

# Explanation of fees

At Merrill, you can work one-on-one with your Advisor on a comprehensive financial strategy designed to help you pursue what matters most to you. As part of your relationship with us, it's important that you understand what the fees are, including the fees associated with our investment solutions. We believe the better informed you are, the better decisions you can make about what's right for you — whether it's investing through our investment advisory services or brokerage accounts.

## Investment Advisory Services

- Ongoing advice on your investments, trade execution and other advisory services
- Choice of discretion and authority over investment decisions
- Asset-based fee based on a percentage of the assets in your account
- Ongoing monitoring of accounts enrolled in the program as outlined in the program materials

### ➔ Merrill Lynch Investment Advisory Program

You pay a customized fee subject to a maximum rate of 2.00%. If you choose a strategy managed by an investment manager, you will also pay a style manager fee.

### ➔ Strategic Portfolio Advisor

You pay a customized fee subject to a maximum rate based on strategy type. You will also pay the investment manager's fee which is part of your agreement with the selected investment manager.

## Brokerage Accounts

- Access to advice, investment recommendations, trade execution and other brokerage services
- Transactions must be authorized by you
- Transactional fee on individual purchases and sell transactions
- No ongoing monitoring or monitoring services

### ➔ Secondary Market Equity Transactions

You pay a commission based on the principal value of the trade that can range from 0.50% to 5.00%.

### ➔ Secondary Market Fixed Income Transactions

For purchases, you pay a "markup" on top of the security price. For sales, you receive the sales price less a "markdown" amount.

### ➔ Mutual Funds and Money Market Funds

The fee you pay varies based on the share class and the fund's own designated pricing schedule.

## Additional Investment Solutions

**Listed Options | New Issue Offerings | Market-Linked Investments | Alternative Investments**

**Specialized Investment Solutions | Annuities**

Merrill Lynch, Pierce, Fenner & Smith Incorporated (also referred to as "MLPF&S" or "Merrill") makes available certain investment products sponsored, managed, distributed or provided by companies that are affiliates of Bank of America Corporation ("BoFA Corp."). MLPF&S is a registered broker-dealer, registered investment adviser, Member SIPC and a wholly owned subsidiary of BoFA Corp. Merrill Lynch Life Agency Inc. ("MLLA") is a licensed insurance agency and a wholly owned subsidiary of BoFA Corp. BoFA Securities, Inc. ("BoFAS") is a registered broker-dealer, Member SIPC, and wholly owned subsidiary of BoFA Corp.

Banking products are provided by Bank of America, N.A., Member FDIC and a wholly owned subsidiary of BoFA Corp.

Investment products offered through MLPF&S, and insurance and annuity products offered through MLLA:

<b>Are Not FDIC Insured</b>	<b>Are Not Bank Guaranteed</b>	<b>May Lose Value</b>
<b>Are Not Deposits</b>	<b>Are Not Insured by Any Federal Government Agency</b>	<b>Are Not a Condition to Any Banking Service or Activity</b>

## Investment Advisory Services

### Merrill Lynch Investment Advisory Program (IAP)

Comprehensive fiduciary investment advisory program providing advice and guidance from your dedicated personal Advisor and access to a wide range of managed strategies and investment solutions

#### Merrill fee

##### For any asset level or strategy type

Customized Merrill fee rate up to 2.00%

The Merrill fee rate is customized between you and your Advisor. A portion of the Merrill fee rate is paid to your Advisor.

If you choose a strategy managed by an investment manager, you will also pay a fee to the manager based on the manager's rate schedule, which generally ranges from 0.10% to 0.65%. Certain managers have set differing rates for higher levels of investment. The [IAP brochure](#) is available on [ml.com/relationships](http://ml.com/relationships), or [mymerrill.com/ADV/materials](http://mymerrill.com/ADV/materials). You can obtain program materials from your Advisor upon request.

### Strategic Portfolio Advisor (SPA)

Fiduciary investment advisory program for institutions and high-net-worth individuals providing advice and access to certain investment strategies offered by a third-party investment manager under a separate agreement

#### Strategy

#### Merrill SPA fee

##### Equity strategies

Customized rate up to 1.50%

##### Fixed income

Customized rate up to 0.70%

The above fees are subject to breakpoints and will be lower based on the dollar value of the assets in the program. A portion of the SPA fee is paid to your Advisor.

