# Retirement Account Addendum/408(b)(2) Notice Applicable to ERISA-covered Plans Enrolled in the Merrill Edge Advisory Account Program

**This Retirement Account Addendum/408(b)(2) Notice** ("Notice") is being provided to the "responsible plan fiduciary" of an employee benefit plan or account ("Plan") covered under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") in compliance with Department of Labor ("DOL") Regulation 29 C.F.R. 2550.408b-2.

This Notice provides Plan fiduciaries with information related to services provided by Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S", "Merrill", or "us") and Managed Account Advisers LLC ("MAA") to Plans under the terms of client agreements and related documents for the underlying retirement securities account ("Written Services Agreement"). This information, including but not limited to the statements under the "Description of Services" section below, is not intended to replace or modify the Written Services Agreement and does not constitute a separate agreement for services with us or our Affiliates or create a contractual relationship or provide any type of guarantee with respect to the pricing of any services. Any additional or different services for the Plan to be provided by us will be determined only in consultation with you, and at your direction, pursuant to a Written Services Agreement or other written agreement. Moreover, the terms of the Written Services Agreement will prevail should there be any discrepancy between the terms of that Agreement and this Notice.

This Notice relates to the Merrill Edge Advisory Account Program ("MEAA" or the "Program") and should be read in conjunction with the other fee disclosures you may receive from us, our Affiliates or other third parties, including the Form ADV Part 2A Brochure ("Brochure") for the Program, your Program Client Agreement ("Client Agreement") and other documents referenced in this Notice. You may obtain a copy of the Brochure at adviserinfo.sec.gov or by contacting your Program Advisor. The MEAA Brochure includes a description of the Program services we are offering and the compensation that we and our Affiliates expect to receive in connection with these services. Terms used in this Notice that are not defined in this Notice are defined in the MEAA Brochure.

## Description of Services and Fiduciary/Adviser Status

The Program is an investment advisory program offered by Merrill. For a description of the services provided to Program accounts, please refer to the section entitled "Services, Fees and Compensation" in the Brochure, and the section entitled "Our Services" in the Client Agreement.

For a description of the status of Merrill under the Investment Advisers Act of 1940, as amended ("Advisers Act") and under ERISA, please refer to the Brochure at the section entitled "About Us and the Program-Our Services as an Investment Adviser and Relationship with You under the Program" and to the Client Agreement at the section "Operation of Your Account; Implementing Advice-Our Fiduciary Responsibility."

## Fees and Other Compensation

As explained in the Brochure, the Program Fee is a non-negotiable annual asset-based fee rate of 0.85% for the services provided in the Program under the Client Agreement. The Program Fee rate will be set forth in the fee schedule section of the initial Program Report provided to the Plan or plan participants upon enrollment into the Program. For a description of the fees applicable to your Program account, please refer to the section entitled "Program Fee and Other Charges" in the Brochure, the section entitled "Your Fees and Expenses" in the Client Agreement, and Program Report, as may be amended and supplemented from time to time.

## Support Fees received from Product Sponsors; Fund Fees

As of January 1, 2027, Merrill will begin to receive fees for support (Support Fees) for services that we provide to investment managers, fund managers, distributors and sponsors, and insurance companies and other product providers ("Third-Party Firms") that provide or make available certain investment products for our clients' brokerage or investment advisory accounts. Support Fees are also commonly referred to as a type of "revenue sharing." As it relates to the Program, Merrill will receive Support Fees in connection with mutual funds and actively-managed ETFs that are constituent Funds as described in the Brochure. Effective January 1, 2027, Merrill also intends to make available optional data reporting services (Data Analytics) to certain Third-Party Firms whose products and services are available on the Merrill platform for fees that vary based on the type of product and level of data provided. As it relates to the Program, Data Analytics does not include information about Program Advisors. In addition, in general, Merrill receives (i) compensation for sub-accounting and other services including aggregating and processing purchases, redemptions, exchanges, dividend reinvestment, consolidated account statements, tax reporting and other related processing and recordkeeping services ("sub-accounting services") and (ii) for certain mutual funds only, annual asset-based fees, like fees permitted under Rule 12b-1 of the Investment Company Act of 1940. We do not retain compensation for sub-accounting services and any 12b-1 fees received by us from funds held in Retirement Accounts. Please refer to section "Compensation, Conflicts of Interest and Material Relationships-Compensation Received by Us and Our Affiliates for Sub-accounting Services", "Mutual Fund Arrangements and Compensation" and "Support Services Fees and Data Analytic Services Fees Received by Us from Certain Third-Party Firms" in the Brochure and the section "Funds and Related Products" in the Client Agreement.

## Investments in Funds Related to Merrill or in Strategies of a Manager Related to Merrill

We do not currently offer any Funds that are sponsored, managed, or advised by us, a Related Entity or any of our Affiliates ("Related Fund") in the Program. We may, however, include Related Funds as an investment product available in the Program in the future. We or our Affiliates offer Style Manager Strategies that are managed by Merrill or an Affiliate of Merrill ("Related Strategies") without a Manager Fee. See the section entitled "Funds and Related Products" in the Client Agreement and the section entitled "Compensation, Conflicts of Interest and Material Relationships Offering of Investments or Programs Managed by Us or Our Affiliates and Use of a Related Strategy in Your Account" in the Brochure.

