MERRILL
A BANK OF AMERICA COMPANY

Merrill Lynch
INVESTMENT ADVISORY PROGRAM

WRAP FEE PROGRAM BROCHURE

Please retain for your records

Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036
800.637.7455
ml.com

Managed Account Advisors LLC
101 Hudson Street
Jersey City, NJ 07302
201.557.0504

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 Lynch Investment Advisory Program. If you have any questions about the contents of this Brochure, please contact us at 800.MERRILL (800.637.7455).

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. Additional information about MLPF&S and MAA also is available on the SEC's website at adviserinfo.sec.gov.

The investment advisory services described in this Brochure are not insured by the Federal Deposit Insurance Corporation (FDIC) or any other government agency, are not a deposit or other obligation of or guaranteed by MLPF&S, MAA or Bank of America Corporation (BofA Corp.) or any of its affiliates and are subject to investment risks, including possible loss of principal.

January 5, 2026

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

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

IAPB-012026

ITEM 2. MATERIAL CHANGES

On March 21, 2025, MLPF&S and MAA together filed their last annual update for the Merrill Lynch Investment Advisory Program brochure (Brochure). This summary of material changes is designed to make clients aware of information that has changed since the Brochure's last annual update or that may be important to them.

MATERIAL CHANGES AND ENHANCEMENTS MADE AS PART OF THIS INTERIM UPDATE

- We have included in this Brochure information regarding a new tax efficient transition service (TET Service) that we intend to make available on or after February 2026. See Item 4 at the sections "Investment Strategies Services Available—MAA Tax Efficient Transition Service" and "Tax Matters" where you can review important information regarding the TET Service, including the application of the Merrill Lynch Fee Rate to Transition Assets. Related amendments have been made to the IAP Client Agreement.
- We have added disclosure regarding the risks of artificial intelligence tools and the risks of investing in products that invest in crypto-assets. See Item 6 at the section "Investment Strategies and Risk of Loss—Information Security, Cybersecurity and Artificial Intelligence Risks" and "—Crypto Investment Vehicles."
- We have included additional information regarding the ability of certain entity clients that qualify under the "customer facilitation vehicles" exclusion under the Volcker Rule, which would allow such entity clients to receive both the Program Services as well as lending services and engage, where permitted, in principal transactions. See Item 9 at the section "Participation or Interest in Client Transactions and Conflicts of Interest—Covered Entities under the Volcker Rule." Related amendments have been made to the IAP Client Agreement.
- We have updated the disclosure regarding the actions taken by ISS to review and announce updates to its voting policies at least on an annual basis and from time to time and provided information as to how to access such announcements. See Item 4 at the section "Proxy Voting—Implementing your Voting Selection-Electing the Proxy Delegation Vendor Option."

ITEM 3. TABLE OF CONTENTS

About Us and the Program 4

ITEM 4 SERVICES, FEES AND COMPENSATION 6

Advice and Guidance Services 6
- Profiling and Setting a Target Asset Allocation 6
- Target Asset Allocation Categories 6
- Monitoring Adherence to Target Asset Allocation 6
- Ability to Establish Multi-Client Portfolios Groups 6
- Program Guidelines 6

Treatment of Cash Balances in Your Account 6

Investment Strategy Services Available 7
- Overview and Program Strategy Types 7
- Ability to Request Reasonable Investment Restrictions 8
- Managed Strategy as a Program Strategy Type 9
- Custom Managed Strategy as a Program Strategy Type 12
- Premium Access Strategy as a Program Strategy Type 13
- Defined Strategy as a Program Strategy Type 15
- Personalized Strategy with Advisor Discretion as a Program Strategy Type 16
- Personalized Strategy with Client Discretion as a Program Strategy Type 17

Portfolio Reviews, Program Reports and Information 17

Brokerage, Banking-Related and Custodial Arrangements and Services 17
- Brokerage Trading Services 17
- Brokerage Execution for Discretionary Style Manager Strategies and PAS Style Manager Strategies 18
- Brokerage Arrangements for Certain Securities Transactions 19
- Cash Sweep Program and Other Banking-Related Services 20
- Custodial Arrangements and Services 21

Proxy Voting 21
- Proxy Voting Options 21
- Implementing Your Proxy Voting Selection 22

Delivery of Trade Confirmations on a Periodic Basis 23

Delivery of Program Materials and Electronic Access 24

Optional Account Services 24
- Tax Efficient Management Overlay Services 24
- Tax Efficient Transition Service 25
- Rebalancing Service and Automatic Contribution/Withdrawal Service 26

The Program Fee and Other Charges 27
- Program Fee and Services Covered by the Program Fee 27
- The Merrill Lynch Fee Component of the Program Fee 27
- The Manager Fee Component of the Program Fee 29
- Payment of the Program Fee 30
- How the Program Fee is Charged 30
- Fees and Expenses Not Covered by the Program Fee 32

Ability to Obtain Certain Services Separately and for Different Fees 33
- The MGI, MGI with Advisor and MEAA Programs 33
- Access to Managed Strategies through SPA and MAS and from BANA 33

Funding and Operation of Accounts 34
- Enrolling Your Account 34
- Funding your Account and Contributions 34
- Holding Funds in your Account 35
- Withdrawals 35
- Cash Balances 36
- Your Responsibilities for Account Operation and Management 36
- Terminating Enrollment in the Program 36
- Legal Matters and Related Notifications 37
- Tax Matters 37

ITEM 5 ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS 40

Client and Financial Advisor Eligibility 40

Program Minimums 40

Retirement Accounts 40

ITEM 6 PORTFOLIO MANAGER SELECTION AND EVALUATION 40

Selection and Review of Investment Strategies and Funds Available in the Program 40

Available Information Regarding Style Manager Strategies, PAS Style Manager Strategies and Funds 41

Strategy Construction 42

Advisory Services Provided by Merrill, its Advisors and Certain Affiliates 42

Performance-Based Fees 43

Methods of Analysis 43

Investment Strategies and Risk of Loss 43

Tailored Investment Advice 47

Voting Client Securities 47

ITEM 7 CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS 47

ITEM 8 CLIENT CONTACT WITH PORTFOLIO MANAGERS 48

ITEM 9 ADDITIONAL INFORMATION 48

Disciplinary Information 48

Other Financial Industry Activities and Affiliations 48

Conflicts of Interest and Information Walls 49

Code of Ethics 49

Compensation, Conflicts of Interest and Material Relationships 49
- Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel 49
- Account and Program Choice 51
- Style Manager or PAS Manager's Use of Affiliated Investments 52
- Offering of Investments or Programs Managed by Us or Our Affiliates and Use of a Related Strategy in Your Account 52
- Investment Product Availability and Revenue Received from Third Party Firms 53
- Compensation Received by Us for Sub-accounting Services 53
- Mutual Funds Arrangements and Compensation 54
- Certain Alternative Investment Fund Arrangements and Compensation 54
- Cash Sweep Program Compensation Received by Us and Our Affiliates 55
- Other Compensation Received by Us and Our Affiliates 55
- Third-Party Firm Business Relationships and Support 57

Participation or Interest in Client Transactions and Conflicts of Interest 58
- Cash Balances and Cash Sweep Program 58
- Principal Trade Execution 58
- Internal Cross, Agency Cross and other Cross Transactions 58
- Treatment and Allocation of Equity Initial Public Offerings 59
- Order Flow, Order Routing and Rebates 59
- Participation in Affiliate Lending Programs and Margin 59
- Provision of Diversified Financial Services 59
- Activity by Merrill, Affiliates and Personnel 59
- Covered Entities under the Volcker Rule 60

Account Review and Reporting 60

Referral Arrangements 61

Financial Information 61

Glossary 62

All capitalized terms used in the Brochure are defined in the body of this Brochure and/or in the Glossary.

Merrill Lynch Investment Advisory Program
Brochure

About Us and the Program

Both Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S) and Managed Account Advisors LLC (MAA), its Affiliate, offer investment advisory services under the Merrill Lynch Investment Advisory Program (Program or IAP) as discussed in this Brochure. Both MLPF&S and MAA are registered with the U.S. Securities and Exchange Commission (SEC) as an investment adviser and MLPF&S is registered as a broker dealer. Our parent company, Bank of America Corporation (BofA Corp.), through Bank of America, N.A. (BANA), BofA Securities, Inc. (BofAS) and other Affiliates, provides integrated investment services and is a leading banking institution for consumers, corporations and institutions. When we use the terms "Merrill," "we," "our" or "us" in this Brochure, we are generally referring to MLPF&S. We also use the terms "Merrill," "we," "our" or "us" to apply to both MLPF&S and MAA for those aspects and services of the Program that MLPF&S and MAA perform jointly. We also indicate where certain services are provided by MAA in its separate capacity.

Both Merrill and MAA provide services under the Program in their capacity as a registered investment adviser under the Investment Advisers Act of 1940, as amended (Advisers Act).

Our Services as an Investment Adviser and Relationship with You under the Program. You work with your dedicated personal Merrill financial advisor to determine if the Program is appropriate for you given your financial goals and circumstances. At Merrill, you can work with (1) a "Wealth Management Advisor," "Private Wealth Advisor," "Financial Advisor" or "Portfolio Advisor," whom we refer to in this Brochure as an "Advisor" or (2) a "Merrill Financial Solutions Advisor" or "MFSA," who, based on our internal polices, only offers specifically designated managed strategies under the Program. In this Brochure, we use the general term "financial advisors" to refer to both our Advisors and MFSAs. Certain services and investment solutions and products available under the Program are only provided by Advisors who meet certain qualifications.

