services, offered by Merrill Lynch and other firms. Before choosing a Strategy you should read the detailed descriptions in the Strategy Profile and "Ability to Obtain the Program Services Separately" and speak with a Financial Solutions Advisor.

STRATEGIES AND PROGRAM GUIDELINES

This section describes in detail the Strategies available in the Program.

In certain circumstances, the same or similar investment solution offered in the Program may be offered through other investment advisory programs or services sponsored by Merrill Lynch or Affiliate channels, at a lower or higher cost than the investment solution offered in a Strategy in this Program. The services that you receive by investing in such solution through a different program, may or may not be similar to the services you

receive through the Program. You should discuss with a Financial Solutions Advisor the investment solutions, services and Strategies available to determine which may be most appropriate for you.

The Strategy(ies) in which your account(s) is invested will be reflected in the Portfolio Summary.

The available investments consist of specific Funds identified through our portfolio manager selection and evaluation process described below in the section “Fund Review and Selection, and Strategy Construction.”

A Strategy is a group of securities constructed and managed to achieve one or more investment styles or disciplines. In addition, a Strategy may have an allocation to cash and/or cash alternatives as we describe below in the section “Funding and Operation of Accounts - Investment of Cash Balances.” A Strategy is constructed and/or implemented by Merrill Lynch in a single Account, which includes a determination of the allocations and the rebalancing frequencies. The Profile provides a description of the investment strategy you have selected as well as the relevant objectives, risks and other information about that strategy. The Portfolio Summary will include the name of the Strategy as displayed in the Profile provided to you (also referenced as a “Managed Strategy” in the Portfolio Summary). The Portfolio Summary will also include a reference to the term “Client Discretion”.

The Strategies we currently offer are with Client Discretion. This means that any change from one Strategy to another Strategy will require your consent, because you retain Authority to select and implement any changes between Strategies. However, as we describe in detail below in the section “Role of MAA and Investment and Trading Authority for Strategies,” we will have full investment discretion and trading authority to implement the Strategy selected.

a. Role of MAA and Investment and Trading Authority for Strategies.

All Strategies will be implemented by MAA with full investment and trading discretion based on an investment strategy developed by us. By granting to MAA investment and trading discretion, we will have complete and unlimited trading authority and may invest, reinvest, purchase, sell, exchange, convert and otherwise trade assets in your Strategy. You grant this investment and trading authority through the Client Agreement and it will remain in full force and effect until we have either received and accepted instructions from you to either change the Strategy or terminate your Account(s). MAA, will not contact you before exercising their investment and trading discretion over the assets in your Strategy.

As described above, MAA, as opposed to you, will have authority to make certain investment and trading decisions in Strategies. MAA will:

- Invest the initial and any subsequent cash and securities deposited in the Strategy;
- Monitor available cash, contributions and distributions in the Strategy;
- Process all contributions, withdrawal requests and Account terminations;
- Periodically review the Strategy for rebalancing if applicable;
- Implement any Reasonable Investment Restrictions in your Strategy; and
- Implement your tax-selling instructions, if any.

b. Investment Options.

We will generally provide you with important information about each Strategy you select through a document known as a “Profile,” as discussed below. The Funds available in Strategies are generally subject to a review and approval process as described in the section “Portfolio Manager Selection and Evaluation.”

If available, you should review the applicable Profile before you select such Strategies.

Consistent with your Portfolio Target Asset Allocation, your assets may also be allocated to cash and/or cash alternatives (collectively referred to as “cash”) for a variety of purposes, such as:

- Fulfilling your Strategy’s (or Portfolio’s) allocation to cash (as an asset class);
- Transaction execution;
- Program Fee collection; and
- Asset protection purposes (e.g., during periods of volatile market conditions).

As described in more detail below in the section “Program Fees,” your cash and cash alternatives in all Program Accounts and Strategies will be subject to the Program Fee.

We will generally determine the manner and extent to which Funds are made available to clients through the Program, including when they may no longer be offered. For information regarding selection and evaluation of Funds, please see the section “Portfolio Manager Selection and Evaluation.”

Occasionally, we may decide to discontinue offering or to replace certain Strategies. As described above, we generally will provide you with prior written notice before selecting a replacement or provide you with information regarding the updated Strategy. After such replacement is made, if you do not instruct us to select a different replacement or no replacement at all, your continued participation in the Program after the termination of the Strategy will be your consent to the replacement; if your Account is not eligible for the replacement we may terminate your Account(s). In certain circumstances, we may terminate the offering of the Strategy and promptly select a replacement that we believe to be in your best interest.

c. Rebalancing of Strategies.

MAA actively manages your Account’s investments and may rebalance these investments to the Strategy’s allocations at any time in its sole discretion. MAA monitors your Account daily for contributions or withdrawals of assets and rebalances your Account when it deems it appropriate. Other flows of assets into or out of your Account such as dividends, interest, or the payment of the Program Fee may also prompt MAA to review your Account to determine if rebalancing is warranted. When Merrill Lynch updates your selected Strategy’s allocations, these changes may result in all, a portion of, or none of the assets in your Account being traded. MAA periodically monitors your Account for drift from the Strategy’s target allocations and may rebalance all or a portion of your Account’s assets to the Strategy allocation.

MAA may apply tolerance parameters or other criteria when rebalancing your Account to focus on the Fund investments causing deviation from the Strategy’s allocations. At times rebalancing may be targeted at specific Fund investments. The frequency and parameters MAA uses to rebalance your Account in a selected Strategy may change at any time and may be different from the parameters used in other types of investment strategies or investment advisory programs sponsored by Merrill Lynch.

MAA may at times consider the tax implications of certain transactions for certain types of accounts. MAA’s implementation of rebalancing may be delayed or otherwise impacted by market events and conditions and/or operational constraints. MAA reserves the right not to rebalance your Account if we believe it is not in your best interest to implement the rebalancing of your Account to the Strategy’s allocations.

1. Program Guidelines.

We have established certain guidelines relating to the management of assets in the Program. Our supervision and monitoring of these guidelines do not substitute for your own continued review of your assets and the performance of your investments. You are responsible for reviewing the Program letters and reports, performance reports, trade confirmations, monthly account statements, and other information we send to you. If you identify any discrepancies, you should promptly report them to a Financial Solutions Advisor.

Because of our and our Affiliates' business relationships, there may be occasions when we will be unable to recommend the purchase or sale of certain securities for your Accounts, even if it is in your best interests to do so. This can arise in instances when insider trading policies, changes in research opinions or other activities prohibit trading in your Program Accounts. In addition, we may obtain information anytime through various non-Program-related businesses that could be used to benefit the management of your Account, but which cannot be used for this purpose because of various legal prohibitions, such as the insider trading prohibition. Our investment advice will generally not include any recommendations concerning the purchase or sale of common stock, preferred stock and debt securities issued by Bank of America Corporation, and certain Affiliates and other Related Companies, as well as other securities that we may determine from time to time. From time to time, however, a Fund selected for a Strategy may invest in securities issued by Bank of America Corporation or its Affiliates to achieve its investment objective. Any such investments by a Fund are required to comply with the applicable provisions of the Investment Company Act, including limitations on investments in securities-related businesses, and will not be influenced by MLPF&S or MAA.

BROKERAGE AND CUSTODY SERVICES

You are required to maintain a securities (brokerage) account with us through Merrill Lynch or an Affiliate. The Program Fees you pay generally cover the custody of your assets and the execution of transactions in the Program (except as otherwise indicated). Certain brokerage, banking or other features of your securities (brokerage) account will not be available to you for your Account while enrolled in the Program.

1. Brokerage Services.

In your Client Agreement, you appoint us to act as your agent and attorney-in-fact with such discretionary power and authority to buy, sell or otherwise effect transactions in Funds, stocks, options, bonds and any other securities or other property, in whole or in part and in your name for your Accounts. You also authorize and direct us to cause all transactions to be effected through Merrill Lynch or our Affiliates acting as agent, or as permitted by law, as principal. Principal transactions are only effected in accordance with Program guidelines and applicable regulations. In effecting transactions for your assets in the Program, we or our Affiliates will be acting exclusively as a broker-dealer. Trades will be handled by Merrill Lynch and MAA consistent with their regulatory and best execution obligations.

Please be aware that, under certain circumstances, you may be able to obtain better prices for transactions, including smaller spreads (the difference between the bid and the offer price) or more favorable net prices, from other broker-dealers or third parties or obtain better pricing through different types of accounts available at Merrill Lynch; however, you will pay commissions on transactions executed through those accounts, which are in addition to the Program Fees.

If we or an Affiliate cannot effect a transaction on your behalf, you authorize and direct us to effect the transaction through an Unaffiliated Investment Firm, and to establish accounts as we deem necessary for the purpose of effecting transactions in the Program.

When we select an Unaffiliated Investment Firm to execute transactions because we cannot effect a transaction, MAA will take into account various factors, such as:

- The nature and quantity of the securities involved;
- The markets involved;
- The importance of speed, efficiency and confidentiality;
- The firm's apparent knowledge of such markets and sources from or to whom particular securities might be purchased or sold;
- The reputation and perceived soundness of the firm;
- The ability and willingness of the firm to facilitate both purchases and sales of securities for client accounts by participating in such transactions for its own account;
- The firm's clearance and settlement capabilities; and
- Other factors relevant to the selection of a broker-dealer for the execution of client securities transactions.

You, and not we, will bear the cost of markups or markdowns that are not covered by the Program Fees and that are payable to Unaffiliated Investment Firms (including on fixed-income or over-the-counter transactions in which MLPF&S and its Affiliates act as agent).

In effecting transactions for your assets in the Program, MLPF&S or our Affiliates will be acting exclusively as a broker-dealer. We may, but are not required to, aggregate orders for the sale or purchase of securities for your Strategies with orders for the same security for our other clients, proprietary accounts or the accounts of our employees (including a Financial Solutions Advisor) and/or related persons, without your prior authorization. In such cases, each account in the aggregated transaction will be charged or credited with the average price and, when applicable, its pro-rata share of any fees. To the extent MLPF&S provides similar investment recommendations for a particular Strategy to MAA for implementation, MAA's ability to implement those recommendations may be affected by the liquidity of the security, market volatility, and any price limits that may be imposed by MLPF&S. This may in turn have a negative impact on the performance of a Strategy.

We seek to effect transactions correctly, promptly and in the best interests of clients. In the event an error occurs in our handling of client transactions, we seek to identify and correct any errors as promptly as possible without disadvantaging you. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing you. In general, in instances where we are responsible for effecting the transaction, we may: (i) reimburse you for any losses directly resulting from trade errors; (ii) credit to you any profits directly resulting from such trade errors that are corrected after the settlement of the transaction; or (iii) retain for ourselves any profits directly resulting from such trade errors that are corrected prior to the settlement of the transaction.

As a broker-dealer, Merrill Lynch is responsible for compliance with federal margin rules. Accounts in this Program are cash Accounts. With a cash Account, there is a risk that your Account could become restricted for 90 days if securities are sold before payment for their purchase has settled, a practice known as "freeriding." Freeriding is prohibited, and could result in an Account being "frozen." This means that while purchases of securities would be permitted, they must be fully paid for on the date of the trade. Imposition of such a freeze could have a negative effect on your ability to attain your investment objectives, and may cause your Account to perform differently than other accounts pursuing similar objectives.

Another factor that can increase the risk of a freeriding violation is changing Investment Strategies, which may result in the sale of securities held and the purchase of new securities for your Account. Periodic

rebalancing of your investments and changes in investment models used in certain investment strategies also can cause an increase in purchases and sales of securities over a short period of time, which will increase the risk of a freeriding violation. Client requests to withdraw cash from an Account also can cause a transaction to violate the freeriding prohibition.

2. Custodial Arrangements.

MLPF&S or one of our Affiliates will act as the custodian for the assets held in the Program. Your assets will be maintained in one or more central asset accounts established at MLPF&S through the applicable securities account. In the Client Agreement, you agreed to open any necessary securities accounts and execute the applicable MLPF&S securities account agreements. If you already have an existing MLPF&S securities account ("existing account") and instruct us to open a similar type of account for the Program ("new account"), the agreement and related documentation for your existing account will apply to your new account.

From time to time, MLPF&S (doing business as Merrill Edge) may offer to clients or potential clients certain promotions or rewards in connection with opening, maintaining or adding assets to an MLPF&S securities account. Such promotions or rewards may include, by way of example, the payment of a cash reward. The promotions may require a client to request to receive or participate in the promotion or reward, and/or require a client to meet various eligibility criteria. While these promotions or rewards may extend to a client's MLPF&S securities account that holds assets in the Program, participation in the Program is not a condition for these promotions or rewards.

Any assets held in the Program must be and remain free from any lien, charge or other encumbrance (other than a lien, charge or other encumbrance in favor of us or our Affiliates), unless we agree otherwise. You must notify us in writing prior to effecting loans secured by securities in the Program (including loans by our Affiliates) (commonly referred to as "collateralizing"). We will not provide advice on or oversee any of your collateral arrangements. Unless we otherwise agree, in the event of any conflict between the terms of the Client Agreement and your collateral arrangements, the terms of the Client Agreement will prevail. You must also disclose to any lender the terms of the Client Agreement. No specific securities in your Strategies should be held as collateral to secure your loan. There are adverse effects of collateralizing Strategies, including, but not limited to, the fact that the lending institution may require additional collateral or liquidation of securities to meet a call, as well as the related tax consequences. You must promptly notify us of any default or similar event under your collateral arrangements as defined in the respective collateral arrangements.

ACCOUNT PREFERENCES

You are able to set certain "Account Preferences" for each of your Accounts in the Program, including:

- Frequency of Trade Confirmation Statements;
- Electronic Delivery of Certain Materials; and
- Reasonable Investment Restrictions.

You should discuss the availability of these Account Preferences with a Financial Solutions Advisor. You may be asked to complete additional documentation.

1. Proxy Voting and Other Legal Matters.

a. Proxy Voting.

You have the right to vote proxies for securities held in your Account and you will retain proxy voting authority for your Account. Since you retain proxy voting authority:

- We will promptly send you proxy ballots and related shareholder communications that we receive, as well as any other information intended for distribution to you. You are responsible for taking any actions.
- If your Account is an ERISA Plan, you represent that plan documents and applicable law authorize voting authority to be reserved to the trustee(s) either in the discretion of the trustee(s) or pursuant to the discretion of a named fiduciary; and
- If we do not receive voting instructions from you, we will comply with the rules of the SEC and applicable self-regulatory organizations relating to such matters, as required by law.