You will also pay the SPA investment manager's fee, which is detailed in a separate agreement you will enter into with the selected investment manager. The [SPA brochure](#) is available online at [ml.com/relationships](http://ml.com/relationships), or you can request a copy through your Advisor.

See [Important Information](#) for additional details on page 11.

## Brokerage Accounts - Secondary Market Transactions

### Equity Transactions

Includes common stock, exchange traded funds, closed-end funds, certain listed preferred stocks and American Depositary Receipts

You will pay a commission that is calculated based on the principal value of the security being purchased or sold and the commission schedule below. The commission is in addition to the purchase price you pay or the sale price you receive for the security. The commission may be discounted. A portion of the commission you pay is payable to your Advisor.

Principal value (PV) of trade	Maximum commission	Top of tier cumulative PV	Top of tier blended rate
<b>First \$1,500</b>	5.00%	\$1,500	5.00%
<b>+ Next \$3,500</b>	2.25%	\$5,000	3.08%
<b>+ Next \$15,000</b>	1.75%	\$20,000	2.08%
<b>+ Next \$30,000</b>	1.50%	\$50,000	1.73%
<b>+ Next \$50,000</b>	1.00%	\$100,000	1.37%
<b>+ Next \$400,000</b>	0.75%	\$500,000	0.87%
<b>+ PV &gt; \$500,000</b>	0.50%	—	—

The maximum commission that can be charged ranges from 0.50% – 5.00%, depending on the principal amount of the transaction.

For example, if you purchase \$10,000 of stock ABC, the standard commission is calculated as follows:  
 $(\$1,500 \times 5\%) + (3,500 \times 2.25\%) + (5,000 \times 1.75\%) = \$241.25$ .

### Listed Options

Options contracts cleared by the Options Clearing Corporation that are traded on options exchanges

You pay a commission calculated based on the principal value of the transaction and the number of contracts purchased or sold. The commission is in addition to the purchase price you pay or the sale price you receive for the contract. The commission may be discounted and is subject to a minimum charge. A portion of the commission is payable to your Advisor.

Commissions range from 0.70% – 15.00% of the principal value of the contracts, plus \$3.00 – \$9.00 per contract. You also pay an additional transaction fee ranging from \$0.15 to up to \$1,003 per transaction, determined based on the principal value and number of contracts purchased or sold.

Principal range x % of principal + fixed dollar			+	Number of contracts x dollars per contract + fixed dollar		
Principal range	% of principal	Fixed dollar		Number of contracts	Dollars per contract	Fixed dollar
<b>\$500 or under*</b>	15.00%	\$65		1 – 10	\$9	\$0
<b>\$500.01 – \$1,500</b>	1.50%	\$25		11 – 20	\$8	\$10
<b>\$1,500.01 – \$5,000</b>	1.30%	\$28		21 – 50	\$7	\$30
<b>\$5,000.01 – \$10,000</b>	1.00%	\$43		51 – 100	\$6	\$80
<b>\$10,000.01 – \$20,000</b>	0.90%	\$53		101 – 200	\$5	\$180
<b>\$20,000.01 – \$50,000</b>	0.80%	\$73		201 – 500	\$4	\$380
<b>\$50,000.01 +</b>	0.70%	\$123		501 +	\$3	\$880

\* You pay a commission equal to the lesser of 15.00% of the principal value of the transaction or \$65.

For example, if you purchase 10 option contracts (representing 100 shares per contract) with an options premium of \$1.75 per share, the standard commission is calculated as follows:  $(\$1,750 \times 1.30\%) + 28 + (10 \times 9) + 0 = \$140.75$ .

See [Important Information](#) for additional details on page 11.

## Brokerage Accounts - Secondary Market Transactions (continued)

### Fixed Income Transactions

Treasury securities, government agencies, brokered certificates of deposit (brokered CDs), corporate bonds, municipal securities and over-the-counter (OTC) preferred securities

For purchases, you pay a “markup” which is included in the price of the security.\* The markup that is charged may be discounted from the maximum Merrill markup percentage listed below. A portion of the Merrill markup is payable to your Advisor.