We provide a disclosure document called the "Form ADV Part 2B—Brochure Supplement," which describes information about the financial advisor or financial advisors you are working with, their designation, role and the services they can provide, among other things. We can change our designations, roles and services for our financial advisors in our discretion and at any time. We also provide in your enrollment materials Form ADV Part 2B-Brochure Supplements for other Merrill investment professionals who provide portfolio management services for the investment strategies we offer.

To obtain the investment advisory services and range of financial services and investment solutions under the Program as described in this Brochure (Program Services), you will enter into a written agreement with us (Agreement). The Agreement defines the scope of the investment advisory relationship with you and sets forth our obligations to you for the accounts that you enroll into the Program (each, an Account). This Brochure describes the Program Services we provide, the fees you will pay, our role and that of our personnel, our other business activities and financial industry affiliations and the economic and other benefits and arrangements that create conflicts of interest in certain situations.

You will be provided a Program Report and account statements that identify those of your Accounts enrolled in the Program. Termination of an Account's enrollment in the Program will end that investment advisory fiduciary relationship with respect to that Account and will typically cause the Account to be converted to, and designated as, a Merrill brokerage account. If you inform us that you wish to terminate the Agreement, we will terminate the enrollment of all Accounts enrolled in the Program which will end the investment advisor fiduciary relationship and typically will cause such Accounts to be converted to brokerage accounts.

Merrill can help fulfill your wealth management needs in our capacity as an investment adviser, as a broker-dealer, or as both. Investment advisory and brokerage services are separate and distinct and each is governed by different laws and separate contractual arrangements that we may have with you. Our relationship, legal duties and capacities to you under federal securities laws are subject to a number of important differences which are described in our Client Relationship Summary on Form CRS (Form CRS) and in the Summary of Programs and Services, both of which are available at ml.com/relationships or upon request. In addition, these documents provide a summary of the other available investment advisory programs we offer. Certain aspects of these investment advisory programs are similar to the Program Services. Please refer to "Item 4 Ability to Obtain Certain Services Separately and for Different Fees."

Under the Program, we are a fiduciary to you. Merrill and MAA each have certain fiduciary obligations in providing the Program Services. As a fiduciary, we will act in your best interest and will endeavor to provide you material facts and information relating to the Program Services. This Brochure is a key element in meeting this disclosure obligation. The fiduciary standards we aim to follow are established under the Advisers Act and, where applicable, state laws. In addition, for Retirement Accounts, we provide the Program Services as a "fiduciary" under Section 3(21) of the Employee Retirement Income Security Act of 1974 (ERISA) and under the Internal Revenue Code of 1986 (Code). For Retirement Accounts subject to ERISA that are discretionary accounts managed by us, we provide the relevant Program Services as an "investment manager" under Section 3(38) of ERISA.

Generally, the Program is designed for clients who:

- Want to implement an investment plan or strategy with the advice and guidance of their dedicated personal financial advisor.
- Want access to an investment professional for the management of their investment assets.
- Want discretionary investment management services.
- Want to receive the Program Services, including target asset allocation and other on-going monitoring as described in this Brochure.
- Anticipate trading activity in the Account, including rebalancing transactions.
- Prefer the consistency of asset-based fee pricing instead of transaction-based pricing.

While this Program is designed to help clients meet a variety of investment needs, it is not designed for clients who:

- Plan to engage in little to no investment activity, including rebalancing transactions.
- Maintain concentrated positions in securities and anticipate there being little to no selling or rebalancing activity over time.
- Have an interest in maintaining consistently high levels of cash and/or cash alternatives in their Account for a prolonged period of time.
- Want to engage in excessive trading and "day trading" activity or want to engage in a significant level of unsolicited trade activity.
- Are not interested in target asset allocation and other on-going monitoring or complying with Program guidelines.

Overview of the Program



Profiling

Your dedicated financial advisor gets to know you on a personal and financial level and works with you to identify your financial goals and objectives.



Portfolio Target Asset Allocation

You and your financial advisor work together on a personalized financial strategy based on your financial situation and your investment portfolio's risk tolerance and time horizon.



Strategies & Investments

You select the way you want your investment portfolio to be managed, choosing from a robust offering of investment solutions, including those from Merrill and third-party managers.



Advice & Portfolio Management

Your financial advisor provides on-going advice and guidance relating to the management of your investment portfolio, including rebalancing and adjusting your investments.



Client Reviews

You and your financial advisor review, on at least an annual basis, the status of your investment portfolio and strategies and your financial goals and objectives.

To take advantage of the Program Services, you must first enter into the Agreement. The Agreement will cover each account that that you choose to enroll in the Program. You are generally able to enroll subsequent accounts in the Program without signing a separate Agreement for those subsequent accounts; however, in certain circumstances we will require that you sign a separate Agreement or complete additional documentation.

In the Agreement, we agree to act as your investment adviser and agent and to provide the Program Services described in this Brochure and you grant to us the investment discretion and trading authority necessary to deliver the Program Services you select and agree to the terms and conditions of the Program. For your Accounts, Merrill will provide you with personalized investment advice and guidance through your dedicated financial advisor and the Program Services described in this Brochure.

For each Account, you will select how you want your assets to be managed in the Program in accordance with our available Program Strategy types. In addition, you can group one or more Accounts together into a group of Accounts (a Portfolio Group) for ongoing portfolio management to a selected Target Asset Allocation and for consolidated reporting. Under the Agreement, you are generally able to select or change certain Program Services with verbal instructions to your Advisor.

The Program offers managed investment strategies of third-party managers and of Merrill as well as the ability to invest on a discretionary or client-directed basis. In addition, the Program offers the ability to invest in individual securities and other investment products, including equities, fixed income securities, mutual funds, exchange-traded funds (ETFs), closed-end funds, unit investment trusts (UITs), other pooled vehicles and those investments designated by us from time to time in our sole discretion as Alternative Investments. The Program allows you to manage your investment assets under our available Program Strategy types.

The nature of the investment approach you take for the investment and management of the assets in your Account and the type of financial advisor with whom you have chosen to work will determine the investment solutions available for your Account. When you work with an Advisor, you have access to a full set of investment strategies managed by third-party investment managers and by Merrill and MAA investment management professionals. You can also delegate investment discretion for managing your investments to your Advisor or another Advisor and/or you can retain investment discretion to manage your investments while receiving advice and guidance from your Advisor. When you work with an MFSA, you have access to specifically designated managed investment strategies available through the Program.

We charge a Program Fee for each Account which will be calculated separately for each Account. Each of your Accounts may be subject to a different Program Fee. The Program Fee you pay per Account will differ from that paid by other clients based on the scope and size of relationships and accounts, the complexity of the client's needs, and the role, practice approach and qualifications of your financial advisor, as well as other factors.

Apart from your Account's initial Program Fee, your Program Fee is payable monthly in advance and generally will be calculated based on the value of the assets in your Account as of the last business day of the prior month. Unless otherwise agreed to between you and Merrill in writing, the Program Fee and any other fees payable under the Agreement will be deducted directly from your Account. Information about the Program Fee and rates applicable to each of your Accounts will be shown in a Program Report that we send to you upon Program enrollment and that we update for important information, including when you enroll any new Accounts, make certain changes to your Account or Portfolio Group and if changes are made to the Merrill Lynch Fee Rate component of the Program Fee. Please review the section "The Program Fee and Other Charges" carefully.

By enrolling in the Program and paying the Program Fee, you have access to:

- Investment advice and guidance services of your financial advisor and those services delivered through us.
- Managed investment strategies from third-party investment managers or from Merrill and its Affiliates.
- Investments in individual securities selected by you or, if you grant investment discretion, by your Advisor.
- Certain incidental services, such as trading, execution and settlement for trading, custody, performance reporting and related account services.

We will execute any transactions in your Account in accordance with our best execution obligations. We supervise the Program Services, our financial advisors and other personnel responsible for the Program in accordance with our obligations under the Agreement, the Program guidelines that we establish from time to time and the ethical standards we require.

There are certain material relationships and conflicts of interest discussed in this Brochure, including those described in "Compensation, Conflicts of Interest and Material Relationships" and "Participation or Interest in Client Transactions and Conflicts of Interest" in Item 9. Please review these sections carefully before you make a decision to enroll an account in the Program. Details of the Program are provided throughout this Brochure.

ITEM 4. SERVICES, FEES AND COMPENSATION

Advice and Guidance Services

Profiling and Setting a Target Asset Allocation. Your Advisor or MFSA will gather from you important financial and personal information that will be used as a basis for advice and guidance about how to manage your Account. You may have more than one Account enrolled in the Program. You may choose to organize your investments in a single Account or as a group of Accounts. We refer to that single Account and those grouped Accounts as a "Portfolio" or "Portfolio Group." You have the option to create multiple Portfolios or Portfolio Groups. A grouping of accounts into a Portfolio Group may only be implemented with Accounts enrolled in the Program.