As a broker dealer, MLPF&S uses a third party service provider for certain proxy-related functions, including processing and forwarding proxy and other issuer related materials, and receives amounts collected by the vendor for the costs of these services as permitted by applicable securities regulations.

b. Other Legal Matters.

We will not advise or act for you with respect to any legal matters for securities held in your Account, including bankruptcies or class actions, and we will use our best efforts to send you any documents received with respect to such matters.

2. Frequency of Trade Confirmation Statements.

You will receive trade-by-trade confirmation for transactions in your Accounts; however, you may elect to receive transaction information on a periodic basis, which will be no less than quarterly. Your initial instruction in the Account Preferences section in your Client Agreement regarding receipt of trade-by-trade confirmations will apply to your applicable Accounts until such instruction is changed. Your election regarding receipt of trade confirmation statements will be reflected in your Portfolio Summary.

If you elect to receive trade information on a periodic basis, you understand the following:

- We will send copies of trade-by-trade confirmation information to you, as applicable, and MAA, in accordance with applicable law.
- You will not pay a different fee if you elect to receive periodic confirmation statements;
- You can rescind this instruction in writing at any time;
- Electing periodic confirmations is not a condition for entering into or continuing to participate in a Strategy or the Program;
- You may request to receive, at no additional cost, trade-by-trade confirmations for transactions effected for your Account for up to one year after we send the last periodic statement reflecting those transactions; and
- You may receive interim updates and further details concerning any transaction effected between periodic statements either online (if you're enrolled) or by calling a Financial Solutions Advisor.

3. Electronic Delivery of Certain Materials.

When you enrolled in the Program, you acknowledged in the Agreement that you had received certain Program materials such as this Brochure, a Financial Solutions Advisor's and any other Merrill Lynch Brochure Supplements, any Profiles, any applicable Fund materials, and, for Retirement Accounts, the Retirement Account Addendum. Additional copies may be requested from a Financial Solutions Advisor at any time and will be provided without charge. For your reference and convenience, we have posted this Brochure and other information at merrilledge.com/advisory-account-program-brochure.

You may revoke your consent to electronic delivery of the Program brochure and receive paper copies of that document by contacting a Financial Solutions Advisor. From time to time, we may deliver paper copies of documents relating to your Account notwithstanding your Account preference.

You may also separately request electronic delivery of certain Program materials, including the Brochure, any Account specific documents (and any changes or amendments) as well as other Program notices and materials, by signing up for electronic delivery via our internet website at merrilledge.com. If you consent to electronic delivery at that website, you will generally authorize us to deliver Program documents, disclosures and notices to you electronically. Electronic delivery through this process may not be available for all Program related communications, and in that case, we will send paper copies to you. There are separate procedures for enrollment and unenrollment through merrilledge.com.

4. Reasonable Investment Restrictions.

You may impose "Reasonable Investment Restrictions" on the management of your Program assets. Your initial instruction to a Financial Solutions Advisor regarding investment restrictions, if accepted by us, will be reflected in periodic Program communications and will apply to your applicable Accounts until such instruction is changed or withdrawn by you or we determine that it is no longer a Reasonable Investment Restriction. You may request to have different investment restrictions applicable to each of your Accounts.

We will be responsible for determining whether an investment restriction is reasonable and, if deemed reasonable, how to allocate the assets that would otherwise have been invested in the restricted security (ies). Even if we deem an investment restriction to be reasonable when initially requested, we reserve the right to deem it to be unreasonable at any time should relevant circumstances change. Investment restrictions or any other limitations provided by you will not apply to the securities or other interests held in the portfolio of any Fund in your Account, even if a Fund provides public disclosure of the holdings within its portfolio.

If such restrictions are deemed reasonable, MAA will generally allocate the assets that would have been invested in the restricted security to cash.

From time to time, MAA may also allocate pro rata across other investments held in the Portfolio or Strategy to one or more substitute securities, which might include ETFs.

If one or more investment restrictions are determined to be unreasonable, the Account may not be enrolled and you should consider other more appropriate Strategies in the Program, or other more appropriate products or services. We reserve the right to modify our practices regarding investment restrictions in our sole discretion at any time without notice.

If you elect to restrict investments, you accept any effect such restrictions may have on the investment performance and diversification of the Strategy or your Portfolio. The performance of Accounts with Reasonable Investment Restrictions will differ from and may be lower than the performance of Accounts without such restrictions. In addition, investment restrictions or any other limitations provided by you will not apply to the securities or other interests held in the portfolio of any Fund in your Accounts, even if the Fund provides public disclosure of the holdings within its portfolio; consequently, your ability to restrict investments in the Program will be limited.

PROGRAM FEES

For the Services provided in the Program, you will pay to us an annual asset-based fee ("Program Fee"). The Program Fee will be payable monthly in advance and will be based upon an annual Program Fee Rate of 0.85%.

Please see the section "Other Fees and Expenses" for a list of other fees and expenses that you may be charged and are not included in the Program Fee.

1. Program Fee Rate.

The Program Fee Rates applicable to each of your Account(s) will be set forth in the fee schedule section of your initial Portfolio Summary provided to you upon enrollment. Upon your request, and at no charge, we will provide to you additional detailed information regarding your Program Fees. Please contact a Financial Solutions Advisor if you would like to receive this more detailed Program Fee information.

2. Calculation of Fees.

The Program Fee is calculated monthly as follows:

For each calendar month, the Program Fee Rate that will be applied to your Account will be one twelfth of the annual Program Fee Rate. In certain instances and in our discretion, we may waive or reduce your Account's Program Fee for a particular month.

In calculating the value of the assets in your Account, as described below, Merrill Lynch will use a variety of pricing sources. These pricing sources include Affiliates of Merrill Lynch.

a. Initial Program Fee.

When you enroll a new Account in the Program, an initial Program Fee will be assessed during the week following the date on which you have contributed the required minimum level of assets to the Account for the Strategy selected by you.

The initial Program Fee will be calculated and paid to Merrill Lynch based on: (i) the value of the assets in your Account as of the earlier to occur of the last business day of the week or the last business day of the month following required funding; and (ii) one twelfth of the annual Program Fee rate applicable to such value, and prorated based on the number of days remaining in the month from the date of required funding;

b. Monthly Program Fee.

After the initial Program Fee, the Program Fee is typically charged to your Account during the first week of the current calendar month; and

- The Program Fee will be calculated and paid to Merrill Lynch based on: (i) the value of the assets in your Account as of the last business day of the previous calendar month; and (ii) one twelfth of the annual Program Fee Rate applicable to such value.

c. Termination of Account(s).

If you or we terminate your Account we will refund to you a pro-rata portion of the Program Fee based on the number of calendar days remaining in the month. The refund, if any, will be applied to your Account typically during the week following Account termination. See the section "Closing an Account and/or Terminating the Client Agreement" for further information.

3. Deduction of Program Fees from Your Account.

You have agreed in the Client Agreement as follows:

- Unless otherwise agreed to between you and MLPF&S in writing, the Program Fee (and any other fees payable under the Client Agreement) will be deducted directly from your Account. You may be able to pay the Program Fee from assets held outside of your Program Account. You should contact a Financial Solutions Advisor for additional information;
- MLPF&S is authorized to deduct the Program Fee (and any other fees payable) from the assets held in your Account, to the extent permitted by law, if full payment of such fees has not been timely received or, if earlier, at the time the Account is terminated;

- The Program Fee and any other fees for your Account will be payable, unless otherwise indicated, first from the liquidation or withdrawal by MLPF&S of your shares of any money market funds or balances in any money market or bank deposit account(s), as you authorize in the Client Agreement or other document, and second from free credit or cash balances, if any, in your Account;
- You will make timely payment of all amounts due to MLPF&S under the Client Agreement, and any unpaid Program Fees may result in the termination of your Account(s);
- To the extent permitted by law, all assets in your Account or otherwise held by MLPF&S or its Affiliates for you will be subject to a lien for the discharge of your obligation to make timely payment to MLPF&S of the Program Fee (and any other fees payable under the Client Agreement), and MLPF&S may sell assets in your Account to satisfy this lien; and
- If free credit or cash balances within the alternate account you have designated for your Program Fees to be deducted from are not available, the Program Fee will be moved to and deducted from your Program Account.

4. Services Covered by the Program Fee.

The Program Fee you pay for the investment advisory services described in this Brochure also covers our brokerage services, including clearance and settlement of transactions and custody of assets.

Certain of these services are not available in all types of securities accounts, Strategies and/or the jurisdiction in which you reside. Please speak with a Financial Solutions Advisor about the availability of these services.

There are certain investments (such as investments in mutual funds) for which you do not incur brokerage commissions or other transaction charges when those securities are purchased through your Program Account. Accordingly, although you may be charged a Program Fee that covers charges for brokerage execution, you should be aware that transactions involving these investments are not subject to separate charges for brokerage execution. However, by purchasing such securities through an account enrolled in the Program, you will be able to purchase different share classes typically with lower expense ratios than what you would be able to purchase in your brokerage account. The full amount of the Program Fee payable under the Agreement will be charged in accordance with the terms of such Agreement, regardless of your use of any of the services offered or of the amount of transactions effected in your Account.

Please keep in mind that although the Program offers a wide range of services, the primary purpose of the Program is to provide you with investment advice and guidance. The Program Fee covers a range of services, as described above that are intended to be supplemental and enhance the investment advisory services you receive.

5. Other Fees and Expenses.

The Program Fee does not cover:

- Any charge (i.e., commission, markup or markdown) that is incurred in connection with effecting a transaction for your Account;
- Transfer taxes;
- Certain Fund redemption and other fees that are imposed by a Fund manager as part of an investment in the shares of a Fund investment as described in more detail below;
- Exchange or similar fees (such as for ETFs) charged by third parties, including issuers, and fees required by the SEC;
- Electronic fund, wire and other Account transfer fees; and

- Any other charges imposed by law or otherwise agreed to with regard to the Account.
- Alternative trading system fees; and
- The internal fees and expenses of the Funds used in the Program.

When your Account invests in Funds that are included in your Program Fee, you generally will purchase shares that have no front-end sales load or contingent deferred sales charge, or for which such loads or charges are waived. However, as a Fund investor, you will bear your proportionate share of such Fund's fees and expenses including, but not limited to, management fees and performance-based compensation paid to the Fund's investment managers or their Affiliates, fees payable to the Fund's professional and other service providers, transaction costs and other operating costs (all of which may be material), and some of which may be paid to Merrill Lynch and its Affiliates as compensation for services rendered. An investor in a fund-of-funds or feeder fund vehicle will also bear a proportionate share of the fees and expenses of each underlying investment fund. Any Fund redemption or other fees imposed by a Fund manager as a result of you redeeming the Fund to invest in a particular Program Strategy will be separate from the Program Fee. The Program Fee does not cover or offset any of the fees and expenses that any Fund may incur for transactions occurring within the Fund Itself, including commissions and other transaction-related charges incurred by the Fund, even if we effect these transactions for the Fund. Except as otherwise provided for Retirement Accounts, the Program Fee will not be reduced even if Merrill Lynch or an Affiliate effects transactions for the Funds or otherwise provides services to the Funds for compensation.

6. Treatment of Cash Assets.

The Program Fee will be applied to cash and cash alternatives held within your Account, including assets in bank deposit programs and money market fund shares. The Program Fee is in addition to other compensation that MLPF&S and its Affiliates will earn in connection with these assets. Although your cash will be swept into the cash sweep vehicle you choose or that is available to you through your underlying securities account agreement, you may experience negative performance on the cash portion of your Strategy if the Program Fee charged on your cash is higher than the return you receive from your cash sweep choice.

Any holdings of cash should be consistent with your Portfolio Target Asset Allocation, Program guidelines and consistent with your preferences for your Account or Portfolio, including to: (i) fulfill your Strategy's (or Portfolio's) allocation to Cash as an asset class; (ii) facilitate transaction execution or provide for fee collection; or (iii) meet your objective of having asset protection in the event of periods of volatile market conditions or otherwise.

There are other alternatives available to you for holding cash assets that are not intended to be part of a Portfolio Target Asset Allocation strategy. Merrill Lynch and its Affiliates have other accounts, for example a brokerage or a banking account, in which cash may be held and as to which a Program Fee will not be charged. These accounts may offer different cash sweep alternatives and yields (potentially higher) than those offered in the Program. Any cash or other assets held outside of the Program will not be considered as part of the Portfolio Target Asset Allocation. We will not be considered an investment advisor or fiduciary with respect to any cash held outside of the Program.

7. Additional Information.

Generally, all Account values used to determine the Program Fees described above are based on the value of the assets in your Account, as determined by MLPF&S. In calculating such Account values, Merrill Lynch will use a variety of pricing sources, including our Affiliates.

ABILITY TO OBTAIN THE PROGRAM SERVICES SEPARATELY

You should discuss the brokerage and investment advisory services we make available with a Financial Solutions Advisor to determine which may be most appropriate for you. You may be able to obtain some or all of the types of Services described herein from us without participating in the Program subject to certain restrictions, including the type of account for which you are seeking these types of Services. If you were to do so, your total cost may be lower or higher than the Program Fee.

You may also be able to obtain the same or similar Services or types of investments through more than one Strategy in the Program, or through other programs and services, both investment advisory and brokerage, offered by Merrill Lynch; these may be available at lower or higher fees than charged by the Program. The other available investment advisory program which has a lower program fee rate than the Program is the Merrill Edge Guided Investing program. The services that you receive by investing through Merrill Edge Guided Investing will be different from the Services you receive through the Program. The Program differs from Merrill Edge Guided Investing in a number of important respects including that it provides a broader range of investment options, and access to a Financial Solutions Advisor. You may also be able to obtain some or all of these types of services from other firms, and if they are available, the fees associated with them may be lower or higher than the fees we charge.