#### Maximum Merrill markup for purchases

	1-year maturity	5-year maturity	10-year maturity	Greater than 10-year maturity
<b>Treasury securities</b>	0.185%	0.685%	1.28%	1.50%
<b>Government agencies</b>	0.185%	0.685%	1.28%	1.78%
<b>Brokered CDs</b>	0.375%	1.25%	2.00%	2.00%
<b>Corporate bonds</b>	0.375%	1.25%	2.00%	2.00%
<b>Municipal securities</b>	0.10%	1.25%	2.00%	2.00%
<b>OTC preferred securities</b>	1.00%	1.00%	1.00%	1.00%

For example, if you purchase a corporate bond with a 5-year maturity for a principal amount of \$50,000, the maximum Merrill markup is calculated as follows:  $\$50,000 \times 1.25\% = \$625.00$ .

For sales, an amount called a “markdown” is deducted from the security price that you receive.\* The markdown that is charged may be discounted from the maximum Merrill markdown percentage listed below. A portion of the Merrill markdown is payable to your Advisor.

#### Maximum Merrill markdown for sales

	All maturities
<b>Treasury securities</b>	0.00% – 0.25%
<b>Government agencies</b>	0.00% – 0.25%
<b>Brokered CDs</b>	0.00%
<b>Corporate bonds</b>	0.00% – 0.50%
<b>Municipal securities</b>	0.00% – 0.375%
<b>OTC preferred securities</b>	1.00%

For example, if you sell a corporate bond with a 5-year maturity for a principal amount of \$50,000, the maximum Merrill markdown is calculated as follows:  $\$50,000 \times 0.50\% = \$250.00$ .

\* The total markup or markdown that you will pay consists of the Merrill markup or markdown you are charged and a dealer markup or markdown that our affiliate BofA Securities, Inc. (BofAS) receives if it executes the transaction. The dealer markup or markdown paid to BofAS is typically up to 1.00%.

See [Important Information](#) for additional details on page 11.

## Brokerage Accounts

### Mutual Funds and Money Market Funds

Funds that consist of a portfolio of securities that seek to meet an identified objective and are managed by a fund manager

The fees you pay or incur vary based on the share class and the fund's own designated pricing schedule. You can find these fees, including the fund's operating expenses, in the fund's prospectus and offering materials. A portion of the fees received are paid to your Advisor.

Security & share class	Fees
<b>Mutual fund Class A shares</b>	<ul style="list-style-type: none"> <li>You pay an upfront "front-end" sales charge that varies depending on the size of your purchase, the fund's breakpoint schedule and/or your eligibility for any discounts or waivers.</li> <li>At Merrill, you can typically only purchase an amount of Class A shares that results in you paying a sales charge of 3.50% or less (by prospectus, although Class A share sales charges of a mutual fund range from 0.00% to 5.75% of the purchase amount).</li> <li>Mutual funds have an annual asset-based fee or "12b-1" fee paid out of the fund's assets. For the Class A shares, the 12b-1 fee paid to us for most of the funds offered at Merrill typically ranges between 0.20% – 0.30% per annum.</li> <li>Generally, if you redeem or sell Class A shares for which no sales charge was imposed within 12 months of the purchase date, you may pay a Contingent Deferred Sales Charge (CDSC) ranging from 0.25% – 1.00%, which is deducted from the redemption proceeds.</li> </ul>
<b>Mutual fund Class C shares</b>	<ul style="list-style-type: none"> <li>There is no upfront fee for Class C shares, but you pay a larger annual asset-based service fee or 12b-1 fee upon the initial purchase and annually thereafter. The Class C share 12b-1 fee ranges from 0.50% – 1.00% per annum.</li> <li>Generally, if you redeem or sell the Class C shares within 12 to 18 months of the purchase date, you may pay a CDSC of 1.00%, which is deducted from the redemption proceeds.</li> </ul>
<b>Mutual fund share classes for retirement accounts and ERISA plan accounts</b>	<ul style="list-style-type: none"> <li>For personal retirement accounts (IRA, IRA Roth, inherited IRA) and for SEP, SIMPLE and BASIC Accounts, you purchase Class A shares or Class C shares and pay the fees indicated above.</li> <li>For ERISA plan accounts,* you will not pay an upfront fee but you pay an annual asset-based retirement group fee, based on the share class for which that ERISA plan account is eligible. These retirement group fees are typically 0.25% for Class A shares, 0.50% for Class R shares and 1.00% for Class C shares. You also pay a separate administrative service fee ranging from 0.10% – 0.35%, which, for certain funds, is deducted from fund assets.</li> </ul>
<b>Money market funds</b>	<ul style="list-style-type: none"> <li>For money market funds available for purchase, you will not pay an upfront fee; however, money market funds have an annual asset-based administration fee that ranges from 0.00% – 0.50%, all or a portion of which is paid to Merrill.</li> <li>Money market funds available to certain accounts as an automatic cash sweep typically include a 0.40% service fee.</li> <li>Money market funds available for purchase in a Merrill brokerage account typically do not charge an annual asset-based service fee.</li> </ul>