For each Portfolio, your financial advisor will work with you to determine an appropriate Target Asset Allocation, which takes into account: (1) your risk tolerance for the Portfolio assets (your tolerance for potential loss of some or all of the assets in your Portfolio in exchange for greater potential returns) and (2) your time horizon (determined by how long you expect to invest in order to achieve your investment objectives). At Merrill, risk tolerance is expressed in three gradations: Conservative, Moderate and Aggressive and time horizon is segmented into the time spans of 0–1 Years, 1–5 Years, 5–10 Years, and 10+ Years. The risk tolerance and time horizon you designate for the Portfolio, along with other information, including your investment objectives, goals, liquidity, tax sensitivity and other preferences, are used to determine the types of investments and Program Strategies to recommend to you for your Portfolio. Any changes to your risk tolerance or time horizon may lead to a different recommended Target Asset Allocation and potential changes to the strategies and investments in a Portfolio. It is your responsibility to ensure that the information you provide is complete and accurate and to notify your financial advisor promptly of any changes so that your financial advisor will be better able to make appropriate recommendations.

Target Asset Allocation Categories. In general, the Target Asset Allocation categories we have established for the Program are:

- Conservative
- Moderately Conservative
- Moderate
- Moderately Aggressive
- Aggressive
- Equity-Focused
- Fixed Income-Focused
- Alternative Investment-Focused
- Custom Allocation

A description of each of these categories is in the Glossary under the term "Target Asset Allocation." Each of these categories have associated asset class allocation ranges. The associated allocation ranges and our method of monitoring activity may change from time to time and without prior notice to you. Our more conservative Target Asset Allocations typically recommend a greater percentage of your assets be allocated to the fixed income and cash asset classes, rather than to the equity asset class. Our more aggressive Target Asset Allocations typically recommend a greater percentage of your assets be allocated to the equity and Alternative Investment asset classes, rather than to the fixed income and cash asset classes.

The Equity-Focused, Fixed Income-Focused and Alternative Investment-Focused Target Asset Allocation categories allow you to orient your Portfolio towards that particular type of asset class and obtain more significant exposure to that asset class than is suggested by the target asset allocation ranges that we have set in other Target Asset Allocation categories or be consistent with the asset allocation guidance and recommendations made by us through our Chief Investment Office (CIO). These Target Asset Allocations provide less diversification and therefore have a greater degree of risk than the other Target Asset Allocations. Under certain circumstances and at our discretion, you may establish a Custom Allocation which does not have to necessarily align with the target asset allocation ranges that we have set for our other Target Asset Allocation categories or be consistent with the asset allocation guidance and recommendations made by us through the CIO. Any such custom allocation will have degrees of risk.

Monitoring Adherence to Target Asset Allocation. The assets comprising the Portfolio taken together should be aligned to the designated Target Asset Allocation for the Portfolio. On a periodic basis, we will monitor the assets in each Portfolio against the applicable Target Asset Allocation within certain parameters. If you create a Portfolio Group with multiple Accounts, we will monitor the assets in that Portfolio Group to the designated Target Asset Allocation within certain parameters. If there is a prolonged misalignment, you will be requested to take action in order to remain in the Program, including rebalancing, changing your investments or updating your risk tolerance or time horizon to fall within Program guidelines.

Ability to Establish Multi-Client Portfolio Groups. As an additional feature of the Program, you may choose to group one or more of your Accounts with the accounts of other Program clients into one or more Portfolio Groups in order to pursue a common goal. For this grouping to be effective, each client in the multi-client Portfolio Group must execute a written letter of authorization that will set forth your and the other group members' instructions on grouping and the terms and conditions associated with setting up a multi-client Portfolio Group. You continue to own the assets held in your Account within the multi- client Portfolio Group and none of the other clients in the Portfolio Group can make any changes to, or direct your Advisor to take any action in, your Account. Each of the Accounts in the multi-client Portfolio Group will incur its own fees, trading or other costs for activity occurring in the respective Account.

We may terminate the ability to create or have in place multi-client Portfolio Groups at any time upon written notice to you. By setting up a multi-client Portfolio Group, you authorize us to share information about your included Account with the other clients participating in that Portfolio Group. We will not be responsible for any loss or expense arising out of the action of creating the multi-client Portfolio Group, the sharing of information or for any act (or failure to act) by you or the other clients with respect to any decisions, changes or instructions to be made or given for a multi-client Portfolio Group.

Program Guidelines. We have established certain guidelines relating to the management of assets in the Program, including Target Asset Allocation guidelines, which are designed to help supervise and monitor on an on-going basis the activity in your Account or Portfolio Group. The Program guidelines change at our discretion or can be waived under certain circumstances for certain clients. In certain situations, you may be notified if your investment activity or holdings in an Account or a Portfolio Group deviate from our internal guidelines and will be requested to comply with these guidelines. If you decide not to take the requested action, we have the right to terminate the Account (or the Account that is part of a Portfolio Group, if applicable) from the Program. Taking this action will convert the Account to a brokerage or other account type.

Our supervision and monitoring do not substitute for your own continued review of your Program assets and the performance of your investments in your Account or Portfolio Group. You are responsible for reviewing the Program communications, including performance reports, trade confirmations and periodic account statements we send to you. If you identify any discrepancies or inaccurate information, you should promptly report them to your financial advisor.

Treatment of Cash Balances in your Account

While enrolled in the Program and subject to Program guidelines, your Account will have an allocation to cash balances (cash allocation). This allocation can result from your and/or your Advisor's decision to keep a cash balance for various purposes, such as your cash needs, market conditions or as a way to fulfill

your cash allocation target. If your Account invests in a managed investment strategy, the allocation can result from the investment manager's decision to keep a cash balance for operational and/or investment purposes as part of the investment strategy. This decision is based on a number of factors, including the nature of the investment strategy being implemented, the types of investments being purchased for the strategy and the circumstances relating to the trading for those securities, market conditions as well as for trade execution facilitation, meeting operational contingencies and having funds available to pay the monthly fee charged for Program Services without generating trade activity in the Account. In certain circumstances, including periods of volatile or uncertain market conditions, the cash allocation can comprise all or a substantial portion of your Account assets based on, for example, concerns about the market or a decision to pursue a defensive investment strategy.

Your Account's uninvested cash balance is automatically swept with your consent to a cash sweep option for your Account under the terms of your underlying brokerage account agreement (Cash Sweep Program). The available automatic cash sweep options under the Cash Sweep Program vary based on the Merrill account type and other criteria, such as citizenship, residency status and jurisdictional restrictions. Not all Merrill account types have the same cash sweep option.

Except as described below for trust management and certain qualified retirement plan account types, the only automatic cash sweep options currently available for Merrill account types eligible for enrollment in the Program are the Merrill Lynch Bank Deposit Program (MLBD Program), the International Bank Variable Rate Deposit Facility (IBVRD Facility) and, for retirement accounts, the Retirement Asset Savings Program (RASP). Non-U.S. citizens who are not residents of the United States have access to the MLBD Program or the IBVRD Facility. The MLBD Program, RASP and the IBVRD Facility provide for an automatic sweep of cash balances to bank deposits with BANA and other banks affiliated with us (Bank Affiliates).

For certain qualified retirement plan account types eligible for enrollment in the Program (*i.e.*, Retirement Cash Management Account and self-directed brokerage Accounts), the accountholder selects either: (1) the MLBD Program; (2) the Insured Savings Account Program (ISA Program), a bank deposit program with our Bank Affiliates and unaffiliated banks; or (3) certain money market mutual funds (money market funds). Certain other Merrill account types for qualified retirement plans eligible for enrollment in the Program only have the automatic cash sweep option of a money market mutual fund. The trust management account type (TMA) which is eligible for enrollment in the Program over which BANA provides various investment and trust-related services has its own automatic sweep options which include bank deposits at Bank Affiliates, the ISA Program and certain money market funds.

Please refer to your account agreement and related disclosures for additional information regarding the automatic sweep options for your type of account. The Sweep Program Guide for Merrill Clients, which can be found on mymerrill.com, provides an overview of the automatic cash sweep options and how they work and a chart of automatic cash sweep options by Merrill account type. Please refer to your trust agreement and/or TMA Brochure for additional information regarding the automatic sweep options for your TMA Account. You can obtain a paper copy of these disclosures from your Advisor or MFSA. The current rates and yields for the cash sweep options are available at mymerrill.com and from your Advisor or MFSA.

Any cash balances you hold as part of your Account assets can be invested in cash alternatives such as money market funds or in cash management investments (*i.e.*, brokered certificates of deposit (brokered CDs), short-term Treasuries, fixed income securities). Your cash and cash alternatives in all Accounts, like other investments, are subject to the Program Fee (as discussed below). You can elect to hold any cash balances in an account that is not enrolled in the Program (*i.e.*, a brokerage account or bank account) and avoid the Program Fee but you will not receive the Program Services with respect to cash held in an account that is not enrolled in the Program.

We discuss the treatment of cash balance and other considerations relating to cash in various parts of this Brochure, including: (1) Item 4 at the sections "Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking-Related Services," "The Program Fee and other Charges—How the Program Fee is Charged," and "Funding and Operation of Accounts—Cash Balances" and (2) Item 9 at the sections "Compensation, Conflicts of Interest and Material Relationships—Cash Sweep Program Compensation Received by Us and Our Affiliates" and "Participation or Interest in Client Transactions and Conflicts of Interest—Cash Balances and the Cash Sweep Program."

Investment Strategy Services Available

Overview and Program Strategy Types

Your Advisor or MFSA will work with you to determine how to invest and manage the assets in your Account. The Program currently offers six types of Program Strategies which provide differing investment approaches or methods:



Managed Strategy—selection for the Account of a single managed investment strategy (Style Manager Strategy) constructed by a third-party investment manager or by Merrill, MAA or a Merrill Affiliate.