You should discuss the Services and Strategies we make available with a Financial Solutions Advisor to determine which may be most appropriate for you. More broadly, when you compare the Strategies, account types and programs and their relative costs, you should consider various factors, including, but not limited to:

- Your preference for an investment advisory or brokerage relationship;
- Your preference for a discretionary or a non-discretionary relationship;
- Your preference for a fee-based or commission-based relationship;
- Your preference for access to a Financial Solutions Advisor;
- The types of investment vehicles and solutions that are available in each Strategy, Merrill Lynch program or service;
- Whether a particular investment solution offered in one Strategy or service is available through another Strategy or Merrill Lynch program or service at a lower or higher cost;
- How much trading activity you expect to take place in your Account;
- How much of your assets you expect to be allocated to cash;
- Whether you wish to invest in mutual funds, and which mutual funds (if any) are available in particular Strategies or programs;
- The frequency and type of client profiling reports, performance reporting and account reviews that are available in each program or service; and
- The scope of ancillary services that may be available to you in a brokerage account, but which are not available in the Program.

You should carefully consider if and when you will enroll in the Program. While the Program, and any of the Programs available through us or an Affiliate, and our brokerage account platform may have certain similar features, there are important differences that should be discussed with a Financial Solutions Advisor, including the extent of the Services, the Program Fee and the investments available to you. It is important that you discuss with a Financial Solutions Advisor how enrollment in the Program will affect these fees and the Services that will be available to you.

FUNDING AND OPERATION OF ACCOUNTS

1. Opening a Program Account.

The Client Agreement allows you the flexibility to open or enroll into the Program an Account and any subsequent Accounts in the same capacity with verbal, electronic or written instructions. You may need to sign a

separate Client Agreement if you want to open an Account in any other capacity. Examples of different capacities include an individual capacity, a trustee of a trust, a guardian for a minor, a business entity (e.g., corporation, partnership), and a non-IRA retirement plan.

The effective date of the Client Agreement for each of your Accounts will be the date of its acceptance by us and will be set forth in the Portfolio Summary. The Client Agreement will not apply to any Account that is not reflected in the applicable Portfolio Summary. Any preliminary discussions or recommendations provided to you before we accept the Client Agreement do not constitute investment advice under the Investment Advisers Act and should not be relied on as such.

2. Funding Your Account.

You may fund your Account by depositing cash and/or securities acceptable to us.

If we determine in our sole discretion that any contributed investments are not eligible or are unacceptable for the applicable Service, you authorize and direct us to sell those investments as promptly as practicable. We will not act as a fiduciary or an investment adviser in connection with these transactions, but we are entitled to charge a commission for the sale of these investments. We may also execute a principal trade for the sale and may retain the compensation from the transaction to the extent permitted by law.

Depending on the type of investment involved, the sale of these securities may cause you to incur taxable gains or losses or to pay applicable fees or charges. You are responsible for all tax liabilities arising from the sale of these securities and should review the potential tax consequences of these liquidations with your tax advisor before funding an Account.

In lieu of selling the ineligible or unacceptable investment, we may transfer this asset to a securities brokerage account. As part of the Client Agreement, you authorize us to open and transfer ineligible or unacceptable investments to a similar type of Merrill Lynch securities (brokerage) account when:

- We are unable to sell the investment; or
- You specifically direct us, in writing, not to liquidate the investment.

In this case, the Client Agreement and related documentation for your existing Merrill Lynch securities (brokerage) account will apply with full force and effect to your new account.

In certain situations, with prior notice, we may require that you move or transfer such ineligible or unacceptable assets from an Account in the Program to another account. Our request that you take such action may be limited to certain ineligible or unacceptable assets, but not others, as we determine in our sole discretion. Failure to comply with the request to transfer such assets out of an Account enrolled in the Program may result in the termination of such Account holding the ineligible asset from the Program.

You should consider all relevant factors before contributing Fund shares to the Program, including the fact that you may have paid a front-end sales charge and any applicable contingent deferred sales charges or redemption fees will remain your responsibility and will be in addition to the Program Fees.

If you are contributing or holding mutual fund shares in your Account, you should consider the following information. Certain mutual funds may offer only one class of shares, while other mutual funds may offer multiple share classes which are available for investment based upon certain eligibility and/or purchase requirements. You should refer to the additional client disclosure pamphlets entitled "Mutual Fund Investing at

Merrill Lynch” and “Offshore Fund Investing at Merrill Lynch” for additional information on mutual fund share classes. Classes of shares eligible for the Program will be subject to the Program Fee. Mutual funds often permit the conversion of shares from one class to another, subject to certain conditions as determined by the applicable registered fund. If you contribute or hold Mutual Fund shares that we deem to be ineligible for the Program, such shares will be converted into a class of shares of the same Mutual Fund we deem to be eligible, and will be subject to the Program Fee; depending on your circumstances, you could be subject to higher expenses overall once the shares convert to a class we deem to be eligible. We may not elect to convert particular share classes of a Mutual Fund if, for example, there is no equivalent class eligible for the Program in other circumstances as we may determine. Prior to contributing any mutual fund shares to your Account, you should discuss the impact of a conversion of these shares with a Financial Solutions Advisor. If you do not want your Mutual Fund shares converted, you should discuss your ability transfer such holdings to another account with a Financial Solutions Advisor.

In addition, from time to time a mutual fund that is a Registered Fund may authorize us to make available to clients participating in the Program a class of shares of such Registered Fund with a lower fee structure that we believe is more beneficial to you than the class of shares previously made available in the Program. Where such conversion is available, under the authority provided to us under the Client Agreement, we will effectuate an exchange to the other class of shares of the same Registered Fund with the lower fee structure.

3. Withdrawals and Contributions of Assets.

In connection with withdrawal requests, liquidation of certain securities may be required. Further:

- You must notify us at least five business days prior to withdrawing funds or securities from Accounts;
- Funds must be withdrawn from the Account by you as soon as practicable after settlement date, and if the requested funds are not withdrawn from the Account within five calendar (5) days after settlement, the funds may be subject to reinvestment without notification to you by us;
- We reserve the right to terminate any Account that falls below the required minimum asset size as reflected in the applicable Profile;
- We also reserve the right to terminate any Account(s) that falls below the required Program minimum as outlined in the Program Brochure;
- In certain situations, it may take longer than five business days before you can access your requested funds;
- Taxable gains and losses may be realized as a result of your withdrawal instructions; and
- Frequent withdrawals from your Account may affect the achievement of investment objectives for the Strategy you selected;
- As a broker-dealer, Merrill Lynch is responsible for compliance with federal margin rules relating to an Account’s trading activity, which may impact available funds for an Account. Please see the section “Brokerage and Custody Services—Brokerage Services” for additional information.

Contributions of Funds and securities to your Accounts do not require advance notice, except as specifically provided in the section titled “Brokerage and Custody Services - Custodial Arrangements.” There may be a delay between the date that funds or securities are contributed to an Account and the date that MAA invests such funds (or potential liquidation of additions of Securities occurs) in accordance with the applicable Strategy Profile. We will not be liable for any lost opportunity profits that may result from a delay in investing any contributed funds or securities.

You will not be able to use Visa® cards or write checks on an Account while it is enrolled in the Program.

4. Service Changes or Additions.

You may change or add a Service or add Accounts to your Portfolio, subject to approval by us, by contacting a Financial Solutions Advisor. We will implement any approved changes that you select as soon as reasonably possible.

5. Closing an Account and/or Terminating the Client Agreement.

The Client Agreement may be terminated at any time by either us or you, with verbal or written notice to the other parties.

The termination of the Client Agreement will terminate all Accounts. You may also terminate any Accounts subject to the Client Agreement by giving us notice of such termination. Upon termination of an Account or the Client Agreement, a pro-rata adjustment to the Program Fees for the remainder of the billing period will be made, which may result in a refund of your Program Fees. Your termination of a particular Account will not automatically terminate any of your other Accounts. Upon termination of a particular Account or the Client Agreement, you (or the legal representative of your estate) will have the sole responsibility for the investment of assets in your Account(s).

In the event of a termination of the Client Agreement or of an Account, the Assets in the Account, including Fund investments, will not be liquidated but will be held in your account, which will be subject to the brokerage account agreement, for further disposition and action by you. Notwithstanding the foregoing or any instruction by you, certain Funds and other securities held in your Account will be automatically liquidated or redeemed, as described in the applicable Offering Materials upon termination of an Account that holds such Funds and other securities or the Client Agreement. Such liquidation or redemption will generally be effected by the close of the next business day following termination, although for certain securities the liquidation or redemption process may take longer. Termination of your Account will be effective following the liquidation of such Funds and other securities, and the completion of other processes that may be required to terminate the Account. The termination of a Financial Solutions Advisor’s employment with Merrill Lynch will not automatically terminate the Client Agreement.

6. Investment of Cash Balances.

You will be charged a Program Fee on all cash balances maintained in the Program. Cash balances and funds pending investment in each of your Accounts will automatically be invested or “swept,” in accordance with the cash sweep option that you selected in the underlying Merrill Lynch securities account agreement relating to your Account(s); provided, however, that for newly opened securities accounts, your sweep selection will not take effect (i.e. your cash will not be deposited/invested in such sweep option) until Merrill Lynch receives your signed securities account agreement. Your failure to return your signed securities account agreement may result in your Account’s termination from the Program, among other things. Depending upon the type of securities account that you establish, cash balances will be swept to one or more banks related to us, money market mutual funds, or to another available cash option. With certain account types, a sweep option is not available and you will not be invested in one of the above sweep options.

A Financial Solutions Advisor can help you identify the sweep option or other cash options, if any, available to you, but neither we, nor a Financial Solutions Advisor has the discretion to make the selection for you.

Additionally, you may elect a “no sweep” option for the cash balances held in your Account. If you select the no sweep option, your cash balances will remain in your Account until they are needed to satisfy any debits (due to securities purchases or other transactions) in your Account and will not earn interest or dividends. If you elect the no sweep option for your

Account, you should understand that Merrill Lynch will continue to charge the Program Fee on the cash held in your Account even though you are not earning any interest or dividends on that cash and that may create a conflict between you and us. You should carefully consider whether the no sweep option is right for you. Unless otherwise agreed, your Account will be credited with any dividends, interest and principal paid on cash balances held in your Account.

Cash balances held in a money market fund are subject to the Fund's management, distribution, transfer agent, and other expenses. See the section "Receipt of Compensation from Investment Advisers - Funds and Related Investing" for more information. These fees and expenses are in addition to, and will not reduce your Program Fees, except as required by law.

If cash balances are deposited in a bank deposit account pursuant to the Merrill Lynch Bank Deposit Program, or Retirement Assets Savings Program:

- Cash will be placed in an account bearing a reasonable rate of interest and the participating depository institution will benefit from its use of the deposits, and we or our Affiliates will receive compensation from the participating depository institution, including any Merrill Lynch Bank. This compensation will be in addition to, and will not reduce, your Program Fee, except as required by law.
- The applicable terms are described in the disclosures that the client received in connection with the underlying MLPF&S securities account for the client's account, and are also available from a Financial Solutions Advisor.
- The availability to you of any of these different options will depend on your underlying securities brokerage account type, as well as whether the particular option you have selected in connection with your securities brokerage account is available in the Program.

You will be charged a Program Fee on all cash balances maintained in the Program. At times, each of your Strategies may have different cash allocations based on the investment solutions used in the Strategy or current market conditions. In certain circumstances, including periods of volatile or uncertain market conditions, for defensive purposes and for other cash management purposes, such cash allocations may comprise all or a substantial portion of your assets invested in a particular Strategy.

RISK AND TAX DISCLOSURE

1. General Risks of Investing.

All investments involve risk (the amount of which may vary significantly), investment performance can never be predicted or guaranteed, and the values of your assets will fluctuate due to market conditions and other factors.

We make no representations or warranties with respect to the present or future level of risk or volatility in your Portfolios, Strategies, or any Fund's, or investment's future performance or activities. You are assuming the risks involved with investing in securities and other investment products, and you could lose all or a portion of the amount held in the Program. As required by law, you will be sent a copy of the prospectus or disclosure document for certain assets purchased for your Strategy, and you should read such documents.

Any target asset allocations (including your Portfolio Target Asset Allocation) or benchmarks, as applicable, referred to in connection with your Strategy or Portfolio are not intended to be an assurance or guarantee of the performance of any investments in or of the Strategy or Portfolio. There is no assurance that the performance results of any benchmark or index used in connection with a Strategy, including those shown in a Profile can be attained. Market movements and other factors may result in significant differences between the performance of your

Strategies and any target asset allocations set forth for your Strategy, Account or Portfolio. Investments made, and the actions taken, for your Program assets will be subject to various market, liquidity, currency, economic and political risks, and will not necessarily be profitable.

In addition, you may impose guidelines or restrictions on your Account that may result in your Account being concentrated in one or a few sectors, industries or securities. Concentrated portfolios typically increase the risk and volatility of an Account and may result in a decrease in diversification. We may determine not to accept such guidelines and/or restrictions.

2. Funds and Related Investing.

The Strategies you select invests in shares of, or interests in, Funds. As a Fund shareholder, you, along with other shareholders of the Fund, will bear a proportionate share of the Fund's expenses, including, as permitted by applicable law, certain management and other fees which may be payable to us, a Related Company. The Fund's prospectus or other disclosure document contains a description of its fees and expenses. Not all Fund fees and expenses are applicable to every Strategy offered. If you invest in a Fund, unless fees and expenses borne by the Fund are credited against the Program Fees, you will indirectly pay, through the Fund's net asset value, a proportionate share of the Fund's costs for services that may be similar to, or duplicative of, services rendered as part of the Program and paid for directly through the Program Fees.

The fees and expenses incurred by any Fund purchased for you through the Program may be in addition to certain of the expenses covered by the Program Fee. Among other services provided, we or our Related Companies may effect transactions for any of these Funds, and any compensation paid to us or our Related Companies by the mutual funds, or their Affiliates, is in addition to the Program Fee. Due to the additional economic benefit to us or our Related Companies when assets in your Account are invested in a mutual fund, a conflict of interest exists.

We attempt to address this conflict by selecting Funds based on the investment merits of the particular investment products and not based on the compensation that we and our Related Companies earn and through the disclosure in this Brochure.

For more information about other compensation MLPF&S or its Related Companies may receive in connection with the Program, see the section entitled "Additional Compensation - Receipt of Compensation from Investment Advisers."

You may purchase shares of some (but not all) of the mutual funds included in a Strategy directly from the mutual funds, their agents, or through us without enrolling in the Program. If you do so, you would not pay the Program Fee for such assets. However, you may not be eligible to purchase the same share class for each of the mutual funds available through the Program and the purchase of a different share class may be subject to applicable sales charges.