\* ERISA plan accounts are accounts (other than SEP, SIMPLE and BASIC Accounts) subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA).

See [Important Information](#) for additional details on page 11.

## Brokerage Accounts

### New Issue Offerings

Equity common stock, Treasury securities, agencies, corporate bonds, municipal securities, preferred securities, brokered CDs, closed-end funds and unit investment trusts

You will not pay a fee on the new issue securities purchase. The offering price (which is the price you pay) and the terms of the security may reflect that compensation — in the form of a gross fee or underwriting discount — is paid to BofA Securities, Inc. (BofAS) by the issuer or investment manager for acting as the underwriter or selling agent for the offering. A portion of the gross fee is payable to Merrill in connection with the new issue offering. The gross fee varies among offerings and is disclosed in the prospectus or offering document for the security. The chart below provides a general guide or range of the gross fees we and BofAS receive for new issue offerings. A portion of the amount that Merrill receives is paid to your Advisor as compensation.

Offering type	New issue compensation paid to Merrill and its affiliates
<b>Equity common stock</b>	<ul style="list-style-type: none"> <li>For initial public offerings (IPOs), we receive from the issuer an upfront gross fee of up to 7.00%. The fee varies significantly depending on the IPO.</li> <li>For Add-On Offerings and Convertible Note Offerings, we receive from the issuer an upfront gross fee of up to 5.00%.</li> </ul>
<b>Treasury securities</b>	<ul style="list-style-type: none"> <li>For non-competitive bids that you can submit for certain new issue Treasuries at the auction, we generally charge you a \$50 per auction service fee.</li> </ul>
<b>Agencies</b>	<ul style="list-style-type: none"> <li>We receive from the issuer an upfront gross fee ranging from 0.05% – 3.00%, depending on tenor.</li> </ul>
<b>Corporate bonds</b>	<ul style="list-style-type: none"> <li>We receive from the issuer an upfront gross fee ranging from 0.125% – 3.00%, depending on tenor.</li> </ul>
<b>Municipal securities</b>	<ul style="list-style-type: none"> <li>We receive from the issuer an upfront gross fee that varies significantly depending on type of offering and tenor.</li> </ul>
<b>Preferred securities</b>	<ul style="list-style-type: none"> <li>We receive from the issuer an upfront gross fee of up to 3.15%.</li> </ul>
<b>Brokered CDs</b>	<ul style="list-style-type: none"> <li>We receive an upfront placement fee from the issuing bank ranging from 0.02% to 0.30% of the principal amount of the brokered CD on an annualized basis, depending on tenor. The placement fee amount is included in the offering price (which is the price you pay) of the brokered CD.</li> </ul>
<b>Closed-end funds (CEF)</b>	<ul style="list-style-type: none"> <li>We receive from the fund manager an upfront gross fee up to 4.50%, depending on the CEF strategy. In addition, the fund manager may pay us a structuring fee that ranges from 0.50% — 2.00%.</li> </ul>
<b>Unit investment trusts (UIT)</b>	<ul style="list-style-type: none"> <li>There is a sales charge that is included in the UIT offering price (which is the price you pay) that varies based on the type of UIT and its tenor.</li> <li>For equity UITs with a 15-month term, you pay a sales charge of 1.85% to the UIT issuer, of which Merrill receives 1.25%.</li> <li>For equity UITs with a 24-month term, you pay a sales charge of 2.75% to the UIT issuer, of which Merrill receives 2.00%.</li> <li>For fixed income UITs, you pay a sales charge between 2.50% – 3.50%, depending on the tenor, of which Merrill receives between 1.60% – 2.60%.</li> </ul>