Custom Managed Strategy—construction and implementation of a custom investment portfolio that combines Style Manager Strategies, mutual funds and/or ETFs and cash in the same Account.



Premium Access Strategy—selection of an investment strategy for an Account constructed and implemented by a third-party investment manager or by Merrill or a Merrill Affiliate under the terms of a separate contract entered into directly between you and the investment manager (sometimes referred to as a dual contract strategy).



Defined Strategy—investment portfolios of individual securities created and managed by your Advisor (or a designated Advisor) on a discretionary basis based on a specified investment approach for the Account.



Personalized Strategy with Advisor Discretion—investments in individual securities determined by your Advisor based on your delegation of discretion to your Advisor for the Account.



Personalized Strategy with Client Discretion—investments in individual securities with the advice and guidance from your Advisor where you retain investment authority.

The Program Strategies are generally differentiated by the way we deliver our advice to you and the investments we make available. If you wish to use multiple Program Strategies for your assets in the Program, you will be required to open a separate Account for each Program Strategy. Please note the following about the Program Strategy options:

- If you work with an Advisor, you will be able to select from all the different Program Strategy types so long as your Advisor is eligible under our current internal policies. Certain Advisors may not offer, or be eligible to offer, all of the Program Strategy types or the full suite of investment securities and solutions available in the Program.
- If you work with an MFSA, you will only be able to select the Managed Strategy option for your Account. In addition, not all Style Manager Strategies available in the Program can be offered to Accounts when working with an MFSA.
- You select for your Account the type of Program Strategy that is designed to be most consistent with your investment objectives and approach.
- You must meet the eligibility requirements to select the Premium Access Strategy option.
- You select the 'Authority' type for your Account. 'Authority' refers to the authority to make certain investment and/or trading decisions with respect to the assets in your Account as described in this Brochure. You can retain investment discretion over your Account (Client Discretion Authority) or you can delegate to Merrill and an Advisor (and any members of the Advisor team) the Authority to exercise investment discretion over the investments in your Account and to take certain actions without prior notice to you (Advisor Discretion Authority). In addition, you may also select an investment strategy constructed and managed by an Advisor who is not your Advisor or part of your Advisor's team and thus delegate Authority to that Advisor.
- The following Program Strategy types have Client Discretion Authority in the following ways: (1) Managed Strategy, where you will select the Style Manager Strategy for your Account; (2) Custom Managed Strategy with Client Discretion, where you will select the Style Manager Strategy or Strategies, individual mutual funds and/or ETFs, and a cash allocation for your Account; (3) Premium Access Strategy, where you will select the PAS Style Manager Strategy for your Account; and (4) Personalized Strategy with Client Discretion, where you must authorize the purchase and sale of individual securities for your Account.
- The following Program Strategy types have Advisor Discretion Authority in the following ways: (1) Custom Managed Strategy with Advisor Discretion, where your Advisor will select the Style Manager Strategies, individual mutual funds and/or ETFs, and a cash allocation for your Account; (2) Defined Strategy where your Advisor will select the investments for your Account consistent with a specified investment strategy; and (3) Personalized Strategy with Advisor Discretion, where your Advisor will select the investments for your Account.
- The Program provides access to different types of investment securities but not all investment securities are available in each Program Strategy type.
- The assets in your Portfolio can be allocated to cash at various amounts for one or more investment and/or operational purposes at the same or different times as described throughout this Brochure.
- We determine the manner and extent to which Program Strategy types, Style Manager Strategies, PAS Style Manager Strategies and different investment securities and investment solutions are made available to clients through the Program, including when they may no longer be offered. Under certain circumstances, we determine what strategies or securities will be used as replacement strategies or securities as described below in the descriptions of the various Program Strategy types.
- We may add to or make changes to the Program Strategy types available in the Program at our discretion and, under certain circumstances, we may take action to change the Program Strategy type for your Account prior to receiving your authorization. In such case, we will endeavor to choose a replacement Program Strategy type with an investment style that is consistent with the investment strategy being replaced. The replacement may be subject to higher fees than you had been paying. If you do not instruct us to the contrary, your continued participation in the Program after receiving written notice of any such replacement or other action will be your consent to the action. We will take this outlined action regardless of the Authority that you have chosen for your Program Strategy.
- Your Advisor may offer to different clients the same or similar investment strategy and investment solutions available in the Program depending on such clients' preferences, investment restrictions, tax considerations and other factors and the Advisor may agree to charge a different Program Fee for the Program Services.

Ability to Request Reasonable Investment Restrictions

Other than for an Account that has selected the Premium Access Strategy type, you may request that we impose certain investment restrictions on the management of the assets in your Account. You may request to have different investment restrictions applicable to each of your Accounts. For a restriction to be acceptable under the Program, it must first be determined to be "reasonable" by us (a Reasonable Investment Restriction). If accepted, the Reasonable Investment Restrictions that Merrill or MAA are responsible for managing or implementing in your Account will be included in the Program Report or other periodic Program communications and will be applied until: (1) you take action to change, withdraw or waive the restriction; (2) we determine that it is no longer a Reasonable Investment Restriction based on factors we deem relevant in our discretion, including for example, the level of the security holding percentage in the Style Manager Strategy; or (3) we are no longer able to implement the restriction in our systems due to changes in our systems or changes in the security identifier or symbol, corporate action events, or otherwise. We reserve the right to modify our practices regarding investment restrictions in our sole discretion at any time without notice. Further, we reserve the right to deem any requested investment restriction to be unreasonable and to not accept the requested investment restriction. If one or more investment restrictions are determined to be unreasonable, the restriction will not be applied and you should consider whether to remain in the Program or consider other investment strategies.

Please note that Reasonable Investment Restrictions will not apply to securities that are part of a registered or unregistered investment company, including a mutual fund, money market fund, ETF, closed-end fund, UIT, non-traditional mutual fund or ETF (each, an NTF), Alternative Investment Fund (as defined below) or any other type of pooled vehicle (each, a Fund), or that are part of an annuity product. Along these lines, a client's Reasonable Investment Restriction other than with respect to the purchase of a particular Fund itself would likely not have any practical effect on an Account comprised primarily of Funds or those annuities that provide for Fund investments.

The termination or removal of an Account from the Program will terminate Reasonable Investment Restrictions, and such Restrictions will not be applied to the resulting brokerage account or other account outside of the Program. If you authorize a solicited or unsolicited purchase of a security covered by a Reasonable Investment Restriction, your trade authorization will be considered a waiver by you of the Reasonable Investment Restriction for that trade and security in that Account.

Implementing certain Reasonable Investment Restrictions result in securities in your Account being sold which could result in taxable events. If you elect to impose Reasonable Investment Restrictions, you accept any effect that such Reasonable Investment Restrictions may have on the investment performance and diversification of your Account. The performance of an Account with a Reasonable Investment Restriction will differ from, and may be lower than the performance of, an Account without such restrictions. In addition, your decision to impose a Reasonable Investment Restriction that alters the allocation of any Style Manager Strategy or strategy being implemented in a Defined Strategy or that results in a replacement security exposes you to additional (and potentially unforeseeable) risks that are inconsistent with the objective of your investment strategy.

For Accounts with the Managed Strategy and Custom Managed Strategy Type. Depending on the Style Manager Strategy selected, MAA or the Style Manager for a discretionary Style Manager Strategy or for a Direct Indexing/TEM Style Manager Strategy that has been selected for the Account will determine whether a restriction request is reasonable and how to allocate investments based on an accepted Reasonable Investment Restriction. MAA will allocate the assets that would have been invested in the security impacted by the Reasonable Investment Restriction in one of the following ways: (1) pro-rata across other investments held in the Portfolio or that are part of the Style Manager Strategy; (2) using one or more replacement securities which could include ETFs; and (3) remaining uninvested in cash.

You can request that MAA or a discretionary Style Manager implement available investment screens to restrict investments (1) with a specific identifier (such as a security number or ticker symbol), (2) in certain security types, (3) in companies in certain sectors or industries, (4) in companies that do not meet certain sustainability or impact investing (SII) attributes or characteristics, and/or (5) in fixed income securities that have certain credit ratings and maturities. MAA relies on analyses by third-party providers of investment screens, including those offering sector and industry classification and industry grouping data and SII screens. Neither MAA nor Merrill guarantee or validate third-party screening or processes nor do we conduct an independent review of the underlying nature of the companies' businesses or SII characteristics. The screenings and processes to implement category investment restrictions are not absolute, could change at any time and could result in the Portfolio holding investments in companies that derive revenue from the restricted category. MAA and the Style Manager can use different vendors and/or providers in considering whether restrictions requested by clients are reasonable.

For Accounts with the Defined Strategy and Personalized Strategy Types. Your Advisor managing the Account with these Program Strategy types will make the determination of whether a restriction request is reasonable and how to allocate investments based on an accepted Reasonable Investment Restriction. Please note the ability to request certain types of investment restrictions or screens is limited for Accounts that have these Program Strategy types. Your Advisor may not be able to implement specific types of investment restrictions or utilize the investment screens. If you authorize a solicited or unsolicited purchase of a security covered by a Reasonable Investment Restriction, your trade authorization will be considered a waiver by you of the Reasonable Investment Restriction for that trade and security in that Account.