3. ETFs.

The Strategies you select may invest in shares of, or interests in, ETFs. As an ETF shareholder, you, along with other shareholders of the ETF, will bear a proportionate share of the ETF's expenses, including, as permitted by applicable law, certain management and other fees, which may be payable to us or a Related Company. An ETF's prospectus contains a description of its fees and expenses. When you invest in an ETF, you will indirectly pay a proportionate share of the ETF's costs for services that may be similar to, or duplicative of, Services rendered as part of the Program and paid for directly through the Program Fees.

Among other services provided, we or our Related Companies may effect transactions for any of the ETFs offered through the Program, and any compensation paid to us or our Related Companies by the ETF, or its

Affiliates, is in addition to the Program Fee. Due to the additional economic benefit to us or our Related Companies when assets in your Account are invested in an ETF that pays compensation to us or our Related Companies, a conflict of interest exists. We attempt to address this conflict by selecting ETFs based on the investment merits of the particular investment products and not based on the compensation that we and our Related Companies earn and through the disclosure in this Brochure.

You may be able to purchase shares of the ETFs offered through the Program in the secondary market or from an ETF through an authorized participant (in creation unit aggregations only), or through us without enrolling in the Program. If you do so, you would not pay the Program Fee for such assets, however, you will not receive the investment advice and other Services offered through the Program.

Below is a summary of certain risks relating to investing in ETFs that may apply to all or certain types of ETFs offered through the Program. Please refer to the particular ETF prospectus for more information about the risks applicable for a particular ETF.

ETFs are subject to risks relating to market trading that include the potential lack of an active market for ETF shares and disruptions in the creation and redemption process. Although ETF shares are listed on a national securities exchange, it is possible that an active trading market in the shares of a particular ETF may not develop or be maintained, particularly during times of severe market disruption. If ETF shares need to be sold when trading markets are not properly functioning, the ETF shares may be sold at a significant discount to their Net Asset Value ("NAV"). In some cases, it may not be possible to sell ETF shares in the secondary market. For example, an unanticipated closing of the national securities exchange on which an ETF's shares are listed or one or more markets on which either the ETF's shares trade or the ETF's portfolio holdings trade or the inability of such markets to open for trading during normal business hours, such as in response to a natural disaster or other event causing severe market disruption, could result in the inability to buy or sell shares of the ETF and the ETF's inability to buy and sell exchange-traded portfolio securities during that period, or in a disruption of the ETF's creation and redemption process, and may make it difficult for the ETF to accurately price its investments, thereby potentially affecting the price at which ETF shares trade in the secondary market. All of these events could adversely affect the performance of the ETF.

Trading in ETF shares also may be halted by an exchange or other markets because of market conditions or other reasons. If a trading halt occurs, an investor may temporarily be unable to purchase or sell shares of the ETF. Similarly, an exchange or other markets may issue trading halts on specific securities or derivatives, which will affect the ability of the ETF to buy or sell certain securities or derivatives. In such circumstances, the ETF may be unable to rebalance its portfolio or accurately price its investments and may incur substantial trading losses.

ETF shares also may trade on an exchange or on other markets at prices below their NAV. The NAV of ETF shares will fluctuate with changes in the market value of the ETF's holdings and the exchange-traded prices of the ETF's shares may not reflect these market values.

Only an authorized participant may engage in creation or redemption transactions directly with an ETF. To the extent that these institutions exit the business or are unable to proceed with creation and/or redemption orders with respect to an ETF and no other authorized participant is able to step forward to create or redeem, ETF shares may trade at a discount to NAV and possibly face delisting. This risk is exacerbated if an ETF has a limited number of institutions that serve as authorized participants.

Certain ETFs may effect creations and redemptions for cash, rather than in-kind. As a result, an investment in such an ETF may be less tax-efficient than an investment in a more conventional ETF. ETFs generally are able to make in-kind redemptions and avoid being taxed on gain on the distributed portfolio securities at the ETF level. An ETF that effects redemptions for cash, rather than in-kind distributions, may be required to sell portfolio securities in order to obtain the cash needed to distribute redemption proceeds. If the ETF recognizes gain on these sales, this generally will cause the ETF to recognize gain it might not otherwise have recognized, or to recognize such gain sooner than would otherwise be required if it were to distribute portfolio securities in-kind. ETFs generally intend to distribute these gains to shareholders to avoid being taxed on the gain at the ETF level and otherwise comply with the special tax rules that apply to it. This strategy may cause shareholders to be subject to tax on gains they would not otherwise be subject to, or at an earlier date than, if they had made an investment in a different ETF. Moreover, cash transactions may have to be carried out over several days if the securities market is relatively illiquid and may involve considerable brokerage fees and taxes. These brokerage fees and taxes, which will be higher than if the ETF sold and redeemed its shares principally in-kind, will be passed on to purchasers and redeemers of creation units in the form of creation and redemption transaction fees. In addition, cash transactions may result in wider bid-ask spreads in shares trading in the secondary market as compared to ETFs that transact exclusively in-kind. ETFs that seek to track the performance of a specified underlying index ("Index ETFs") are not actively managed and the investment advisers of such ETFs do not attempt to take defensive positions in declining markets. Therefore, Index ETFs may be subject to greater losses in a declining market than a fund that is actively managed.

A number of factors may affect an Index ETF's ability to achieve a high degree of correlation with its underlying index, and there can be no guarantee that an ETF will achieve a high degree of correlation with its underlying index either on a single trading day or for a longer time period. Factors such as ETF expenses, imperfect correlation between the ETF's investments and the components of the underlying index, rounding of share prices, changes to the composition of the underlying index, regulatory policies, a high portfolio turnover rate, and the use of leverage all contribute to tracking error and correlation risk. Failure to achieve a high degree of correlation may prevent an ETF from achieving its investment objective and cause the ETF's performance to be less than you expect.

4. Tax Matters.

You are responsible for all tax liabilities and tax-return filing obligations arising from the transactions in the Program. You are also responsible for all tax liabilities and tax-return filing obligations arising from all these transaction in your Account(s). In addition, if you are not a U.S. resident, any adverse tax consequences and other jurisdictional issues associated with investing in U.S. securities are your responsibility. Furthermore, any ordinary income dividends, including distributions of short-term capital gain, paid by Registered Funds generally will be subject to United States withholding tax under existing provisions of the Internal Revenue Code applicable to foreign individuals and entities, unless an exemption from such withholding tax under an applicable tax treaty applies.

We do not, and will not, offer tax advice to you and we strongly encourage you to seek the advice of a qualified tax professional. You should also understand that we are not responsible for attempting to obtain any tax credit or similar item or preparing and filing any legal document (including, but not limited to, proofs of claim) on your behalf.

Rebalancing, liquidations, redemptions, and other Portfolio changes may cause you to recognize taxable gains or losses (and you may be obligated

to pay Fund redemption fees or other charges), and any other tax liabilities and tax-return filing obligation therefrom will be solely your responsibility.

You may instruct us to effect sale requests in your Account. In connection with such requests:

- We will seek to comply with your instructions on a best-efforts basis;
- We, in our discretion, may limit the amount of losses or gains that can be realized from your Account at any time;
- Account performance may be adversely affected and may increase the volatility of its results;
- If we are directed to realize gains in your Accounts, we will resume normal trading activity, which could generate new taxable losses or gains, and the same or similar securities may be repurchased; and
- If we are directed to realize losses in your Accounts: (i) we will resume normal trading activity, which could generate new taxable losses or gains; (ii) securities sold for a loss will be restricted from being purchased for a minimum of thirty-one (31) calendar days, consistent with wash sale rule set forth in the Code; (iii) securities currently at a loss may not be sold in the Account if a purchase of a substantially similar security occurred within 30 days before the sale; (iv) a higher than normal cash position may result for a period of time; and (v) we may, at our discretion engage in strategies to invest the available proceeds for varying time periods in substitute securities, current holdings, and/or alternative securities such as ETFs.

COMPENSATION

We or our Related Companies and their Affiliates and employees benefit from the fees and charges paid by you and other clients for the Services described in this Brochure. Clients participating in the Program may also use other products or services available from or through Merrill Lynch and its Affiliates and, in such case, pay additional compensation. Financial Solution Advisors offering these services and providing on-going assistance to such clients generally receive compensation from MLPF&S.

Financial Service Advisors who introduce clients to the Program and provide on-going services to such clients receive compensation from us.

The amount of compensation a Financial Solutions Advisor may receive from your enrollment in the Program may also be more or less than the compensation that the Financial Solution Advisor might receive if you had instead participated in other investment advisory programs offered by MLPF&S or its Affiliates or had purchased the services provided through the Program separately. If there is a difference in compensation, the Financial Solution Advisor may have a financial incentive to recommend you select certain Strategies in this Program or this Program over other programs or other services offered by us (or our Affiliates).

Further, separate and apart from the Program, Financial Solutions Advisors may assist clients with their brokerage accounts and recommend the purchase or sale of securities, including mutual funds and other investments, as well as other products and services available through us and our Affiliates. In such cases, we or our Affiliates and these Advisors will receive the compensation that is usually associated with or generated by such products, services and transactions. This compensation may include commissions, markups or markdowns, asset-based or subscription fees, mutual fund sales loads, Rule 12b-1 fees or other remuneration as may be described in the applicable confirmations, prospectuses, subscription agreements or other offering documents. You should, of course, review all of this material carefully in determining whether to proceed with any such investments. Such compensation will be in addition to the fees charged for the Program. You are encouraged to speak with a Financial Solutions Advisor at any time about any of these matters.

Account Requirements and Types of Clients

CLIENT AND ADVISOR ELIGIBILITY

Investors generally eligible to participate in the Program include individuals, trusts, estates, corporations and virtually all other types of business as defined by us. Not all types of investors are eligible for each Strategy.

PROGRAM MINIMUMS

There is a minimum asset requirement of \$20,000 to enroll into the Program. We may waive or alter this minimum at our discretion.

RETIREMENT ACCOUNTS

For a Retirement Account holding shares of a mutual fund, the sub-accounting service or distribution fees received by us or our Affiliate from the mutual fund or a fund service provider or its Affiliate, will be credited to the Retirement Account on a periodic basis. In the future, your Retirement Account may invest in shares of mutual funds which are Related Funds that we may offer from time to time.

If a Retirement Account invests, including through the cash sweep program in a mutual fund that is a Related Fund, then any advisory fee or other compensation paid to Merrill Lynch or our Affiliates that is incurred in connection with the investment in a Related Fund, will be credited to the Retirement Account on a periodic basis, to the extent required by law.

If you contribute to a Retirement Account or hold in a Retirement Account mutual fund shares that we deem to be ineligible for the Program, such shares will be converted into a class of shares of the same mutual fund we deem to be eligible, and will thereafter be subject to the Program Fee. The timing of any such conversion is determined by us in our sole discretion. Prior to contributing any mutual fund shares to your Retirement Account, you should discuss the impact of a conversion of these shares with a Financial Solutions Advisor and any economic impact.

Retirement Account clients: (i) acknowledge receipt of the prospectus, offering materials or other required disclosure document, and agree to acknowledge receipt of such documents in the future, if applicable, for any Related Fund; (ii) represent that the client is independent of, and unrelated to, Merrill Lynch; and (iii) approve the investment management and other fees paid by any Related Fund held in your Retirement Account in relation to the Account fees payable pursuant to the Client Agreement.

You may revoke or modify the approval reflected in the prior sentence at any time by notifying a Financial Solutions Advisor. Such notice should include instructions regarding the disposition of the proceeds of the sale of shares of any Related Fund then held in the Retirement Account.

Portfolio Manager Selection and Evaluation

FUND REVIEW AND SELECTION, AND STRATEGY CONSTRUCTION

Through the program, we make available strategies with various investment styles and corresponding risk levels.

As a general matter, we identify the rationale for a particular investment management style based on a variety of factors, including client needs, investment styles available in the marketplace, platform capacity, client

demand and the outcome of reviews conducted by or under the auspices of Merrill Lynch, including through the Merrill Lynch GWIM Chief Investment Office (“GWIM CIO”).

Initial Review and Selection of Funds.

The selection and review of Fund investments for inclusion in Strategies are performed by, or under the auspices of personnel of the GWIM CIO. The GWIM CIO is a Merrill Lynch business group providing investment solutions, portfolio construction advice and wealth management guidance to Advisors and clients, and it is separate from the Merrill Lynch business group that administers the Program and from MAA.

The initial and periodic review of Funds is conducted through our proprietary processes, including those conducted by the GWIM CIO, or through those provided by third-party reviewers, which we have engaged for this purpose (such review processes, including those provided by a third-party reviewers are referred to as the “GWIM CIO Review Process”). The services provided by third parties as part of the GWIM CIO Review Process are generally consistent with the multi-factor processes described below, but they are not identical. The third parties may use different factors in evaluating Funds, or may assign different weightings to the same factors. However, we, through the GWIM CIO, have reviewed such third party reviewers’ processes and believe they are reasonable and appropriate in light of the objectives of the Program. Merrill Lynch retains the decision-making authority to add or remove a Fund that may be included in a Portfolio, regardless of or in light of the results of any review conducted, including the GWIM CIO Review Process. Once we identify a need for a particular investment management style, a multi-factor process is used to review and select appropriate Funds to meet this need. These factors may include, but are not limited to:

- Organizational structure and stability of a Fund;
- Adherence to investment style;
- Evaluation of risk and volatility;
- Investment professional and strategy resources;
- Investment philosophy and process;
- Portfolio construction;
- Performance; and
- Operating and administrative capability.

Based on these factors and using the information collected, both quantitative and qualitative analytical methods may be used in the context of the GWIM CIO Review Process to review and select Funds that maybe included in a Portfolio. Some of the analytical methods may be subjective. Different weightings may be assigned to each of the factors considered and generally no single factor will be determinative as to whether a particular Fund is offered in the Program. Further, we may replace one or more factors with a different factor that we reasonably believe is appropriate. These reviews, including those conducted through the GWIM CIO Review Process may be accomplished through various means, including, but not limited to, in-person visits, telephone conference calls, reviews of performance, and updates of certain Fund documents and information. We do not perform audits of Funds to verify past performance information that the Funds provide to us. For each Fund available for inclusion in a Portfolio, we will periodically (but no less frequently than annually) evaluate factors related to the Fund investment, that we deem appropriate, including those factors above. These reviews may occur as part of the GWIM CIO Review Process or otherwise. In addition, we will evaluate on an as needed basis as determined by the GWIM CIO or by us, any material change relating to such Fund and the impact of any such changes (including on the investment advisers managing Fund assets).