See [Important Information](#) for additional details on page 11.

## Brokerage Accounts

### Market-Linked Investments

Fixed income securities that are linked to the performance of a market measure, like an index

Market-Linked Investments (MLIs) are offered to eligible clients in a new issue offering by means of a prospectus or can be purchased in a secondary market transaction from Merrill.

#### Compensation paid to Merrill and its affiliates

<b>New issue offering</b>	<ul style="list-style-type: none"><li>• You will not pay a fee on the new issue securities purchase of an MLI. The price and the terms of the security reflect a gross fee and other costs that are charged.</li><li>• BofAS as underwriter receives from the issuer an upfront gross fee ranging from 1.50% – 2.50% depending on tenor. The actual gross fee is disclosed in the prospectus or offering document for the security. A portion of the amount of this fee that Merrill receives is paid to your Advisor.</li><li>• The economic terms also include a related structuring fee, typically in the range of 0.50% – 0.75%, which is retained by BofAS.</li></ul>
<b>Secondary transactions</b>	<ul style="list-style-type: none"><li>• For purchases, you pay a markup which is included in the price of the security. The Merrill markup that you will pay may be discounted. A portion of this markup is payable to your Advisor. The range of the markup that Merrill charges is between 0.50% – 2.00%, depending on the maturity of the MLI.*</li><li>• For sales by you of an MLI, there is no markdown that Merrill charges.*</li></ul>

\* In addition to the Merrill markup or markdown that is charged, the price you pay or receive also includes a dealer markup or markdown paid to BofAS for executing the transaction of typically up to 1.00%.

See [Important Information](#) for additional details on page 11.

## Brokerage Accounts

### Alternative Investments

Hedge funds and private equity and real assets funds

Alternative Investments (AI) are offered to eligible clients by means of a private placement memorandum or offering materials, including subscription agreements. The specific AI fund fees vary based on the share tranche or class and are disclosed in detail in these materials. A portion of the fees paid are paid to your Advisor as compensation.

AI type	Investment	Fees
<b>Hedge funds</b>	Investment through a feeder fund (only available to clients of Merrill or its affiliates)	<ul style="list-style-type: none"> <li>You pay Merrill, as placement agent, a one-time upfront placement fee of up to 2.50% of the investment amount. This fee is in addition to, and not deducted from, your hedge fund subscription amount.</li> <li>You pay an annual administration fee of up to 1.00% to the fund, of which Merrill receives up to 0.875% in selling agent compensation. Fees are based on the net asset value of the fund. Administration fees vary and may be lower based on meeting particular breakpoints.</li> <li>Your investment in the fund is subject to fees charged by the underlying fund, of which a portion may be paid to Merrill. The fee levels vary by underlying fund and are disclosed in fund offering materials.</li> </ul>
<b>Private equity and real assets funds</b>	Investment through a feeder fund (only available to clients of Merrill or its affiliates)	<ul style="list-style-type: none"> <li>You pay Merrill an upfront placement fee of up to 2.50% of the committed amount. This fee is added to, and not deducted from, your private equity capital commitment amount.</li> <li>As placement agent, Merrill also may receive a direct payment from the sponsor, a distribution fee paid by you (disclosed in the fund offering materials) or a share of the underlying fund's management fee.</li> <li>You pay an annual administration fee of up to 1.00% to the fund, of which Merrill receives up to 0.875% in selling agent compensation. This fee is added to, and not deducted from, your private equity capital commitment amount. Administration fees vary and may be lower based on meeting particular breakpoints. The percentage and method of calculating the administration fee is disclosed in the fund offering materials.</li> </ul>
<b>Hedge funds</b>	Direct investment in the fund	<ul style="list-style-type: none"> <li>You pay Merrill an upfront placement fee of up to 3.00% of the investment amount. This fee is added to, and not deducted from, your hedge fund subscription amount.</li> <li>As placement agent, Merrill also may receive direct payment from the fund sponsor, a distribution fee paid by you (disclosed in the fund offering materials) or a share of the fund's management fee.</li> <li>You pay management and performance fees directly to the fund.</li> </ul>
<b>Private equity and real assets funds</b>	Direct investment in the fund	<ul style="list-style-type: none"> <li>You pay Merrill an upfront placement fee of up to 2.50% of the committed amount. This fee is added to, and not deducted from, your private equity capital commitment amount.</li> <li>As placement agent, Merrill also may receive a direct payment from the fund sponsor, a distribution fee paid by you (disclosed in the fund offering materials) or a share of the fund's management fee.</li> <li>You pay management and performance fees directly to the fund.</li> </ul>