## Cash Balances and the Cash Sweep Program

At times, some portion of your Program Account will have an allocation to cash based on the Strategy's cash asset class allocation and/or for operational considerations for your Account, including transaction processing and Program Fee collection. Any cash balances will be automatically deposited or "swept" with your consent on the day following the cash deposit to the cash sweep option applicable to your underlying securities account under the terms of such agreement (the "Cash Sweep Program"). Under the Cash Sweep Program applicable to your account type, cash balances will be swept to (1) a bank deposit account at Bank of America, N.A. ("BANA") and/or other banks affiliated with us (each, a "Bank Affiliate") as specified in the underlying securities account agreement; (2) for certain retirement plan accounts, to a money market fund selected by the holder of the Account where permitted under the terms of the securities account agreement; or (3) for certain Plan accounts, the Insured Savings Account Program ("ISA Program"), a bank deposit program with our Bank Affiliates and unaffiliated banks. For more information about this service and benefits that we (and our Affiliates) may receive in connection with such deposits, please see the "ISA® Program" documentation. To view a list of the depository institutions currently participating in the ISA Program, visit www.ml.com/ISA. Certain Plan accounts do not have the option to select

the ISA Program. For more information, please refer to the Brochure at the sections "Advice and Guidance-Treatment of Cash Balances in your Account;" "Brokerage, Banking-Related and Custodial Arrangements and Services-Cash Sweep Program and Other Banking-Related Services;" and "Funding and Operation of Accounts-Cash Balances."

### 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. Under certain circumstances we may, at your direction, sell investments that are not eligible or not acceptable to be held in a Program Account; refer to the Client Agreement at the section "Operation of Your Account; Implementing Advice-How We Handle Ineligible or Unacceptable Assets in Your Account" and the Brochure at the section "Funding and Operation of Accounts-Funding Your Account and Contributions." Any fees with respect to such transactions will be governed by a separate brokerage agreement and disclosed in the fee disclosure you receive from Merrill or an Affiliate with respect to such brokerage agreement.

### Payments from Third-Party Firms for Certain Technology Costs, Events and Meetings

We and our Affiliates have business relationships with investment managers, including third-party managers of investment strategies offered in our other investment advisory programs, fund managers, distributors and sponsors, and insurance companies and other product providers ("Third-Party Firms"). In connection with the onboarding, maintenance or support of certain investment products, services, platforms or tools, we reserve the right to seek reimbursement (or participation in the sharing) of costs associated with such onboarding, maintenance or support, including technology-related costs from Third-Party Firms for particular projects. Third-Party Firms periodically participate in Merrill-hosted or Affiliate hosted internal training and education conferences for Merrill personnel as well as in conferences that Merrill or an Affiliate hosts for clients. Subject to internal policies, Third-Party Firms electing to participate in any of these particular financial advisor or client conferences will generally reimburse us on an equitable basis for the eligible costs of the particular conference, meeting or event for which they act as sponsor. They also periodically host or participate in meetings with certain financial advisors and other Merrill employees ("Manager Meetings") where they provide the opportunity to receive information on market conditions and events, investment products and services and practice management guidance as well as to interact with their investment and sales personnel. For the Manager Meetings they hold, the hosting Third-Party Firm pays for all eligible costs associated with such meetings, including the cost of travel, accommodation and continuing education fees for the attending financial advisors and certain of Merrill employees, subject to Merrill policies and guidelines. There is no requirement that Third-Party Firms reimburse Merrill for, or pay the costs of, such conferences, meetings or events in order for their investment products to be made available on the Merrill platform. Neither we nor our Affiliates incentivize our financial advisors, including Program Advisors, to recommend the products or services of a Third-Party Firm that makes such contributions over those that do not. Third-Party Firms are not permitted to condition their payment on any amount of sales of their products or services. Third-Party Firm reimbursements and/or payments for costs of conferences, meetings and events must align to Merrill internal policies and policy limits and are subject to Merrill supervision and oversight that is reasonably designed to review the nature of the business interactions and level of expense reimbursement. The aggregate amount of the costs of these conferences, meetings and events or the cost reimbursement for particular projects referred to above cannot be reasonably allocated to any particular Plan client.

### Gifts & Entertainment and other Non-Monetary Compensation

We have policies and procedures that limit Third-Party Firms from providing or paying for, and our financial advisors, including Program Advisors, and other employees from receiving gifts and entertainment other than as permitted by and subject to the limits established under Merrill internal policies. In general, our financial advisors, including Program Advisors, and other employees may accept nominal gifts and occasionally attend entertainment events, including meals, subject to certain limits and conditions. We do not permit any gifts or entertainment conditioned on achieving a sales target. In addition to monetary limits, we have policies, procedures and supervisory controls that are reasonably designed to review the frequency and level of gifts and entertainment. Third-Party Firms are not required to provide gifts or entertainment. We have policies, procedures and supervisory controls that have been reasonably designed for regulatory requirements relating to such activities and the receipt of non-cash compensation from Third-Party Firms. Merrill does not incentivize its financial advisors, including Program Advisors, to recommend or select one investment product over another. Merrill will report gifts received by it or its employees to the extent such amounts exceed the 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 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.

### 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 if assets are moved outside of Merrill. There are certain mutual funds and other securities that are not eligible to be held in an account that is not enrolled in the Program. Upon Account termination or termination of the Client Agreement or if mutual fund shares are moved or transferred to a brokerage account from a Program Account, such shares will automatically be liquidated, converted, exchanged or redeemed into another appropriate share or unit class in accordance with applicable offering materials and Merrill's own policies without providing prior notice. Additional fees and expenses may apply upon any such liquidation, redemption or exchange. Refer to the Client Agreement at the section "Terminating This Agreement" and to the Brochure at the section "Funding and Operation of Accounts-Terminating Enrollment in the Program."

### Compensation Paid Among Merrill and Its Affiliates

Merrill and its Affiliates benefit from the fees paid by the Program Account as described in the Brochure and the Client Agreement.

L 09-26