1. Periodic Review of Funds.

We may, in our discretion, conduct additional or more frequent reviews of select Funds that we believe warrant such additional or more frequent review. These reviews can be initiated based on any number of factors determined by us and the GWIM CIO to be appropriate, including the level of assets of the Fund in client accounts at Merrill Lynch or an Affiliate, the number or percentage of Merrill Lynch or an Affiliate clients in the Fund, or the asset class involved.

For each Fund we will:

- Periodically, but no less frequently than annually, evaluate factors that may include, but are not limited to, those included in the Initial Review and Selection of Funds above; and
- As needed, upon notice of a material change, review the impact of any such changes on a Fund (including the investment advisers managing Fund assets).

If we identify material concerns relating to a Fund as a result of either our periodic evaluation or a material change, we may conduct additional qualitative and subjective reviews to determine whether the Funds offered in Strategies continue to be appropriate.

With respect to these select Funds, we may periodically evaluate certain additional qualitative and subjective factors. These reviews may be accomplished through various means, including, but not limited to, in-person visits, telephone conference calls, reviews of performance, and updates of certain Fund documents and information. We may also conduct periodic analysis of composite performance to determine whether that performance generally appears to be consistent with that of Strategies. We do not perform audits of Funds to verify past performance information that the Funds provide to us.

We may also, from time to time, make available additional guidance to Financial Solutions Advisors through regular or ad hoc internal publications, and may include: (i) information that reflects our internal opinions and views with respect to a Fund; (ii) notices of a particular event that may lead to these being closed to new investments or terminated from a Strategy; or (iii) other information. You should discuss with a Financial Solutions Advisor any questions you may have about our views with respect to a particular Fund.

2. Status Change or Termination of Funds.

If, as a result of our review, we identify material concerns regarding a Fund, we may choose not to accept any new investments in a Fund. At times, the style of management of a particular Fund will vary or drift from the stated style. We will allow a Fund to vary investment styles without removing the strategy or style from the Program if we determine that the changes to the style are reasonable under the circumstances. Please see the section “Investment Options.”

Our review of Funds does not substitute for your ongoing monitoring of your Account and the performance of your investments.

3. Strategy Construction.

Merrill Lynch through the GWIM CIO will construct the Strategy and select the Funds and the allocations or allocation ranges for each Strategy. The Strategies are subject to internal governance processes that consider certain of the factors included in the subsection “Internal Review and Selection of Funds” above. New or significant changes to Strategies, including evaluation of the funds, are reported to an internal governance committee, which has decision-making authority with respect to portfolio construction. Please refer to your Profile for additional information.

Not all Funds are available for inclusion in a particular Strategy. With certain exceptions, the mutual funds (other than certain no-load funds only available in the Program) and ETFs that are available in the Program are generally the same mutual funds and ETFs available for your purchase in brokerage accounts.

4. Profiles and Other Information.

You will generally be provided with a Profile for each Strategy made available to you through the Program. You should carefully read the Profile(s) provided and understand the relevant objectives, styles and risks. While the Profile provides general information, any past performance shown on the Profile is not indicative of future results. The Profile will also describe the role of MAA and any related Account requirements with respect to the Strategy. We will also send to you or otherwise make available the applicable prospectus and/or disclosure documents, as required by law. The disclosure documents will describe the relevant objectives, styles and risks of the Fund.

While Merrill Lynch believes the information in the Profile is reliable, to the extent it was prepared in reliance on information provided by a third party, its accuracy cannot be assured.

No claim is made that the performance information contained in the Profiles has been calculated according to any industry standards.

The performance information included in a Profile is accompanied by important disclosures about the types of accounts included as well as other relevant topics. You should carefully consider all of this information when deciding whether to select the particular Strategy. Profiles are updated at least annually and are typically updated quarterly to include performance information as of the most recent quarter-end. You are encouraged to ask a Financial Solutions Advisor for the most current Profiles of your selected Strategies. You should read carefully the Profile, prospectus and/or disclosure documents and discuss any questions you may have with a Financial Solutions Advisor.

RELATED PERSONS AND OTHER INVESTMENT MANAGERS – SELECTION AND REVIEW

1. Use of Related Funds in Strategies.

The Program does not currently offer any Related Funds in the Program. However, Related Funds to the extent any such funds may be available, may be part of a Strategy. You acknowledge that, in such case, MAA may purchase certain Related Funds, which may become available in the Program. The Related Funds would include those funds that are advised by our Affiliates.

We would benefit from our economic interest in Related Companies and our relationship with Bank of America whenever such entities or their Affiliates receive compensation for providing investment advisory, administrative, transfer agency, distribution or other services to Related Funds or other investment products. The extent of this benefit will be greater than when we or our Affiliates have an economic interest in the firm providing such services. As a result, we will benefit from increased sales of Funds and other investment products of Related Companies and Bank of America Affiliates to a greater extent than from increased sales of funds or investment products of other firms in which we and our Affiliates do not have a similar economic interest or relationship.

The use of Related Funds (to the extent any become available) in your Account in certain cases will result in more overall compensation to us and our Affiliates than if third party managers and funds were used.

MLPF&S and MAA address these conflicts by disclosing them in this Brochure.

2. Our Relationship with Managers.

From time to time, Merrill Lynch may enter into agreements with one or more asset managers pursuant to which Merrill Lynch distributes certain products and services sponsored or advised by the asset manager.

Consistent with applicable laws, management and employees of Bank of America and its Affiliates may be provided a broader level of access and exposure to Merrill Lynch, our management, Advisors and other personnel, marketing events and materials, and client-related and other information. Such access and exposure may not be available to other asset managers and may enhance the ability of Bank of America Affiliates to distribute their funds and other investment products through us.

3. Relationship of the Program with other Affiliate Programs at Merrill Lynch.

In addition, other Bank of America Affiliates or divisions, such as U.S. Trust, Bank of America Private Wealth Management, offer their own managed products or wrap programs that are similar to this or other Merrill Lynch programs. Advice and/or recommendations provided to accounts in these programs will be different from or even conflict with the advice and guidance provided in connection with the Program, and recommendations provided to other Affiliates or other programs. This is due to, among other things, the differing nature of the Affiliate's investment advisory services and differing processes and criteria upon which determinations are made.

Further, although GWIM CIO releases information and analyses about a Fund to all Affiliates simultaneously and BofA ML Global Research may make its research opinions and research reports available regarding securities and research strategies at the same time, it is possible that such Affiliates will act on that information before Merrill Lynch or MAA has had the chance to evaluate and act on those changes. Accounts participating in a Merrill Lynch program that commences trading after those of other Affiliates may be subject to price movements, particularly with large orders or where securities are thinly traded, that would cause them to receive prices that are less favorable than those obtained by Affiliates.

MERRILL LYNCH, CERTAIN AFFILIATES AND ADVISORS ACTING AS PORTFOLIO MANAGERS

1. Advisory Services Provided by Merrill Lynch; Certain Affiliates; and Advisors.

We will generally act as the portfolio manager as described above in the Strategy. We do not have any responsibility to review, monitor or adhere to any investment policy statement, investment guidelines or similar document relating to your Account, and adherence to such investment policy statement, guidelines or similar document is solely your responsibility.

2. Tailored Investment Advice.

As described above in the section "Portfolio Advice," we will recommend a Portfolio Target Asset Allocation based on certain information provided by you, and you will be able to select a Strategy for your Account designed for a Portfolio Target Asset Allocation and other information you provide to us. Clients may impose Reasonable Investment Restrictions as described in the section "Services, Fees and Compensation – Strategies and Program Guidelines."

3. Wrap Fee Programs.

We act as both the wrap fee program sponsor and, as described above, the portfolio manager in Strategies described in this Brochure. We also act as the portfolio manager in other wrap fee programs sponsored by us. We receive the entire Merrill Lynch Fee as described in this Brochure.

We also act as a portfolio manager in certain investment advisory programs which are not wrap fee programs but are otherwise similar to the program described in this Brochure.

4. Performance-Based Fees.

The Program does not charge performance-based fees.

5. Method of Analysis.

As described in the "Portfolio Manager Selection and Evaluation" section, we use certain methods of analysis and investment strategies to provide clients with access to professional investment advice and make available a choice of various investment styles and corresponding risk levels through the guidance of a Financial Solutions Advisor. You should understand that all investments involve risk (the amount of which may vary significantly), that investment performance can never be predicted or guaranteed and that the value of your Portfolio will fluctuate due to market conditions and other factors.

If you have an investment policy statement or other investment guidelines, it is your responsibility to ensure that the investment policy statement or guidelines are properly reflected in your responses to a Financial Solutions Advisor and are reflected in your Portfolio Summary, including any investment restrictions and to the extent the terms of such IPS conflict with an investment or Strategy you select under the Program, by signing the Agreement, you agree that the terms of such IPS were amended to incorporate by reference such investment or Strategy. We do not have any responsibility to review, monitor or adhere to any investment policy statement, investment guidelines or similar document relating to your Account, and adherence to such investment policy statement, guidelines or similar document is solely your responsibility.

6. Voting Client Securities.

You have the right to vote proxies for securities held in your Account(s) and will retain proxy voting authority for such securities.

Client Information Provided to Portfolio Managers

As part of the enrollment process, we elicit information about your financial circumstances, investment objectives, risk tolerance and other relevant information relating to your Accounts and Portfolios. We do not generally provide this information to Funds.

We rely on information you provide in managing your assets. You have represented that the information that you provide us is accurate and complete in all material respects. It is your responsibility to notify promptly a Financial Solutions Advisor of any updates or changes to the information you furnish to us, since failure to do so could affect the suitability of the services being provided. We will not be required to verify the accuracy of any such information. When we receive from you any material changes to the information you furnish, we will provide this information to MAA.

Client Contact with Investment Managers

MAA has agreed to make one or more of its advisory or investment personnel reasonably available for consultation with Financial Solutions Advisors and with you by request.

Additional Information

DISCIPLINARY INFORMATION

The following is a summary of certain adverse legal and disciplinary events and regulatory settlements that may be material to your decision of whether to retain us for your investment advisory needs. Certain disclosures below relate to disciplinary events that occurred with predecessor firms, Banc of America Investment Services, Inc. ("BAI") and Banc of America Securities LLC ("BAS"), which each merged with MLPF&S in the 2009-2010 time period. You can find additional information regarding these settlements in Part 1 of Merrill Lynch's Form ADV at: adviserinfo.sec.gov/IAPD.

On August 20, 2018, the SEC announced that MLPF&S, without admitting or denying the findings, entered into a settlement related to willful violations of Sections 206(2) and 206(4) of the Advisers Act and Advisers Act Rule 206(4)-7. Specifically, the SEC's administrative order found: (1) a failure to disclose that the portfolio manager process employed in connection with a January 2013 termination recommendation was exposed to a conflict of interest (less than one-seventh (1/7) of 1% of total advisory accounts (approximately 1,500) were invested in the products subject to the termination recommendation); and (2) a failure to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act. In determining the appropriate sanctions, the SEC considered Merrill Lynch's remedial acts promptly undertaken and cooperation afforded the SEC staff. Merrill Lynch consented to the imposition of a cease-and-desist order, a censure, and disgorgement and a financial penalty totaling approximately \$8.8 million.

On June 16, 2014, MLPF&S, without admitting or denying the findings, entered into a FINRA settlement relating to its failure to have an adequate supervisory system to ensure that certain clients received sales charge waivers for purchases of certain mutual funds' Class A shares, which affected certain retirement accounts and certain clients with a particular type of brokerage account. This settlement resulted from MLPF&S self-identifying certain of these issues. MLPF&S consented to the imposition of a censure and a fine of \$8 million and agreed to provide additional reimbursement to the agreed upon impacted clients. It has reimbursed all such impacted clients.

On June 21, 2012, MLPF&S, without admitting or denying the findings, entered into a FINRA settlement related to the following: (1) failure to have an adequate supervisory system around billing processes for certain investment advisory programs and, as a result, overcharging certain client accounts during the 2003-2011 time period (client accounts impacted were less than 5% of its total advisory accounts and the aggregate fee overcharge amount was less than one-half (1/2) of 1% (approximately \$32 million) of the total advisory fees billed during that period); (2) failure to send contemporaneous or periodic trade confirmations to certain client accounts for ten investment advisory programs; (3) having inaccurate or incomplete trade confirmations for certain mutual fund transactions by failing to state the trade capacity as agent or a principal on trade confirmations and account statements; (4) failure to deliver (directly or through a vendor) proxy materials to certain clients or to their designated investment advisers and failure to have an adequate supervisory system to detect this failure (clients impacted constituted less than 1% of its clients during the relevant period); and (5) failure to send margin risk disclosure statements and/or business continuity plans to certain clients upon the opening of their accounts (clients impacted were less than 1% of its clients during the relevant period). In determining the appropriate sanctions, FINRA considered MLPF&S' internal review through which it identified the violations, the remedial measures that it took to correct its

systems and procedures, and its efforts to provide remediation to affected clients. MLPF&S consented to the imposition of a censure and a fine of \$2.8 million. All overcharged accounts were reimbursed.

On October 4, 2011, MLPF&S entered into a consent agreement with FINRA regarding its alleged failure to have a supervisory system to ensure that all accounts in which an employee either had a financial interest or over which the employee had control were monitored and reviewed for potential misconduct. In addition, FINRA found that MLPF&S failed to establish, maintain and enforce written procedures to adequately supervise a registered representative who was subsequently found to have used a business account at the firm to implement a fraudulent scheme. Without admitting or denying the findings, MLPF&S consented to the entry of findings, a censure, and a fine of \$1 million.