See [Important Information](#) for additional details on page 11.



## Brokerage Accounts

### Specialized Investment Solutions

Certain over-the-counter derivatives, overlay programs, exchange funds and foreign currency solutions

These solutions are only available to you if you meet applicable eligibility and suitability requirements. A portion of fees you pay to Merrill or the manager are paid to your Advisor as compensation for the derivative transaction.

Solution type	Fees
<b>Over-the-counter derivatives</b>	<ul style="list-style-type: none"> <li>The fee you pay varies and is outlined in the term sheet and trade confirmation for the derivative transaction.</li> </ul>
<b>Overlay programs</b>	<ul style="list-style-type: none"> <li>You pay to the options overlay manager an annual management fee of 0.50% – 0.60% per annum and an annual performance fee that ranges from 0.00% – 10.00% of net profits. These fees are set forth in your investment management contract with the manager. These fees vary based on the manager and the type of strategy.</li> <li>Merrill receives a portion of these fees as detailed in the solicitor disclosure statement included in your investment management contract, ranging from 0.15% – 0.225% as a referral payment.</li> <li>You will also pay a transaction fee of \$1.00 per listed options contract purchased or sold as directed by the manager to implement the strategy.</li> </ul>
<b>Exchange funds</b>	<ul style="list-style-type: none"> <li>You pay an upfront selling commission (included in your subscription amount) to Merrill ranging from 0.00% – 1.50%, depending on your subscription amount and discounting.</li> <li>You also pay an annual management fee to the exchange fund ranging from 0.85% – 0.98%, of which Merrill receives 0.25% annually as a servicing fee.</li> <li>Merrill receives an incentive payment from the placement agent of 1.00% of your subscription amount.</li> </ul>
<b>Foreign currency conversions and wire transfers</b>	<ul style="list-style-type: none"> <li>You pay a fee to Merrill which will be included in the price of your transaction.</li> <li>For foreign exchange conversions, you will pay up to 2.00% of the amount that is subject to the conversion.</li> <li>For wire transfers of foreign currency, for outgoing wire, you will pay up to 1.50% of the amount and for incoming wires, you will pay up to 1.25% of the amount wired.</li> </ul>
<b>Collateralized foreign exchange transactions (CFX) and dual currency products (DCP)*</b>	<ul style="list-style-type: none"> <li>You pay a fee to Merrill which will be included in the price of the CFX transaction and the DCP.</li> <li>For CFX, you pay up to 0.60% of the amount subject to conversion.</li> <li>For DCPs, you pay up to 3.00% of the principal amount per annum.</li> <li>The price of your CFX and DCP transactions also may include other compensation to Merrill and its affiliates, which will be outlined in the term sheet and trade confirmation.</li> </ul>

\* CFX and DCPs are only available to you if you meet applicable eligibility requirements.

See [Important Information](#) for additional details on page 11.