For Accounts with the Premium Access Strategy Type. You may request that the investment manager with whom you have directly entered into a separate contract for the provision of investment management and advisory services apply certain investment requirements and restrictions, instructions or guidelines or that they follow an investment policy statement (IPS). We are not responsible for implementing any such restriction requests. See "Premium Access Strategy as a Program Strategy Type" below.



Managed Strategy as a Program Strategy Type

Nature of the Program Strategy and Investment Options. With this Program Strategy type, you have the ability to select a single managed investment strategy (Style Manager Strategy) for your Account. A Style Manager Strategy, which is constructed and/or managed by an investment manager (Style Manager), consists of individual securities, other Style Manager Strategies and a cash allocation. Both Advisors and MFSAs can work with Accounts that have selected this Program Strategy type but MFSAs can only offer a subset of the Style Manager Strategies available.

Each Style Manager Strategy available in the Program has been identified by us and approved for the Program. As a general matter, we decide whether to make available or remove particular Style Manager Strategies from the Program based on a variety of factors. These factors include client needs, available investment styles, platform capacity and client demand. We also consider the outcome of due diligence and evaluation reviews conducted by our CIO or conducted by third parties subject to our supervision. For more information, see "Item 6 Portfolio Manager Selection and Evaluation—Selection and Review of Investment Strategies and Funds Available in the Program."

As of March 2025, there are over 900 separate Style Manager Strategies available in the Program. They cover equity, fixed income and hybrid investment strategies and styles. A subset of these Style Manager Strategies are available to you when you work with an MFSA. The list of Style Manager Strategies available in the Program and other information as indicated therein can be found in the *Style Manager Strategy List* and in the *Strategy Catalog for Clients*, both accessible at mymerrill.com/ADV/materials or available from your Advisor or MFSA. The Style Managers, the Style Manager Strategies and the eligibility requirements relating to offering these Style Manager Strategies are subject to change in our discretion at any time without notice.

The Style Manager of the Style Manager Strategy constructs, implements and/or manages its respective managed portfolios and determines the asset classes, security holdings and weightings in the Style Manager Strategy, including any cash allocation. The cash allocation is held as a cash balance and/or invested in cash alternatives such as money market funds as determined by the Style Manager. If no action is taken by a Style Manager, cash balances will automatically be swept under the Cash Sweep Program. The cash allocation can be higher at certain times depending on the nature of the Style Manager Strategy, the asset allocation, the investment determinations, rebalancings, market conditions and the Style Manager's cash management approach and market view and concerns. Some types of Style Manager Strategies include investments that take an extended period of time to purchase due to the type of security, market availability and selection criteria. Until invested, the cash for these investments is typically automatically swept under the Cash Sweep Program or invested in cash alternatives or other investment products as determined by the Style Manager as a temporary investment pending purchase of the individual security. For more information on the treatment of cash balances, see "Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking Related Services" and "Funding and Operation of Accounts—Cash Balances" in this Item 4.

You select the Style Manager Strategy for your Account. Any changes to the Style Manager Strategy for your Account will require your consent because you retain Client Discretion Authority. In the future, Merrill may offer the Managed Strategy type with Advisor Discretion Authority. When available, by selecting this option, you would authorize us or your Advisor to change the Style Manager Strategy for the Account without your consent.

Style Managers. A Style Manager can be a third-party investment manager, Merrill, a Merrill Affiliate, or an entity in which BofA Corp. or its Affiliates have a material ownership interest (a Related Entity). A Style Manager Strategy that is managed or constructed by Merrill, a Merrill Affiliate or a Related

Entity is referred to as a Related Style Manager Strategy. Each third-party Style Manager files its own Form ADV brochure or has an equivalent document that describes their strategy and role and makes available Form ADV Part 2B-Brochure Supplements for its investment professionals providing portfolio management services for the Style Manager Strategies. We make these materials accessible to you at mymerrill.com/ADV/materials. A third-party Style Manager will not ordinarily know your identity and you will not enter into a separate written investment advisory agreement with a Style Manager in order to select a Style Manager Strategy for your Account. Under the Agreement, you have authorized and directed MAA to provide any necessary information about you to a Style Manager as needed to provide the Program Services to you in the Program.

Depending on the particular Style Manager Strategy, the Style Manager can:

- Provide investment recommendations to MAA in the form of model portfolios and investment guidelines and instructions (a model-based Style Manager Strategy).
- Manage and implement its recommendations for the investment portfolio on a full or partial basis (a Discretionary Style Manager Strategy).
- Manage a direct indexing or tax efficient management investment strategy by exercising full investment discretion and providing MAA with its investment directions which involves investing in a selected market index, engaging in opportunistic selling of securities with a loss, investing proceeds in strategy-aligned replacement securities and taking other tax loss harvesting approaches (a Direct Indexing Style Manager Strategy).

A Style Manager can have Style Manager Strategies in our Program that are model-based Style Manager Strategies, discretionary Style Manager Strategies and/or Direct Indexing/TEM Style Manager Strategies. A Style Manager of a discretionary Style Manager Strategy is sometimes referred to as a Discretionary Manager and a Style Manager of a Direct Indexing/TEM Style Manager Strategy is sometimes referred to as a Direct Indexing/TEM Style Manager. A Style Manager can also provide investment managed strategies that are offered as PAS Style Manager Strategies. See "Premium Access Strategy as a Program Strategy Type" below.

Types of Style Manager Strategies. For a *model-based Style Manager Strategy*, the Style Manager provides advisory services under an agreement with MAA by furnishing to MAA investment recommendations for the Style Manager Strategy in the form of model portfolios or other investment guidelines and/or instructions. MAA will generally implement the Style Manager's recommendations without change, subject to the application of any Reasonable Investment Restrictions which MAA has determined to accept as reasonable, cash commitments and other operational or investment considerations, including frequency of rebalancing. MAA may determine, in light of operational or investment considerations in its sole discretion, to deviate from the model portfolio on a limited basis (*i.e.*, to select another security or increase the cash allocation within a model portfolio). By selecting a model-based Style Manager Strategy, as provided in the Agreement, you grant MAA investment discretion and trading authority for investments occurring in that Style Manager Strategy. Through this authority, MAA has complete and full trading authority to invest, reinvest, purchase, sell, exchange, convert and otherwise trade assets, without any prior notice. This authority will remain in place until we have received and accepted instructions to either change the Style Manager Strategy or terminate the Account from the Program. Certain Style Managers with model-based Style Manager Strategies may place trades themselves after consulting with MAA. In this case, you grant the Style Manager trading authority on a partial basis for certain investments. In these situations, the Style Manager is considered a Discretionary Manager for trading authority only for the Account.

For a *Discretionary Style Manager Strategy*, by agreement with the Discretionary Manager, MAA arranges for investments to be implemented within your Account directly by the Discretionary Manager. The Discretionary Manager executes trades through Merrill or a Merrill Affiliate or through a broker or dealer other than Merrill or a Merrill Affiliate (an Unaffiliated Trade Counterparty). MAA does not exercise investment or trading discretion or responsibility for implementing investment or trade execution decisions other than implementing any Reasonable Investment Restrictions in your Account. By selecting a Style Manager Strategy with a Discretionary Manager for an Account, as provided in the Agreement, you grant the Discretionary Manager investment discretion and trading authority for investments occurring in the Account. Through its trading authority, the Discretionary Manager has complete and full trading authority to invest, reinvest, purchase, sell, exchange, convert and otherwise trade assets, without any prior notice. This authority will remain in place until we have received and accepted instructions to either change the Style Manager Strategy or terminate the Account from the Program. Certain Style Managers will respond to requests for customization such as state specific or state preference, credit quality maturity or duration and sector and employ those on a best efforts basis and subject to certain limitations as described in the Style Manager Strategy Profile. MAA is not responsible for implementing any such customization requests. The Discretionary Manager has the authority to determine whether a requested restriction is reasonable for their Discretionary Style Manager Strategy and MAA and the Discretionary Manager may use different vendors and/or providers in considering whether restrictions requested by clients are reasonable.

For a *Direct Indexing/TEM Style Manager Strategy*, the Direct Indexing/TEM Style Manager provides to MAA its investment decisions and related transaction orders that it determines meets the objective of its Direct Indexing/TEM Style Manager Strategy. By selecting this type of managed strategy, as provided in the Agreement, you grant the Style Manager investment discretion for investments and you grant MAA full trading authority for implementing the investment directions of the Style Manager. Through this authority, MAA has complete and full trading authority to invest, reinvest, purchase, sell, exchange, convert and otherwise trade assets without any prior notice. This authority will remain in place until we have received and accepted instructions to either change the Direct Indexing/TEM Style Manager Strategy or terminate the Account from the Program. MAA will implement any Reasonable Investment Restrictions accepted by the Direct Indexing/TEM Style Manager as reasonable and will manage cash commitments and other considerations within the Account. Any tax efficient management activities or loss harvesting that takes place in the Direct Indexing/TEM Style Manager Strategy will only take into consideration the investments and trading activity in the Account holding the Direct Indexing/TEM Style Manager Strategy. There are other risks and limitations associated with these types of Style Manager Strategies. See "Item 4 Tax Matters" below and the description of the Direct Indexing/TEM Style Manager Strategy in the respective Profile. Please note that Direct Indexing/TEM Style Manager Strategies are separate and distinct from other types of tax-related strategies or services available through the Program, such as the Tax Efficient Overlay Management Services, the Tax Efficient Transition Service and those Style Manager Strategies that are described by the Style Manager as being "tax aware."