On June 6, 2009, BAI and BAS, two of our predecessor firms, were enjoined by the United States District Court for the Southern District of New York from violating, directly or indirectly, Section 15(c) of the Exchange Act. The injunction was the result of an SEC complaint alleging that BAI and BAS had violated Section 15(c) by allegedly misleading customers about the nature and risks associated with auction rate securities ("ARS"). Without admitting or denying the allegations, BAI and BAS entered into a consent decree and agreed to a series of undertakings designed to provide relief to certain individual investors. On January 10, 2012, MLPF&S agreed to settlements with the Illinois Securities Department (for alleged activities of BAS and BAI) and the North Carolina Department of the Secretary of State, Securities Division (for ARS activities of MLPF&S) involving the marketing and sale of ARS. In both actions, it was alleged that the inappropriate marketing and sales of ARS occurred without adequately informing certain customers of the increased risks of illiquidity associated with ARS that constituted an occurrence of dishonest and unethical practices in the offer and sale of securities and failure to supervise. In the Illinois action, MLPF&S agreed, among other things, to repurchase at par certain illiquid ARS and to pay a total fine of \$1,578,321 to the State of Illinois out of a total civil penalty of \$50 million that was to be distributed among the other state regulator parties to an ARS-related consent order. With respect to the North Carolina action, MLPF&S agreed, among other things, to repurchase at par certain illiquid ARS held by certain of its clients and to pay a total fine of \$3,193,552 to the North Carolina regulator representing its portion of a total civil penalty of \$125 million that was to be distributed among the other state regulator parties to an ARS-related consent order.

On March 11, 2009, the SEC issued an order against MLPF&S alleging that, from 2002 to 2004, several of its financial advisors permitted day traders to hear confidential information regarding MLPF&S institutional customers' unexecuted orders as they were transmitted over the internal squawk box system. According to the SEC, MLPF&S lacked written policies or procedures to limit access to the equity squawk box, to track which employees had access to the equity squawk box or to monitor employees' use of the equity squawk box in violation of Section 15(f) of the Exchange Act and Section 204A of the Advisers Act. Without admitting or denying the SEC's findings, MLPF&S consented to the entry of a cease and desist order as to violations of these provisions, a censure and the payment of a \$7 million civil money penalty. It was obligated to comply with certain undertakings regarding the enhancement of certain policies and procedures.

On January 30, 2009, the SEC issued an order against MLPF&S regarding the Merrill Lynch Consulting Services program and the offering of those services through a Florida branch office for a period of several years concluding in 2005. The Order found that material misrepresentations had been made and certain conflicts of interest not disclosed, and that MLPF&S had not maintained adequate records or reasonably supervised certain Florida investment advisory representatives. Without admitting or

denying the non-jurisdictional findings, MLPF&S consented to a censure, to cease and desist from violations of Sections 204 and 206(2) of the Advisers Act and its Rule 204-2(a)(14), and a fine of \$1 million. In accepting the settlement, the SEC noted the voluntary and significant remedial acts promptly undertaken by MLPF&S.

On May 1, 2008, BAI and Columbia Management Advisors, LLC, an Affiliate of BAI at the time ("Columbia"), without admitting or denying the findings, consented to an SEC administrative order relating to (1) BAI's alleged failure to disclose to clients that in selecting investments for discretionary mutual fund wrap fee accounts, it favored two mutual funds managed by Columbia and (2) Columbia's allegedly willful acts to aid and abet and cause such acts. BAI and Columbia consented to a censure and to cease and desist from committing or causing violations and future violations of Sections 17(a)(2) and 17(a)(3) of the Securities Act, Sections 206(2), 206(4) and 207 of the Advisers Act and Advisers Act Rule 206(4)-1(a)(5). In addition, BAI was ordered to pay an aggregate amount of \$793,773 to certain entities specified in the Order and a penalty of \$2 million to the SEC. Columbia was ordered to pay an aggregate amount of \$516,382 to certain entities specified in the Order and a fine of \$1 million. BAI also agreed to certain undertakings contained within the Order.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

MLPF&S, an indirect wholly-owned subsidiary of Bank of America, is a leading global investment banking firm and a registered broker-dealer, investment adviser and futures commission merchant. In the United States, MLPF&S acts as a broker (i.e., agent) for corporate, institutional and governmental and private clients and as a dealer (i.e., principal) in the purchase and sale of corporate securities, primarily equity and debt securities traded on exchanges or in the over-the-counter markets. We also act as a broker and/or a dealer in the purchase and sale of mutual funds, money market instruments, government securities, high-yield bonds, municipal securities, financial futures contracts, and options. The futures business and foreign exchange activities are conducted through MLPF&S and other Affiliates.

MLPF&S operates the firm's U.S. retail branch system, and also provides financing to clients, including margin lending and other extensions of credit as well as a wide variety of financial services, such as securities clearing, retirement services, and custodial services.

In July 2015, Bank of America announced a decision to separate the retail and institutional broker-dealer activities currently operating through MLPF&S into two distinct legal entities. Retail customers will continue to be serviced through MLPF&S, while institutional clients currently transacting through MLPF&S will move to a new broker-dealer entity, BofAML Securities, Inc., which is also a wholly-owned indirect subsidiary of Bank of America. The migration of institutional broker-dealer activities to BofAML Securities, Inc. is subject to regulatory approvals and is intended to conclude in 2018.

MAA, an indirect wholly-owned subsidiary of Bank of America, is a registered investment adviser that provides investment advisory services to clients that establish accounts under the Program and other investment advisory programs, including IAP and MEGI. As registered investment advisers, MLPF&S and MAA complete Form ADVs, which contain additional information about those entities, Bank of America and their Affiliates.

Information is available through publicly available filings at the SEC or at http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_Search.aspx. For purposes of Form ADV Part 2, certain MLPF&S and/or MAA management persons are registered as registered representatives or associated persons of Merrill Lynch. In the future, certain MLPF&S and/or

MAA personnel may be considered management persons and, as such, may be registered, or have applications pending to register, as registered representatives and associated persons of Merrill Lynch to the extent necessary or appropriate to perform their job responsibilities.

Bank of America, through its subsidiaries and Affiliates, provides broker-dealer, investment banking, financing, wealth management, advisory, asset management, insurance, lending and related products and services on a global basis. These products and services include securities brokerage, trading and underwriting; investment banking, strategic advisory services (including mergers and acquisitions) and other corporate finance activities; wealth management products and services including financial, retirement and generational planning; asset management and investment advisory and related record-keeping services; origination, brokerage, dealer and related activities in swaps, options, forwards, exchange-traded futures, other derivatives, commodities and foreign exchange products; securities clearance, settlement financing services and prime brokerage; private equity and other principal investing activities; proprietary trading of securities, derivatives and loans; banking, trust and lending services, including deposit-taking, consumer and commercial lending, including mortgage loans, and related services; insurance and annuities sales and research across the following disciplines: global equity strategy and economics, global fixed-income and equity-linked research, global fundamental equity research, and global wealth management strategy. Bank of America is subject to the reporting requirements of the Exchange Act and additional information about Bank of America can be found in publicly available filings with the SEC.

We, through our advisors, may suggest or recommend that clients, including Program clients, use our securities account, execution and custody or other services, or such services of an Affiliate. Similarly, advisors, who also handle clients' brokerage accounts, may suggest or recommend that you purchase our products or our Affiliates' products. Where you use or purchase Merrill Lynch's or our Affiliate's services or products, we and our Affiliates will receive fees and compensation.

Advisors may, as permitted by applicable law, receive compensation (the amount of which may vary) in connection with these products and services.

We address these conflicts in a variety of ways, including, disclosure of various conflicts in this Brochure. Moreover, our advisors are required to recommend investment advisory programs, investment products and securities that are suitable for each client based upon the client's investment objectives, risk tolerance and financial situation and needs.

In addition, we have established a variety of restrictions, procedures and disclosures designed to address potential conflicts of interest – both those arising between and among Accounts as well as between Accounts and our business.

RECEIPT OF COMPENSATION FROM INVESTMENT ADVISERS

We and our Affiliates have business relationships with many investment managers, separate and apart from the Program (some of which may be ETF sponsors or have affiliates that are ETF sponsors). For example, these investment managers may direct their clients' transactions to us and receive research, execution, custodial, pricing and other services offered by us in the normal course of its business. We may receive compensation in connection with such transactions and other services.

Investment managers may pay for, or reimburse us or our Affiliates for, various costs arising from client and prospective client meetings, sales and marketing materials, and educational, training and sales meetings held with advisors and other personnel of MLPF&S, MAA or their Affiliates

relating to the Program and asset management generally. The investment manager may also make charitable donations or cover the costs of reasonable entertainment in connection with events sponsored by MLPF&S or its Affiliates or related to clients.

Some third-party vendors, including third party managers, distributors, and insurance companies, will periodically participate in MLPF&S or Affiliate-hosted internal training and education conferences, as well as conferences that MLPF&S or Affiliate may host for clients. The amount paid for participation is used to offset the expenses incurred for these events and cannot be reasonably allocated to any particular client. The amount paid by any third party vendor may vary. Based on our historical experience, the aggregate value of these payments to MLPF&S (and its Affiliates) in any particular year has represented less than ½ of one basis point (0.005%) of total customer assets that may be used to procure such vendors' products and services. Note that the level of vendor support is not dependent or related to the level of assets invested by you or any other of our clients in or with the products or services of the particular vendor. Neither MLPF&S nor its Affiliates incentivize Advisors to recommend one vendor's product over another vendor.

Gifts and other Non-Monetary Compensation. From time to time, third-party vendors, including third party managers, distributors, and insurance companies, may provide MLPF&S with non-monetary gifts and gratuities, such as promotional items (e.g., coffee mugs, golf balls, or gift baskets), meals and access to certain industry related conferences (collectively, "gifts"). Third-party vendors may also make charitable donations or cover the costs of reasonable entertainment in connection with events sponsored by MLPF&S or its Affiliates or related to clients. MLPF&S has implemented policies and procedures intended to identify, quantify and track gifts that MLPF&S receives. MLPF&S will report gifts received by it or its employees to the extent such amounts exceed the thresholds imposed by applicable regulations.

1. Mutual Funds and Related Investing.

Your Accounts may invest in mutual funds. Each mutual fund or its respective principal underwriter or other agent has entered into an agreement with us for the performance of sub-accounting and related services including recordkeeping, processing, reporting and dividend reinvestment services for shareholders of such mutual funds who maintain their shares in a Merrill Lynch securities account including participants in the Program. We and our Affiliates receive sub-accounting fees for the performance of these services, which are either borne by the mutual fund (like other mutual fund expenses) or by its adviser, principal underwriter or other agent. These sub-accounting and related service arrangements generally vary by mutual fund. Depending on the mutual fund or its adviser's, principal underwriter's or other agent's arrangement with us or our Affiliate, we or our Affiliate will receive from the mutual fund or the mutual fund's service provider or its Affiliate, sub-accounting fees of either up to 0.15% per annum of the amount invested in such mutual fund or up to \$21 annually per Merrill Lynch client position in the mutual fund. These sub-accounting fee rates are subject to change from time to time.

Sub-accounting fee rates may be received individually, or may be part of a "bundled" arrangement with a mutual fund that includes other types of fees, such as distribution and marketing support payments. We also receive compensation from some mutual fund sponsors for our distribution, marketing services and other support with regard to their mutual funds in amounts that may vary but will not exceed 0.10% per annum of the amount invested in their mutual funds. We do not retain compensation for distribution, marketing services and other support with respect to mutual funds in Retirement Accounts. For more information, please refer to the document entitled "Mutual Fund Investing at Merrill Lynch" available at www.ml.com/funds and also available from a Financial

Solutions Advisor upon request. These fees are not paid directly out of your Account, but are either borne by the mutual fund, like other mutual fund expenses, or by the mutual fund's principal underwriter or other agent.

In the future, your Account may invest in shares of mutual funds which are Related Funds that we may offer from time to time. Due to the additional economic benefit to Merrill Lynch, our Related Companies or their respective Affiliates, as applicable, from investments in such funds, a conflict of interest may exist. For any mutual funds that are Related Funds, Merrill Lynch, a Related Company or their respective Affiliates, as applicable, will receive investment management fees and, if applicable, Rule 12b-1 fees or other service fees from the Funds. For other mutual funds, Merrill Lynch and its Affiliates also may receive Rule 12b-1 fees or other services fees from the mutual funds. Rule 12b-1 fees generally cover shareholder servicing and distribution services relating to the mutual funds. We potentially benefit from our economic interest in Related Companies and our relationship with Bank of America whenever such entity or its Affiliates receive compensation for providing investment advisory, administrative, transfer agency, distribution, shareholder servicing or other services to its mutual funds or other investment products. The extent of this benefit may be greater than when we or our Affiliates do not have an economic interest in the firm providing such services. As a result, we may benefit from increased sales of Funds and other investment products of Related Companies and Bank of America Affiliates to a greater extent than from increased sales of Funds or investment products sponsored by other firms in which we or our Affiliates do not have a similar economic interest or relationship.

From time to time, Merrill Lynch may enter into distribution agreements with one or more asset managers pursuant to which Merrill Lynch distributes certain products and services sponsored or advised by the asset manager.

Consistent with applicable laws, management and employees of Bank of America and its Affiliates may be provided a broader level of access and exposure to Merrill Lynch, our management, Advisors and other personnel, marketing events and materials, and client-related and other information. Such access and exposure may not be available to other asset managers and may enhance the ability of Bank of America Affiliates to distribute their funds and other investment products through us.

If available each of the mutual funds that are Related Funds would pay investment management fees to an Affiliate and, like other unrelated mutual funds, incurs other expenses. We or our Affiliates may also provide other services to mutual funds that are Related Funds for which they receive compensation such as transfer agency, administrative, shareholder servicing, accounting and printing services, as described in the mutual funds' prospectuses or Statements of Additional Information.

Any fees or compensation we and our Affiliates receive from a mutual fund or a mutual fund's principal underwriter, agent or sponsor in connection with your investment in the mutual fund ("Fund-Related Compensation") will be in addition to the Program Fee and, except to the extent required by applicable law, we and our Affiliates do not offset any fees and expenses you may owe to us (including, but not limited to, the Program Fee) by the amount of such Fund-Related Compensation we receive. You should consider this Fund-Related Compensation when evaluating the amount and appropriateness of the fees we earn in connection with your Account and the Program.