# Brokerage Accounts

## Annuities

Fixed indexed annuities, variable indexed annuities, fixed rate annuities, income annuities and variable annuities

When you purchase an annuity through your Advisor, you pay fees directly to the issuing insurance company, the amount of which depends on the annuity type and features you select. For fixed indexed, fixed and income annuities, the fee is included through the crediting rates established by the insurance company. For variable annuities, the fees you pay are included in the annuity contract.

Our affiliate Merrill Lynch Life Agency Inc. (MLLA) is paid by the insurance company and the amount it receives varies depending on the type of annuity. A portion of the amount received is paid to your Advisor as compensation. These payments include first-year sales commissions and may include other commissions paid annually in subsequent years.

The commissions are not an upfront sales charge and do not reduce your initial investment. The information below is for annuities purchased in a brokerage account. Compensation is different for annuities purchased in IAP.

<b>Annuity type</b>	<b>Commission to MLLA</b>
<b>Fixed indexed and variable indexed*</b>	<ul style="list-style-type: none"><li>• MLLA is paid a first-year sales commission of up to 3.50% of each annuity premium and annual trail commission each year thereafter of up to 0.30% of the value of your annuity.</li><li>• Certain fixed indexed annuities do not have trail commission.</li></ul>
<b>Fixed rate*</b>	<ul style="list-style-type: none"><li>• MLLA is paid a first-year sales commission of up to 2.50% of each annuity premium.</li></ul>
<b>Income*</b>	<ul style="list-style-type: none"><li>• MLLA is paid a first-year sales commission of up to 4.00% of each annuity premium.</li></ul>
<b>Variable*</b>	<ul style="list-style-type: none"><li>• MLLA is paid a first-year sales commissions of up to 3.40% of each annuity premium and an annual trail commission each year thereafter of up to 0.55% of the value of your annuity.</li><li>• Variable annuities have distinct fees paid by you to the insurance company and other service providers, including an annual asset-based fee of up to 1.05%.</li></ul>

\* For additional premiums added to contracts that were purchased prior to June 1, 2020, first-year commissions, trailing payments and other charges are based on applicable rates in effect at the time the contract was purchased.

See [Important Information](#) for additional details on page 11.

# Important Information

## General

In the document, references to Merrill means Merrill Lynch, Pierce, Fenner & Smith Incorporated and its affiliates. Fees, charges, commissions, other transaction charges, fund sales charges, and the fees and charges for new issue transactions are determined by reference to various schedules and methodologies and pricing arrangements and agreements in effect from time to time and which are subject to change. Fee ranges are provided for informational purposes only. The fee information does not cover all available securities or investment types. In addition, there are other fees and charges that apply to the securities activities in your account. In certain transactions, minimum commission charges will apply. Certain commissions may be discounted by your Advisor at his or her discretion. Individual circumstances will determine commission prices and whether you qualify for any waivers or discounts.

The information contained in this document is provided for informational purposes only and is not meant to replace your close review of the terms and conditions contained in the agreements for the Merrill programs and accounts, the disclosures relating to individual securities and other information. The fee information covered here does not cover all available investment types or solutions or certain fees that apply to securities activities in your account. Additional fees may apply. Please review the [Merrill Schedule of Miscellaneous Account and Service Fees](#) for more information.

Merrill offers a broad range of brokerage, investment advisory (including financial planning) and other services. There are important differences between brokerage and investment advisory services, including the type of advice and assistance provided, the fees charged, and the rights and obligations of the parties. It is important to understand the differences, particularly when determining which service or services to select. For more information about these services and their differences, speak with your Merrill financial advisor or reference the [Client Relationship Summary \(Form CRS\)](#) and the [Summary of Programs and Services](#) at [ml.com/relationships](http://ml.com/relationships).