Use of Manager-Related Funds in a Style Manager Strategy. A Style Manager may construct or provide model recommendations for a Style Manager Strategy that utilizes Funds. These Funds may include those that are sponsored or advised by the Style Manager or its Affiliates (Manager-Related Funds). The Style Manager typically views certain types of Manager-Related Funds it includes in the Style Manager Strategy as an integral part of its investment strategy and that there are no appropriate substitutions that can be utilized as replacements. Therefore, MAA implements the investment advice from the Style Manager as to the inclusion of these types of Manager-Related Fund in model-based Style Manager Strategies without change other than as a result of withdrawal requests and rebalancing. Merrill does consider whether the Style Manager Strategy uses these types of Manager-Related Funds as one of

the factors in deciding whether to make available or remove particular Style Manager Strategies from the Program. Note that these Manager-Related Funds have no internal advisory or distribution fees (but do have certain ongoing expenses) and may not be held outside of the particular Style Manager Strategy.

Style Manager Strategy Fees. Generally, you will pay a Style Manager Fee as part of your Program Fee, which will be used to compensate the Style Manager. Any fee paid to a Style Manager will vary depending on, among other factors, the particular investment style or approach and the type of securities included in the investment strategy. The Style Manager Rate for the Style Manager Strategy is reflected in the Style Manager Strategy Profile (as discussed in the section "Style Manager Strategy Profiles" below). Most Style Manager Strategies have a single fee rate; some Style Manager Strategies have a tiered rate schedule. The *Style Manager Strategy List* (accessible at mymerrill.com/ADV/materials and available from your Advisor) provides information as indicated therein about the Style Manager Fee Rates associated with the Style Manager Strategies.

You can invest in Related Style Manager Strategies that charge a Style Manager Fee and those that do not. We reserve the right, with prior written notice, to charge a Style Manager Fee for any Related Style Manager Strategy. There are conflicts of interest when we or your Advisor or MFSA selects or assists you in the selection of a Related Style Manager Strategy that charges a Style Manager Fee. See Item 9 at the section "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."

There are third-party Style Manager Strategies and Merrill-constructed Style Manager Strategies that include an allocation to one or more other Style Manager Strategies. The applicable Style Manager Rate for such a Style Manager Strategy will be a blended rate that will include the Style Manager Rate on the pro rata portion of the Account assets allocated to the constituent Style Manager Strategy or Strategies. See "The Program Fee and Other Charges—Style Manager Fee Component of the Program Fee" in this Item 4 for more information.

Certain third-party Style Managers have Style Manager Strategies for which they do not charge a Style Manager Fee. These Style Managers allocate a significant percentage of their Style Manager Strategies to investment strategies, mutual funds and/or ETFs for which they and/or their Affiliates serve as the investment manager and as to which they (or their Affiliates) receive compensation that presents a conflict of interest for the Style Manager. Where a Style Manager receives a Manager Fee and utilizes a Manager-Related Fund that is charged a fund management fee by the Style Manager or its Affiliate, Merrill will work with the Style Manager to provide a rebate of the fund management fees paid in respect of the Manager-Related Fund holdings as against the Manager Fee. See "Item 4 Funding and Operation of Accounts—Holding Funds in your Account" and "Compensation, Conflicts of Interest and Material Relationships—Affiliated Investments of a Style Manager or a PAS Manager" in Item 9.

Style Manager Strategy Profiles. We make available information about each Style Manager Strategy through a document known as a "Profile." The Profile will describe the relevant objectives, styles and risks of the particular strategy as well as its minimum investment amounts and its Style Manager Rate. It will also describe the roles of the Style Manager and MAA in implementing the Style Manager Strategy. The Profile will typically include performance history and data as indicated in the Profile. For model-based and Direct Indexing/TEM Style Manager Strategies that are implemented by MAA, the Profile will include actual composite performance data developed by MAA in its implementation of the Style Manager Strategy. Where the MAA composite data is not available in order to present ten years of performance history, the Profile typically includes available composite performance data provided by the Style Manager related to its implementation of the Style Manager Strategy with Program Accounts and/or non-Program accounts that the Style Manager manages. For Discretionary Style Manager Strategies, the Profile will include its performance history and data provided to Merrill by the Discretionary Manager.

Style Managers have the obligation to establish and maintain each Style Manager Strategy in the manner generally described in the then-current Profile and to provide us notice on a timely basis of any changes made. We cannot guarantee the accuracy or consistency of the information contained in the Profiles but we obtain periodic confirmations from the Style Managers to help us confirm they continue to be materially accurate and complete.

MAA's Role and Authority. MAA has authority to make certain investment and trading decisions including:

- Implementing, as applicable, the model-based recommendations or other investment guidelines and/or instructions of the Style Manager for a model-based Style Manager Strategy.
- Implementing investment decisions and related trade orders for Direct Indexing/TEM Style Manager Strategies as directed by the Style Manager.
- Processing all contributions including initial and any subsequent cash deposited in the Account, withdrawal requests and Account terminations.
- Periodically rebalancing Accounts for a Style Manager Strategy as further described below.
- Implementing your Reasonable Investment Restrictions, if any, described in the section "Ability to Request Reasonable Investment Restrictions."
- Implementing your tax-selling instructions (if any) where acceptable to MAA, as further described in the section "Tax Matters."
- Implementing the TEM Overlay Services and/or the TET Service if these services have been selected by you for the Account as described in the section "Optional Account Services."

Merrill and MAA are authorized and directed by you to sell promptly any investments you contribute that are not eligible or not acceptable for a Program Service or a Style Manager Strategy.

Certain Style Manager Strategies have target allocations and are subject to automatic rebalancing on a periodic basis. Others are dynamically managed and are not subject to periodic rebalancing in the same manner. In light of other considerations in an Account, MAA can effect rebalancing and other transactions even though they may generate tax liabilities, including short-term taxable income. In its discretion, MAA may decide not to process certain rebalancing transactions. Delays in the processing of any rebalancing activities that MAA undertakes can occur from time to time, based on, among other things, market conditions, illiquid securities or those with limited subscription and redemption schedules, as well as the availability of Funds and other factors.

MAA arranges for trades to be executed through Merrill or a Merrill Affiliate and may arrange for trades to be executed through an Unaffiliated Trade Counterparty. In its discretion and subject to legal requirements, MAA may utilize its Affiliates and third party vendors for investment, trading and administrative support.

MAA generally takes necessary actions consistent with implementing a Style Manager Strategy, including for any investments subject to regulatory limitations and restrictions and related internal policies applicable to us and our Affiliates' overall investment activities described further in the section "Activity by Merrill, Affiliates and Personnel."

Replacing a Style Manager Strategy. Changes to a previously selected Style Manager or Style Manager Strategy can occur due to: (1) your instruction to replace a Style Manager Strategy or (2) Merrill or a Style Manager closing a Style Manager Strategy or terminating a Style Manager from the Program for any reason. Where Merrill determines to close a Style Manager Strategy to new investments and/or additional contributions or otherwise require a Style Manager Strategy held by investors to be replaced, Merrill may (1) replace the identified Style Manager Strategy with another Style Manager Strategy selected by us; (2) maintain current positions in the identified Style Manager Strategy and invest any new contributions and sale or redemption proceeds in a replacement Style Manager Strategy selected by us; and/or (3) maintain in cash any new contributions or sale or redemption proceeds relating to the identified Style Manager Strategy until a replacement is chosen by us or you direct us to invest in another Style Manager Strategy. MAA is responsible for implementing our decisions and related actions.

If we determine to replace the identified Style Manager Strategy, we will endeavor to choose a replacement with an investment style that is consistent with the identified Style Manager Strategy. The replacement may be subject to higher fees than you had been paying. If you do not instruct us to the contrary, your continued participation in the Program after receiving written notification of any such replacement or other action will be your consent to the action. If you hold the identified Style Manager Strategy, we generally will provide you with notice of any discontinuation, closing or replacement event prior to it taking place. We, however, may provide you with notice of such event after we have already taken action. Having the flexibility to act quickly helps us take action where we believe the replacement and its timing are in clients' best interest.

Registered Fund Prospectus Delivery. When a fund that is registered under the Investment Company Act of 1940 (Registered Fund) is purchased for an Account that has selected the Managed Strategy, the firm with discretionary Authority in connection with managing the Account (which could be either Merrill, MAA, a Discretionary Manager or a Direct Indexing/TEM Style Manager, as relevant) is authorized to receive the Registered Fund prospectus in lieu of it being automatically delivered to you. This is because by choosing a Style Manager Strategy, you grant discretionary authority relating to the investments in your Account and authorize such delivery on your behalf in the Agreement. If you would like a copy of the Registered Fund prospectus, you may obtain one by contacting your financial advisor who will arrange for it to be sent to you free of charge. Notwithstanding the foregoing, Merrill may continue to send the Registered Fund prospectus to you in its sole discretion.



Custom Managed Strategy as a Program Strategy Type

Nature of the Program Strategy and Investment Options. For a Custom Managed Strategy, you can group one or more Style Manager Strategies, mutual funds, ETFs and/or a cash allocation together in a single Account. MFSAs are not eligible to offer this Program Strategy type.

A Custom Managed Strategy can consist of one or more Style Manager Strategies, mutual funds and/or ETFs. It can also consist solely of mutual funds and/or ETFs or solely of Style Manager Strategies. We may add or change the types of securities, including the Style Manager Strategies, mutual funds and ETFs, that can be grouped in a Custom Managed Strategy as well as the eligibility rules relating to this Program Strategy type in our discretion at any time without notice.