As a result of such Fund-Related Compensation, we may have a conflict of interest in selecting certain mutual funds for inclusion in the Program over others. You should be aware that the amount of fees paid by the different mutual funds and/or mutual fund sponsors varies and that mutual funds that would otherwise meet our criteria for inclusion in the Program but

whose principal underwriters, agents or sponsors do not agree to pay such fees may not be selected, thereby limiting the available universe of mutual funds. The presence of Fund-Related Compensation which may vary with respect to different mutual funds may also create an incentive for us to recommend that you invest in mutual funds that pay higher fees to us or our Affiliates. The presence of these compensation arrangements may also cause us and our Affiliates to forego opportunities to negotiate more favorable financial terms for client investments in mutual funds or to recapture all or a portion of the amount of such Fund-Related Compensation for your benefit.

We address the conflicts of interests associated with the payment of Fund-Related Compensation by calculating the compensation paid to our Financial Solutions Advisors on the same basis for all Program assets without regard to the amount of Fund-Related Compensation we or our Affiliates receive in connection with the Investments. Additionally, we and our Affiliates select Funds that are available on our brokerage and advisory platforms and offered through the Program based on qualitative and quantitative evaluation of such factors as performance, risk management policies and procedures, and consistency of the execution of their strategy. We have adopted various policies and procedures reasonably designed to prevent the receipt of Fund-Related Compensation and other business arrangements from affecting the nature of the advice we and our Advisors provide, although such policies and procedures do not eliminate such conflicts of interest.

2. ETFs.

We and our Affiliates receive fees paid by certain ETF or similar product sponsors or their Affiliates for licensing or other arrangements. These fees are typically calculated as a percentage of the assets of the ETF or similar product.

3. Exchange Traded Notes.

Assets in your Account may be invested in certain eligible ETNs that we distribute or service, including ETNs issued by Merrill Lynch, its Affiliates, or by companies with which we do business. These assets will be included in the value of your Account. ETNs incur various fees, such as annual investor fees and repurchase fees. These fees are in addition to your Program Fees. The fees and expenses for each of these notes are described in the prospectus or other offering material, as required by law.

4. Diversified Financial Services.

Bank of America is a diversified financial services company that together with Merrill Lynch and their Affiliates generally seeks to provide a wide range of services to retail and institutional clients for which it receives compensation. As a result, Bank of America and Merrill Lynch can be expected to pursue additional business opportunities with the firms whose Funds Merrill Lynch makes available to its clients, and their Affiliates through the Program. Consistent with industry regulations, these services could include (but are not limited to): banking and lending services, sponsorship of deferred compensation and retirement plans, recordkeeping services, investment banking, securities research, institutional trading and prime brokerage services, custody services, investment advisory services, and effecting portfolio securities transactions for Funds and other clients. Merrill Lynch professionals (including a Financial Solutions Advisor), involved with the offering of Funds to individual investor clients may introduce Fund distributors, sponsors, service providers or their Affiliates to other services that Bank of America, Merrill Lynch and their other Affiliates provide. As such, Merrill Lynch and its Affiliates may earn additional compensation for services.

Financial Solutions Advisors may, as permitted by applicable law, receive compensation (the amount of which may vary and could be significant) in connection with these introductions and/or services. Revenue paid for, or generated by, such services may not be used by Fund distributors,

sponsors or service providers to compensate Merrill Lynch, directly or indirectly, for any of the Fund fees described throughout this Brochure. Information about a particular Fund's policies regarding selection of brokers may be found in the Fund's statement of additional information, which you may request from the Fund.

Please refer to the section entitled "Retirement Accounts" for more information about the compensation we and our Affiliates receive and the related conflicts of interest for Retirement Accounts.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

a. Conflicts of Interest and Information Walls.

Merrill Lynch is an indirect wholly-owned subsidiary of Bank of America. Bank of America engages in a wide range of activities and businesses across a broad spectrum of clients. As a result, we recognize actual, potential and perceived conflicts of interest may develop in the normal course of operations in various parts of the Bank of America organization. To address these potential conflicts, information walls are in place to allow multiple businesses to engage with the same or related clients at the same time while mitigating the conflicts which may arise from such a situation. For example, information walls are designed to prevent the unauthorized disclosure of material nonpublic information and allow public side sales, trading and research activities to continue while other businesses within Bank of America possess material nonpublic information. Additionally, Bank of America maintains a Code of Ethics which provides guidelines for the business practices and personal conduct all associates and board members are expected to adopt and uphold.

Managing conflicts of interest is an integral part of Bank of America's risk management process. We believe that no organization can totally eliminate conflicts that exist explicitly or implicitly. Bank of America, including Bank of America Merrill Lynch's investment advisory business, evaluates its business activities and the actual and possible conflicts that may emerge from its activities on an ongoing basis. To the extent that existing or new business activities raise an actual conflict of interest, or even the appearance of a conflict, we endeavor to provide you with full and clear disclosure or to take action to avoid them.

b. Code of Ethics.

Each of MLPF&S and MAA has adopted an Investment Adviser Code of Ethics (the "Code of Ethics") covering our personnel who are involved in the operation and offering of investment advisory services. Each Code of Ethics is based on the principle that clients' interests come first, and it is intended to assist employees in meeting the high standards that each of MLPF&S and MAA follows in conducting our business with integrity and professionalism. Each Code of Ethics covers such topics as the:

- Requirement that all employees comply with all applicable securities and related laws and regulations;
- Reporting and/or clearance of employee personal trading;
- Prevention of misuse of material nonpublic information; and
- Obligation to report possible violation of the code of Ethics to management or other appropriate personnel.

All covered personnel must certify to receipt of the Code of Ethics. We will provide a copy of each of the Code of Ethics to you upon request.

MLPF&S and MAA have each imposed policy restrictions on all personnel for transactions for their own accounts and accounts over which they have control or a beneficial interest. In addition, we have special policies requiring that certain personnel obtain specific approval of our securities transactions and have implemented procedures for monitoring these transactions, as well as those of all our employees.

MLPF&S and MAA each acknowledge that it is: (1) subject to fiduciary responsibilities under the Advisers Act when it provides the investment advisory services pursuant to the Client Agreement; and (2) a fiduciary, as defined by ERISA, for a client that is an ERISA Plan, with respect to the investment advice it provides such plan.

c. Participation or Interest in Client Transactions.

i. Principal, Agency-Cross and Cross Trades.

Principal Transactions. We or an Affiliate may execute transactions in your Account on a principal basis (that is, when we or an Affiliate sell a security to you, or buy a security from you, for our own account) as permitted by law, and upon your consent. Principal transactions may give you access to investment opportunities or trade executions that might not otherwise be available to you. Principal transactions may not be effected for Retirement Accounts, except in accordance with applicable law.

There are conflicts of interest present when we execute transactions in your Account on a principal basis. If Merrill Lynch effects a principal transaction for your Account, then in addition to the Program Fee, we may receive a commission, markup or markdown, underwriting fee or selling concession, or other compensation with respect to the transaction, which would result in additional compensation or other benefit to us or our Affiliate. We may also benefit from the "spread" or the difference between the price we pay for a security and the price at which we sell it to you, or between the price we may pay for a security that we may buy from you and the price for which we may later sell it. In addition, we may have an incentive to recommend a transaction in a security that we maintain in our inventory that is otherwise difficult for us to sell. The receipt of additional compensation and an incentive to recommend a transaction involving our inventory present conflicts between our interest and yours. The types of securities that may be purchased or sold on a principal basis in your Account pursuant to the terms of your Agreement may change in the future and could become more limited.

Agency-Cross Transactions. We may, at times, have the opportunity to act as agent for both buyer and seller in a transaction for your Account. This is called an agency-cross transaction. Since we generally will receive compensation from each party to an agency-cross transaction, there is a potential conflict between our responsibilities and loyalties to you and to the other party to the transaction. Any compensation we receive will be in addition to the Program Fee. The Client Agreement generally gives us permission to engage in agency-cross transactions for your Account, except where prohibited by law. You may revoke your consent at any time by notifying us in writing.

For a Retirement Account that is subject to ERISA or the Code's prohibited transaction rules, transactions, including agency-cross transactions, will be effected by or through Merrill Lynch or our Affiliates in compliance with ERISA Section 408(b)(19), U.S. Department of Labor Prohibited Transaction Exemption 86-128, or otherwise in a manner that is not prohibited by ERISA or the Code.

Internal-Cross Transactions. At times, we may consider a security being sold by one investment advisory client to be appropriate for purchase by another investment advisory client account. In such cases, we may arrange to transfer or "cross" the security directly between the affected accounts. Any cross transactions in your Account would be effected in accordance with applicable law and your Agreement. Cross transactions generally will be effected at an independently determined market price and will not result in any additional compensation to us.

Internal cross transactions for Retirement Accounts subject to ERISA will be effected for your Account in compliance with U.S. Department of Labor Prohibited Transaction Exemption 2002-12 or otherwise in a manner that is not prohibited by ERISA.

ii. Acting as General Partner.

Certain Affiliates of MLPF&S and MAA act as general partners in a variety of limited partnerships as well as in other capacities for investment vehicles such as hedge funds and other investment funds in which brokerage clients of MLPF&S may invest, or may be solicited to invest by MLPF&S acting in its broker-dealer capacity. These clients may also be advisory clients of MLPF&S or MAA. The investments of the limited partnerships and other entities may vary but include, without limitation, real estate, futures, hedge funds and other Alternative Investments.

iii. Other Financial Interests.

Merrill Lynch, a Related Company or their respective Affiliates will receive additional economic benefits from cash investments held in your Account in addition to the Program Fee. This conflict may be greater when higher cash balances are maintained in your Account or where you have elected the “no sweep” option for your cash balances. At times, however, we may believe that it is in your best interest to maintain assets in cash, particularly for defensive purposes in volatile markets. We will not be precluded by any of these conflicts from exercising our judgment in your best interest.

As a registered broker-dealer, MLPF&S may also benefit from the possession or use of any free credit balances in your Accounts, subject to restrictions imposed by Rule 15c3-3 under the Exchange Act.

d. Securities Trading by Merrill Lynch and its Personnel.

We and our Affiliates act in a variety of capacities to a wide range of clients. From time to time in the course of those duties, confidential information may be acquired that cannot be divulged or acted upon for advisory or other clients. Similarly, we may give advice or take action with regard to certain clients, including clients in the Program, which may differ from that given or taken with regard to other clients. This includes the advice given or actions taken for certain securities, Funds or investment managers. In some instances, the actions taken by Affiliates for similar services and programs may conflict with the actions taken by us. This is due to, among other things, the differing nature of the Affiliate’s investment advisory service and differing processes and criteria upon which determinations are made.

We and our Affiliates may provide some or all of the same services offered in the Program through other financial firms, affiliated or unaffiliated with us, which offer programs similar to the Program at fee rates that may differ from the Program Fees.

We or one of our Affiliates may have a position in or enter into “proprietary” transactions in securities purchased or sold for clients, including clients participating in the Program. We or our Affiliates may benefit from such securities positions or transactions.

We address these conflicts in a variety of ways, including (i) through disclosure in this Brochure; (ii) our Advisors are required to recommend investment advisory programs, investment products and securities that are suitable for each client based upon your investment objectives, risk tolerance and financial situation and needs; and (iii) we have established a variety of restrictions, procedures and disclosures designed to address potential conflicts of interest – both those arising between and among Accounts as well as between Accounts and our business. For example, our personnel also are subject to personal trading restrictions as detailed in our policies and procedures and Code of Ethics. These policies and procedures and the Code of Ethics require our Advisors to obtain preapproval for certain securities transactions, disclose their investment accounts, provide an annual holdings report, and provide a quarterly transaction report.

REVIEW OF ACCOUNTS

1. ACCOUNT REVIEWS.

An important part of the Program relationship involves providing you with the opportunity to engage in periodic reviews with a Financial Solutions Advisor or a designated member of the team servicing the Account. These reviews provide updates on the progress of your Portfolios and Accounts towards your goals and other important information about your investments.

Because these reviews provide you with important and necessary information relating to your Accounts, you are strongly encouraged to take advantage of these opportunities to participate in these Account reviews. If you do not participate in your Account review, we may, in our discretion, terminate your Account(s).

2. Client Reports.

a. Portfolio Summary.

We will periodically communicate to you important information about how we are managing your assets in the Program. The primary means through which we will communicate with you and memorialize the important terms, conditions and information about your Portfolios, Accounts and Strategies, is the “Portfolio Summary.” You will receive your first Portfolio Summary from us after we accept your enrollment in the Program and each time you make changes to certain of the Services you elect, including, but not limited to, when you:

- Add Portfolios or Accounts;
- Add or change Strategies in each Portfolio;
- Change your Portfolio Investment Objective, Risk Tolerance, Time Horizon, Liquidity Needs or Target Asset Allocation;
- Add or Change Account Preferences of Elections.

The information set forth in the initial and each subsequent Portfolio Summary is how we reflect the Services that we will provide to you with respect to the assets in your Accounts and pursuant to the Client Agreement. You should review each Portfolio Summary we send to you carefully to ensure that the information reflected therein is accurate and you should contact Financial Solutions Advisor if you believe any of the information is, or becomes, inaccurate.

b. Other Reports.

In addition to the Portfolio Summary, we will send you periodic updates that contain information about your Portfolios and Accounts, including, trade confirmation information and account statements. We will also provide you with periodic performance reports to help you monitor and assess the performance of your Portfolios, Accounts and the Strategies you select. These reports contain information regarding investment return, risk and selected benchmark comparisons for your assets in each Strategy you select. You should review all such materials carefully and promptly report any discrepancies to a Financial Solutions Advisor.

CLIENT REFERRALS AND OTHER COMPENSATION

1. Compensation for Client Referrals.

We have entered or may enter into marketing arrangements with third parties who, for compensation, will provide consulting or other services to us in connection with the marketing of our various advisory programs, or otherwise refer prospective clients to us. Each such marketing arrangement is or will be governed by a written agreement between us, as applicable, and the third party, and will be disclosed to you, as required by law.

Our employees may refer advisory clients to BANA, including its private bank, U.S. Trust, Bank of America Private Wealth Management, and other Affiliates for products and services. Similarly, employees of BANA and its

Affiliates may refer clients to us for brokerage or advisory services. These referrals may involve the payment of referral fees between us and BANA or its Affiliates.