## Secondary market fixed income transactions

The markup or markdown amount compensates the firm and your Advisor for executing the transaction. Purchases and sales of fixed income securities may occur in the over-the-counter markets and Merrill may act in a principal capacity (for its own account) in executing your order. The maximum markup/markdown will vary based on the following criteria:

- Product type – Corporate bonds have higher markups/markdowns than government products
- Maturity of the instrument – Shorter maturities have lower markups/markdowns; longer maturities have higher markups/markdowns
- Purchase vs. sale – Purchases have higher markups than markdowns for sales due to the buy and hold nature of fixed income securities

Certain fixed income security features such as call dates may result in lower markups/markdowns than shown in the fixed income schedule. For products priced on a discount basis, including treasury bills, agency discount notes and commercial paper, the markup can be up to 0.20% and there is no markdown. Mortgage-backed securities are subject to the same markups/markdowns as corporate bonds and assessed on the security's average life. Preferred securities are generally traded on stock exchanges where equity commissions will apply. When preferred securities are traded in the over-the-counter markets, they are subject to the maximum markups/markdowns for fixed income securities noted above. When your transaction is executed in a principal capacity, markups/markdowns are disclosed on client confirmation statements as a total dollar amount and as a percentage of the prevailing market price. Where a trade is executed by Merrill as agent, markups/markdowns are not charged but commissions may be charged and will be disclosed on client confirmation statements. Commissions are subject to the same maximums as noted in the schedules provided.

## Mutual funds

Fees and expenses in a mutual fund, including the sales charges paid by the fund to Merrill in connection with a purchase by you of fund shares, reduce the net asset value of the fund and the investment return. Actual sales charges and trails, breakpoints and sales waivers are controlled by each fund's prospectus and vary according to type of strategy and fund. Please refer to each fund's specific prospectus to understand the particular features of each share class. The Financial Industry Regulatory Authority (FINRA) maintains a Mutual Fund Expense Analyzer tool on its website at [www.finra.org/fundanalyzer](http://www.finra.org/fundanalyzer) that may help you in making a decision about which share class is best for you.

Merrill has entered into agreements with various fund families or their service providers to be paid for services provided to mutual funds and money market funds and our customers, including retirement plan customers that invest in these funds. Each fund's operating costs include (like other mutual fund expenses) its allocable share of the fees and expenses of these services. These service arrangements generally vary by mutual fund. The amount of these fees is deducted directly from the client's or the retirement plan's investment in the mutual fund and/or paid by the fund's service providers (as may be described in the prospectus and statement of additional information for the fund). 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.

We have prepared and provided to you a document entitled [Mutual Fund Investing](#), which goes into greater detail on fees and expenses for mutual fund share classes available through us. This document is also available from your Advisor upon request.

## Alternative investments

We or our affiliates have negotiated fee sharing arrangements with managers of certain hedge funds and private market and real assets funds. Under these arrangements, we or our affiliates receive additional compensation in order to defray certain costs related to administrative, operational, marketing or other services we provide in connection with your investment. The additional compensation is based on portions of the management fees, performance-based compensation and/or other asset-based fees payable by these funds to the fund manager or its affiliates or that are attributable to investments made in the fund through us or our affiliates, including investments made by you. The actual terms of our fee sharing arrangements with fund managers may be disclosed in the offering materials of the relevant Alternative Investment fund or feeder fund, subject to confidentiality requirements and other obligations imposed by the fund managers.

## Annuities

Merrill as broker-dealer and our affiliate, Merrill Lynch Life Agency, Inc. (MLLA) as general agent, have entered into selling agreements with unaffiliated insurance companies to offer annuities. For annuities purchased in brokerage accounts, MLLA and your Advisor represent the insurance company in connection with the sale of the annuity and provide services to you on behalf of the insurance company. Variable annuities and other registered annuity products are offered by prospectus.

The terms and expenses for each annuity (including surrender charges, optional benefit charges and other insurance company expenses) are set out in a contract between you (annuity owner) and the insurance company (annuity issuer). All client charges associated with the annuity are disclosed in the annuity contract and prospectus, if applicable, and are paid to the annuity issuer. The commissions outlined above are paid to MLLA by the annuity issuer. The annuity issuer includes these charges in the pricing of its products. All annuity contract guarantees, including optional benefits, fixed rates and annuity payout rates, are backed by the claims-paying ability of the annuity issuer. They are not backed by Merrill or its affiliates. Neither Merrill nor its affiliates make any representations or guarantees regarding the claims-paying ability of the annuity issuer.

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