The Style Manager Strategies, mutual funds and ETFs that can comprise a Custom Managed Strategy have been identified by us and approved for inclusion in the Program. As a general matter, we decide whether to include or to remove particular Style Manager Strategies, mutual funds and ETFs for investment in the Program based on a variety of factors, including client needs, available investment styles, platform capacity, client demand and the outcome of due diligence and evaluation reviews conducted by the CIO or conducted by third parties subject to our supervision. For more information, see "Item 6 Portfolio Manager Selection and Evaluation—Selection and Review of Investment Strategies and Funds Available in the Program."

A Custom Managed Strategy can be constructed by you or your Advisor to have a cash allocation for investment purposes. It will include at a minimum an allocation to cash for operational and implementation purposes. The cash allocation is held as a cash balance and/or invested in cash alternatives available for your Account, such as money market funds. If no action is taken by you or your Advisor, cash balances will be automatically swept under the Cash Sweep Program. The cash allocation can be higher at certain times depending on the nature of the investment approach, the asset allocation, the investment determinations, rebalancings, market conditions, and your or your Advisor's cash management approach and market view and concerns. For more information on the Cash Sweep Program and cash balances, see "Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking-Related Services" and "Funding and Operation of Accounts—Cash Balances" in this Item 4.

The information in "Managed Strategy as a Program Strategy Type" above applies to a Style Manager Strategy included in a Custom Managed Strategy. Direct Indexing/TEM Style Manager Strategies and PAS Style Manager Strategies are not eligible to be part of a Custom Managed Strategy. You will pay the applicable Style Manager Fee for the Style Manager Strategy component of your Custom Managed Strategy. See "Managed Strategy as a Program Strategy Type—Style Manager Strategy Fees" and "The Program Fee and Other Charges—Style Manager Fee Component of the Program Fee" in this Item 4 for more information.

Investment Discretion and Trading. You can select the Custom Managed Strategy with Advisor Discretion as the Authority type. This is where you delegate the discretion to Merrill through your Advisor. Your Advisor selects the Style Manager Strategy or Strategies (which can include a Related Style Manager Strategy), mutual funds, ETFs and/or cash and cash alternatives, assigns a corresponding allocation percentage (including as to the cash allocation) and determines the rebalancing frequency. Any changes will not require your consent, because by choosing this Program Strategy type, you grant to Merrill and MAA the Authority to select and implement these investment decisions consistent with your investment objective.

You may also select the Custom Managed Strategy with Client Discretion as the Authority type. This is where you retain the discretion as to certain actions. With the assistance of your Advisor, you select with the investments (Style Manager Strategies, mutual funds and/or ETFs) and/or cash and cash alternatives that are part of the Custom Managed Strategy, assign a corresponding allocation percentage (including as to the cash allocation) and determine the rebalancing frequency. Any change will require your consent because you retain the investment Authority.

MAA's Role and Authority. MAA has authority to make certain investment and trading decisions including:

- Implementing, as applicable, the model-based recommendations or other investment guidelines and/or instructions of the Style Manager for a model-based Style Manager Strategy.
- Processing all contributions (including initial and any subsequent cash deposited in the Account), withdrawal requests and Account terminations.
- Periodically rebalancing Accounts as described further below.

- Implementing your Reasonable Investment Restrictions, if any, as described further in the section "Ability to Request Reasonable Investment Restrictions."
- Implementing your tax-selling instructions (if any) where acceptable to MAA, as described further in the section "Tax Matters."
- Implementing the TEM Overlay Services and/or the TET Service if these services have been selected by you for the Account as described below in the section "Optional Account Services".

Merrill and MAA are authorized and directed by you to sell promptly any investments you contribute that are not eligible or not acceptable for a Program Service or a Style Manager Strategy.

MAA rebalances an Account in a Custom Managed Strategy approximately to the selected allocation among the components of the Custom Managed Strategy and at the frequency selected by you or your Advisor depending on the Authority type. In addition, certain Style Manager Strategies that are part of the Custom Managed Strategy have target allocations and are subject to automatic rebalancing on a periodic basis. Other Style Manager Strategies are dynamically managed and are not subject to rebalancing in the same manner. In light of other considerations in an Account, MAA can effect rebalancing and other transactions even though they may generate tax liabilities, including short-term taxable income. In its discretion, MAA may decide not to process certain rebalancing transactions. In addition, delays in the processing of any rebalancing may be caused by market conditions, illiquid securities, securities with limited subscription and redemption schedules, as well as the availability of Funds and other factors.

MAA arranges for trades to be executed through Merrill or a Merrill Affiliate and may arrange for trades to be executed through an Unaffiliated Trade Counterparty. In its discretion and subject to legal requirements, it may utilize its Affiliates and third party vendors for investment, trading and administrative support.

MAA generally takes necessary actions consistent with implementing an Account's allocation and rebalancing and a Style Manager Strategy component, including for any investments subject to regulatory limitations and restrictions and related internal policies applicable to us and our Affiliates' overall investment activities described further in the section "Activity by Merrill, Affiliates and Personnel."

Replacing a Style Manager Strategy, Mutual Fund or ETF that is Part of the Custom Managed Strategy. Changes to a previously selected Style Manager Strategy, mutual fund or ETF can occur due to: (1) your instruction to replace a Style Manager Strategy, mutual fund or ETF; (2) Merrill or a Style Manager or fund manager closing a Style Manager Strategy, mutual fund or ETF for any reason; or (3) where the Custom Managed Strategy is with Advisor Discretion, your Advisor replacing a Style Manager Strategy, mutual fund or ETF.

Where Merrill determines to close a Style Manager Strategy, a mutual fund or ETF to new investments and/or additional contributions or otherwise require a particular Style Manager Strategy, mutual fund or ETF to be replaced, Merrill may (1) replace the identified Style Manager Strategy, mutual fund or ETF with another Style Manager Strategy, mutual fund or ETF selected by us; (2) maintain current positions in the identified Style Manager Strategy, mutual fund or ETF and invest any new contributions and sale or redemption proceeds in a replacement Style Manager Strategy, mutual fund or ETF selected by us; and/or (3) maintain in cash any new contributions and sale or redemption proceeds for the identified Style Manager Strategy, mutual fund or ETF until a replacement is chosen by us or you direct us to invest in another Style Manager Strategy, mutual fund or ETF. MAA is responsible for implementing our decisions and related actions.

If we determine to replace the identified Style Manager Strategy, mutual fund or ETF, we will endeavor to choose a replacement with an investment style that is consistent with the identified Style Manager Strategy, mutual fund or ETF being replaced. The replacement may be subject to higher fees than you had been paying. If you do not instruct us to the contrary, your continued participation in the Program after receiving written notification of any such replacement or other action will be your consent to the action. We will take this outlined action regardless of the Authority that you have chosen for your Program Strategy. If you have selected the Custom Managed Strategy with Client Discretion to apply to your Account, we generally will provide you with notice of any discontinuation, closing or replacement event prior to it taking place; however, it is possible that we will provide you with notice of such event after we have already taken action.

Registered Fund Prospectus Delivery. Where you have selected a Custom Managed Strategy with Advisor Discretion, when an eligible Registered Fund is purchased, the firm with discretionary Authority relating to that investment (which could be either Merrill, MAA, a Discretionary Manager, or a Direct Indexing/TEM Style Manager, as relevant) is authorized to receive the Registered Fund prospectus in lieu of it being automatically delivered to you. This is because by choosing this Program Strategy type, you grant discretionary authority relating to the investments in your Account and authorize such delivery on your behalf in the Agreement. If you would like a copy of the Registered Fund prospectus, you may obtain one by contacting your Advisor who will arrange for it to be sent to you free of charge. Notwithstanding the foregoing, Merrill may continue to send the Registered Fund prospectus to you in its sole discretion. Where you have selected a Custom Managed Strategy with Client Discretion, you retain discretionary Authority to select and implement the investments in the Account, including Registered Funds. Therefore, we will arrange for you to receive the relevant Fund prospectus and the foregoing delivery approach does not apply.



Premium Access Strategy as a Program Strategy Type

Nature of the Program Strategy. This Program Strategy type is a dual contract approach to selecting an investment strategy and management of the Account. You must meet certain eligibility requirements to be able to select this Program Strategy type for your Account. Client eligibility and minimum investment requirements are established by Merrill and the PAS Manager in their discretion and can change from time to time. MFSAs are not eligible to offer this Program Strategy type.

A PAS Style Manager Strategy, which is constructed and managed by an investment adviser (PAS Manager), consists of specific securities, other managed investment strategies and/or a cash allocation. As of March 2025, there are over 100 PAS Style Manager Strategies available in the Program. The PAS Style Manager Strategies available in the Program are listed in the *Style Manager Strategy List* and in the *Strategy Catalog for Clients*, both accessible at mymerrill.com/ADV/materials and available from your Advisor. The PAS Style Manager Strategies include those that are characterized as Direct Indexing/TEM Strategies. Certain PAS Style Manager Strategies may be the same as or substantially similar to other Style Manager Strategies that can be selected in the Program or managed strategies in other Merrill investment advisory programs. Depending on the PAS Manager Rate that you agree to with the PAS Manager, the PAS Manager Rate may be higher or lower than the rate charged to access those other Style Manager Strategies or managed investment strategies.