2. Other Compensation.

Bank of America and its Affiliates have business relationships with many investment managers, including those participating in the Program, separate and apart from the Program. For example, these investment managers may direct clients' transactions to us and receive research, execution, custodial, pricing and other services offered by us in the normal course of our business. We and our Advisors may receive compensation in connection with such transactions and other services. Your Program Fees will not be increased due to the other compensation received by a Financial Solutions Advisor. You are encouraged to speak with a Financial Solutions Advisor to discuss any questions that you may have about existing or potential conflicts of interest relating to your selected Funds or Strategies, including any business relationships that the relevant Funds may have with Bank of America, its Affiliates or Advisors. We address these conflicts of interest through our disclosure in this Brochure and generally through additional disclosures related to certain other transactions or services.

FINANCIAL INFORMATION

Not Applicable

ADDITIONAL INFORMATION

The Volcker Rule, part of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which was enacted to regulate certain activities and investments of financial institutions, contains a provision known as "Super 23A" that restricts, with certain exemptions, the types of transactions that banks and their Affiliates can engage in with certain clients defined as "covered funds." Under these regulations, banks and their Affiliates are prohibited from lending and engaging in other "covered transactions" with entity clients deemed to be covered funds if the bank (either itself or through its Affiliates), among other things, acts as an investment advisor or manager to such clients, including through an investment advisory program, like the Merrill Edge Advisory Account Program. In general, if an entity client is a covered fund, any outstanding margin or other extension of credit by BANA or its Affiliates will need to be repaid and any margin or lending capability removed from the account, or the client must terminate the investment advisory relationship and utilize a brokerage or custody relationship with BANA or its Affiliates for its investments. Certain other transactions between BANA or its Affiliates and the entity client will also be prohibited.

Glossary

"Account" means each of the securities accounts to which the Client Agreement applies, and as set forth in the Portfolio Summary, as amended from time to time.

"Additional Compensation" means certain additional compensation received by Merrill Lynch from certain Funds or their principal underwriters, investment managers or other agents in connection with the investment in such Funds by clients in the Program.

"Affiliate" means a company that is controlled by, in control of, or under common control with another company.

"Alternative Investments" means such investments as we designate from time-to-time in our sole discretion whose risk and return characteristics

generally are not correlated with more traditional investments (i.e., equities, fixed income and cash).

"Authority" means the authority to make certain investment and trading decisions with respect to the assets in an Account. We describe the effect of Authority for each Strategy in the section called "Services, Fees and Compensation - Strategies and Program Guidelines."

"BANA" means Bank of America, N.A.

"Bank of America" means Bank of America Corporation.

"Client Agreement" means the investment advisory agreement among the Client, MAA and MLPF&S, as it may be amended from time to time.

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"Code of Ethics" means each of the Investment Adviser Code of Ethics for MLPF&S and MAA.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Plan" means a plan subject to the fiduciary responsibility provisions of ERISA or any other entity deemed to hold assets of such a plan, including SIMPLE, SEP and other IRAs subject to ERISA's fiduciary responsibility provisions.

"ETF" means an exchange-traded fund.

"ETN" means an exchange-traded note.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Financial Solutions Advisor" means an MLPF&S Financial Solutions Advisor.

"FINRA" means the Financial Industry Regulatory Authority, Inc.

"Fund" means registered and unregistered investment companies, including mutual funds, closed-end funds, ETFs, Alternative Investment Funds, real estate investment trusts and other pooled investment vehicles and, to the extent applicable, Offshore Funds. As used herein, the term "Fund" shall also include exchange-traded notes.

"Growth" means your Investment Objective is to accumulate wealth over time through price appreciation rather than current income. You should be willing to accept the risk of price volatility and principal loss in seeking to achieve growth.

"GWIM CIO" means the Chief Investment Office. The GWIM CIO is a Merrill Lynch business group providing investment solutions, portfolio construction advice and wealth management guidance to Advisors and clients.

"High" Risk Tolerance (which may also be presented as "Aggressive" Risk Tolerance in certain Program materials) means you are willing to sustain loss of principal in individual transactions in the expectation that overall portfolio results in the balance of their holdings will produce above-average returns. You may experience a wide variance in results from one year to the next in the pursuit of longer-term goals.

"Income" means your Investment Objective is to obtain a continuing stream of income from investments. In order to satisfy current yield requirements, you should be willing to accept the risk of principal loss.

"Investment Advisers Act" means the Investment Advisers Act of 1940, as amended.

"Investment Company Act" means the Investment Company Act of 1940, as amended.

“Low” Risk Tolerance (which may also be presented as “Conservative” Risk Tolerance in certain Program materials) means that preservation of capital is your single most important concern. Adjusted for inflation, investment returns may be very low, or, in some years, negative, in return for high liquidity and reduced risk of principal loss.

“MAA” means Managed Account Advisors LLC.

“Medium” Risk Tolerance (which may also be presented as “Moderate” Risk Tolerance in certain Program materials) means you are willing to accept possible principal loss as a risk incurred in the pursuit of higher total return. The degree of risk is normally reduced through diversification and asset allocation.

“Merrill Lynch” means MLPF&S and MAA, as applicable.

“MLPF&S” means Merrill Lynch, Pierce, Fenner & Smith Incorporated.

“NASD” means the National Association of Securities Dealers.

“NYSE” means the New York Stock Exchange LLC.

“Offering Materials” means the prospectus or other offering and disclosure documents relating to a Fund.

“Portfolio Investment Objective” is a reflection of your overall outlook on how the assets in your Portfolio should be managed. You may choose from three Portfolio Investment Objectives: Income; Total Return; or Growth.

“Portfolio Liquidity Needs” is a reflection of your need to readily convert your Portfolio holdings to cash without experiencing a significant loss due to the lack of a ready market or incurring significant costs or penalties. A Financial Solutions Advisor will help you choose from five levels of Liquidity Needs for your Portfolio.

“Portfolio Risk Tolerance” is a reflection of your ability and willingness to lose some or all the assets in your Portfolio in exchange for greater potential returns. A Financial Solutions Advisor will help you choose from three Portfolio Risk Tolerance choices: Conservative, Moderate, or Aggressive.

“Portfolio Summary” a periodic communication sent to you that contains important terms, conditions and information about your Portfolios, Accounts and Strategies.

“Portfolio Time Horizon” is a reflection of how long you expect to invest in order to achieve your investment goal. A Financial Solutions Advisor will help you choose from the following time frames: 0-1 Years, 1-5 Years, 5-10 Years or 10+ Years.

“Profile” means a written document entitled “Profile” that contains a description of a Strategy, offered in the Program and may contain other related information.

“Program” means the Merrill Edge Advisory Account Program.

“Reasonable Investment Restrictions” means one or more reasonable investment restrictions accepted by us that you would like to impose for any Account, such as identifying a security that should not be purchased.

“Registered Fund” means any Fund that is registered under the Investment Company Act, including mutual funds, closed-end funds, ETFs and money market funds.

“Related Funds” means Funds sponsored or advised by a Related Company.

“Retirement Account” means an ERISA Plan, a U.S. tax-qualified plan of self-employed persons, a U.S. individual retirement account, or any other plan, arrangement or entity subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended.

“Rule 12b-1 Fees” means fees paid for the distribution of mutual funds pursuant to a plan made under Rule 12b-1 under the Investment Company Act.

“SEC” means the United States Securities and Exchange Commission.

“Services” means the services provided in the Program and described in this Brochure.

“Solicitors” means third party entities that Merrill Lynch or an Affiliate has entered into solicitation arrangements with to refer prospective investment advisory clients to Merrill Lynch or an Affiliate.

“Strategy” means one or more investment styles or disciplines available in the Program. Our Strategies are generally differentiated by the way in which we will deliver our advice to you and the investments we make available to you.

“Target Asset Allocation” means a recommended allocation of assets in a Portfolio across one or more asset classes.

“Total Return” means your Investment Objective is to strike a balance between current income and growth. Despite the relatively balanced nature of the portfolio, you should be willing to assume the risk of price volatility and principal loss.

“Unaffiliated Investment Firm” means a bank, broker or dealer other than a Related Company. ■

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Review and Retain – Retirement Account Addendum

This notice provides ERISA-covered employee benefit plan fiduciaries with disclosures relating to ERISA section 408(b)(2).

This Fee Disclosure includes a description of the services we are offering to your Employee Retirement Income Security Act of 1974, as amended, (“ERISA”) governed employee benefit plan or account (the “Plan”) with respect to the Merrill Lynch Merrill Edge Advisory Account Program (the “Program”) and the compensation that we and our affiliates expect to receive in connection with these services. This Fee Disclosure is being provided to the “responsible plan fiduciary” to the Plan in compliance with Department of Labor Regulation 29 C.F.R. 2550.408b-2. This Fee Disclosure is intended to be read in conjunction with the Program Brochure, as it may be amended or supplemented from time to time (the “Brochure”), your Program Client Agreement, as it may be amended or supplemented from time to time (the “Client Agreement”) and other documents referenced in this Fee Disclosure. You may obtain a copy of the Brochure at http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_Search.aspx, or by contacting your Financial Advisor. To obtain a copy of the Client Agreement and other documents related to the Program, please contact your Financial Advisor.

We, or our affiliates, may provide other services to the Plan that are not covered by this Fee Disclosure. Under such circumstances, this Fee Disclosure should be read in conjunction with the fee disclosures that you may receive from us or our affiliates with respect to such other services.

The Fee Disclosure is not intended as, and does not constitute, an agreement for services with Merrill Lynch (as defined in the Client Agreement) (“Merrill Lynch”) (or its affiliates), and it does not create a contractual relationship or provide any type of guarantee with respect to the pricing of any services. Any services provided to the Plan would be governed by the written terms of the Plan’s Client Agreement with Merrill Lynch.

Description of Services

The Program is an investment advisory program offered by Merrill Lynch. For a description of the services provided to Program accounts, please refer to the sections entitled “Description of MEAP” and “Funding and Operation of MEAP Accounts” in the Brochure, and the sections entitled “About the Merrill Edge Advisory Account,” “Your Accounts and Investment Objectives,” “Your Investment Selections,” and “Services” in the Client Agreement.

Fiduciary/Adviser Status

For a description of the status of Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”) and Managed Account Advisors LLC (“MAA”) under the Investment Advisers Act of 1940 and of MAA under ERISA, please refer to the subsection entitled “Code of Ethics” in the Brochure and the section entitled “Merrill Lynch Acknowledgements” in the Client Agreement.

Fees and Other Compensation

Account Fees

For a description of the fees applicable to your Program account, please refer to the section entitled “Account Fees” and “Other Fees and Expenses” in the Brochure and the sections entitled

“Execution Services” and “Your Account Fees” in the Client Agreement, as may be amended and supplemented from time to time.

Mutual Fund 12b-1 Fees and Investments in Funds Related to Merrill Lynch (Including Related Money Market Funds)

For a description of certain credits that the Plan may be eligible for in connection with investments in mutual funds that pay Merrill Lynch fees under Rule 12b-1 of the Investment Company Act of 1940 or other types of compensation, please see the subsections entitled “Funds and Related Investing” and “Retirement Accounts” in the Brochure, and the sections entitled “Funds and Related Investing” and “Retirement Accounts” in the Client Agreement.

Bank Deposits

If the Plan participates in Merrill Lynch’s Basic Retirement Program and the Plan elected to participate in the Retirement Asset Savings Program thereunder, then assets of the Plan may be deposited in Merrill Lynch affiliated banks. For more information about this service and benefits that we (and our affiliates) may receive in connection with such deposits, please see the “Retirement Asset Savings Program Fact Sheet” included with the Basic Retirement Program documentation.

If the Plan elects to participate in the Insured Savings Accountsm, then assets of the Plan may be deposited in Merrill Lynch affiliated banks and certain other participating banks. For more information about this service and benefits that we (and our affiliates) may receive in connection with such deposits, please see the “Insured Savings Account” documentation.

Additional Service Fees

We may charge an electronic fund transfer fee on transfers from your Program account, including transfers to another broker-dealer. The fee for this service ranges between \$15 and \$40 per transfer.

Event Payments from Third-Party Vendors

Some third-party vendors will periodically participate in Merrill Lynch hosted internal training and education conferences, as well as conferences that Merrill Lynch may host for clients. The amount paid for participation is used to offset the expenses incurred for these events. For conferences hosted by the Merrill Lynch Retirement Services Group, sponsorship amounts generally do not vary by vendor and cannot be reasonably allocated to any particular Plan client. For example, over the past three years the amount that each participating vendor has contributed to sponsoring a Merrill Lynch Retirement Services Group internal training or education event has generally ranged between \$5,000 and \$60,000, and Merrill Lynch generally hosts approximately 5 to 10 of these Retirement Services Group internal training or education events per year. Additionally, the amount that each participating vendor has contributed toward sponsoring the Retirement Services Group annual conference has averaged approximately \$75,000. Sponsorship payments for internal training, education and client events hosted by Merrill Lynch that are not directly connected to Retirement Services Group business, but which may include clients of, or vendors to, our retirement plan business, are similarly used to offset the costs of the events and cannot be reasonably allocated to any particular Plan client.

Gifts and other Non-Monetary Compensation

From time to time, third-party vendors may provide Merrill Lynch with non-monetary gifts and gratuities, such as promotional items (e.g., coffee mugs, calendars or gift baskets), meals and access to certain industry related conferences (collectively, “gifts”). Merrill Lynch has implemented policies and procedures intended to identify, quantify and track gifts that Merrill

Lynch receives. Merrill Lynch will report gifts received by it or its employees to the extent such amounts exceed the U.S. Department of Labor (“DOL”) de minimis thresholds for any plan. The determination of whether the gifts that we receive exceed the de minimis threshold is made by Merrill Lynch after examining the gifts recorded each year and the value of the recorded gifts as may be attributable to a qualified retirement plan client under the DOL rules. Based on historic trends, Merrill Lynch does not expect to receive gifts in excess of the de minimis threshold under the regulations with respect to the Plan.

Compensation for Termination of Contract

There is no additional fee charged upon termination of a Program account, but as discussed above, certain transfer fees may apply.

Compensation Paid Among Merrill Lynch and Its Affiliates

MLPF&S, MAA and their affiliates benefit from the fees paid by the Program account as described in the Brochure and the Client Agreement.

Solicitor Arrangements and Fees

If the Plan was referred to the Program through the Merrill Lynch Professional Alliance Program (“PAP”), a solicitor may be compensated for the referral of your account to Merrill Lynch. For more information regarding these arrangements, please see the PAP Disclosure Statement and Acknowledgement that applies to your Program account.