Each PAS Style Manager Strategy available in the Program has been identified by us and approved for the Program. As a general matter, we decide whether to make available or remove a particular PAS Style Manager Strategy from the Program based on a variety of factors. These factors include client needs, available investment styles, platform capacity and client demand. We also consider the outcome of due diligence and evaluation reviews conducted by the CIO or conducted by third parties subject to our supervision. For more information, see "Item 6 Portfolio Manager Selection and Evaluation—Selection and Review of Investment Strategies and Funds Available in the Program."

A PAS Manager constructs, implements and manages its respective managed portfolios and determines the asset classes, security holdings and weightings in the PAS Style Manager Strategy itself on a fully discretionary basis and with full trading authority, including any cash allocation. The cash allocation is held as a cash balance and/or invested in cash alternatives such as money market funds as determined by the PAS Manager. The cash allocation will be higher at certain times depending on the nature of the PAS Style Manager Strategy, the asset allocation, the investment determinations, rebalancings, market conditions and the PAS Manager's cash management approach and market view and concerns. If no action is taken by the PAS Manager, cash balances will automatically be swept under the Cash Sweep Program. Some types of PAS Style Manager Strategies include investments that take an extended period of time to purchase due to the type of security, market availability and selection criteria. Until invested, the cash for these investments is typically automatically swept under the Cash Sweep Program or invested in cash alternatives or other investment products as determined by the PAS Manager as a temporary investment pending purchase of the individual security. For more information on the treatment of cash balances, see "Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking-Related Services" and "Funding and Operation of Accounts—Cash Balances" in this Item 4.

A PAS Manager can be a third-party investment manager, a Merrill Affiliate or a Related Entity. Each third-party PAS Manager files a Form ADV brochure or has an equivalent document that describes their strategy and role. It is the obligation of the PAS Manager to provide its Form ADV brochure and other disclosures to its clients. The materials provided to us by the PAS Manager are included at mymerrill.com/ADV/materials for your convenience.

Once PAS Style Manager Strategy is selected for your Account, your Advisor will assist and facilitate discussions with the PAS Manager over the terms of the investment management relationship. To obtain the PAS Style Manger Strategy for your Account, you must enter into a separate investment management contract directly with the PAS Manager (PAS Manager/Client Contract) which sets forth the terms and conditions under which the PAS Manager will provide discretionary managed strategies and related investment advisory and trading services (PAS Manager Services). Upon confirmation from the PAS Manager that the PAS Manager/Client Contract has been executed and upon the funding of the Account as required, Merrill will arrange for the implementation of the PAS Style Manager Strategy in the Account by the PAS Manager and provide Program Services under the Agreement.

Investment Discretion and Trading Authority. In the PAS Manager/Client Contract with the PAS Manager, you grant the PAS Manager investment discretion and trading authority for investments occurring in such PAS Style Manager Strategy. Through that discretion, the PAS Manager will have complete and full investment and trading authority to invest, reinvest, purchase, sell, exchange, convert and otherwise trade assets, without any prior notice. This discretionary investment and trading authority granted to the PAS Manager will remain in place until we have received and accepted instructions from you to either change the PAS Style Manager Strategy, move the Account to a different Program Strategy type or terminate the Account from the Program. Any changes to this Program Strategy type or PAS Style Manager Strategy for your Account will require your consent.

By agreement with the PAS Manager, Merrill arranges for investments to be implemented within the client's Account directly by the PAS Manager. Merrill, by itself or with its Affiliates, will facilitate the investment by the PAS Manager of any initial and any subsequent cash and securities deposited in the Account and process all contributions, withdrawal requests and Account terminations. MAA is not responsible for any of the services provided under the Program through the Premium Access Strategy type. Furthermore, Merrill and MAA do not have discretionary authority or control with respect to the Account or have any authority to make investment and trading decisions related to Accounts with a PAS Style Manager Strategy. Neither Merrill nor MAA assume responsibility for the actions of a PAS Manager and the PAS Style Manager Strategies, including its investment performance, adherence to investment objectives and to any Accepted Investment Instructions (as defined below), compliance with applicable laws or regulations or other matters within the PAS Manager's control. Neither Merrill nor MAA monitor transactions directed by the PAS Manager for compliance with any applicable restrictions or requirements even where we or an Affiliate execute the transactions.

Merrill and MAA are not "investment managers" within the meaning of ERISA as a result of the Program Services provided to an Account that has selected a PAS Style Manager Strategy. Further, neither Merrill nor MAA renders advice on a regular basis pursuant to a mutual agreement, arrangement or understanding that such advice shall serve as a primary basis for investment decisions with respect to the Account.

From time to time, a PAS Manager may request that we provide them with information about the client and the Account enrolled in their PAS Style Manager Strategy, including about the investment profile for the Account and trade positions. The selection of a PAS Style Manager Strategy is deemed to be your consent to our providing that information. The consent can be revoked by changing to a different Program Strategy type.

Investment Requirements or Instructions. You can request that the PAS Manager apply certain investment requirements, instructions or guidelines or follow an IPS. You must communicate any such requests and instructions to the PAS Manager. It is the PAS Manager that determines whether the requested investment requirements, instructions or guidelines or an IPS are reasonable and whether to agree to apply them to the investment strategy at its discretion (Accepted Investment Instructions). It is your responsibility to monitor any such Accepted Investment Instructions and review them with the PAS Manager and advise it of any discrepancies or modifications to them. The PAS Manager is responsible for communicating, implementing, complying with and monitoring the Accepted Investment Instructions that are part of the PAS Manager/Client Contract. Neither Merrill, MAA nor your Advisor have any responsibility to monitor or manage to your Accepted Investment Instructions or otherwise. You accept any impact that any such Accepted Investment Instructions have on the investment performance and diversification of your Account. Your decision to request and have apply Accepted Investment Instructions that alter the allocation of a managed investment strategy or that require investment in a replacement security may result in exposure to additional (and potentially unforeseeable) risks that are inconsistent with the objective of your investment strategy.

Use of Manager-Related Funds in a PAS Style Manager Strategy. The PAS Manager can utilize Manager-Related Funds in its PAS Style Manager Strategy. Note that these Manager-Related Funds have no internal advisory or distribution fees (but do have certain ongoing expenses) and may not be held outside of the particular PAS Style Manager Strategy. The PAS Manager typically views these as an integral part of its investment strategy with no appropriate substitutions that can be utilized as replacements. Where a PAS Manager receives a Manager Fee and utilizes a Manager-Related Fund that is charged a fund management fee, Merrill will work with the PAS Manager to provide a rebate of the fund management fees paid in respect of the

Manager-Related Fund holdings as against the PAS Manager Fee. See "Item 4 Funding and Operation of Accounts—Holding Funds in your Account" and "Compensation, Conflicts of Interest and Material Relationships—Affiliated Investments of a Style Manager or a PAS Manager" in Item 9.

PAS Style Manager Fee. Generally, you will pay a PAS Manager Fee to compensate the PAS Manager for the investment management services it provides under the PAS Manager/Client Contract. The PAS Manager Fee will be included as a component of the Program Fee charged. See "Item 4 The Program Fee and Other Charges" for more information. The PAS Manager Fee is determined by reference to the PAS Manager Rate, a negotiated rate that is agreed to by the client and the PAS Manager in their respective discretion and that is reflected in their PAS Manager/Client Contract. The PAS Manager has complete discretion in determining the PAS Manager Rate, including whether to charge, waive or discount the rate. It will take into account any number of factors or criteria, including, among others, the nature of the PAS Style Manager Strategy, the size of the investment in the PAS Style Manager Strategy, the complexity of the Accepted Investment Instructions requested for the Account, any custom services provided by the PAS Manager, the PAS Manager's own competitive considerations, the size of the client's assets and anticipated investment opportunity, the client's household assets, the client's relationship with the PAS Manager, Merrill's relationship with the PAS Manager, the breadth of the client's relationship with Merrill and/or with other financial institutions with which the PAS Manager does business. At any time, the PAS Manager can decide to no longer consider these criteria in determining its PAS Manager Rate for a client. The *Style Manager Strategy List* (accessible at mymerrill.com/ADV/materials and available from your Advisor) and the Profile for the PAS Style Manager Strategy provides the maximum PAS Manager Fee Rate associated with the PAS Style Manager Strategy.

The PAS Manager informs Merrill of the agreed-upon PAS Manager Rate in the form required by Merrill. We will include the PAS Manager Rate in the Program Report provided to you upon enrollment in the Program Strategy and, when informed by the PAS Manager, upon any change in such rate. Merrill will pay the PAS Manager the PAS Manager Fee it collects on a monthly basis.

PAS Style Manager Strategy Profiles. We make available information about each PAS Style Manager Strategy through the Profile. The Profile will describe the relevant objectives, styles and risks of the particular PAS Style Manager Strategy as well as the minimum investment amount and the maximum PAS Manager Fee Rate associated with the PAS Style Manager that can be charged. The Profile will typically include performance history, data and other information provided by the PAS Manager. The PAS Manager has the obligation to establish and maintain its PAS Style Manager Strategies in the manner generally described in the then-current Profile and to provide us notice on a timely basis of any changes made. We cannot guarantee the accuracy or consistency of the information from the PAS Managers contained in the Profiles but we obtain periodic confirmations from the PAS Managers to help us confirm they continue to be materially accurate and complete.

Replacing a PAS Style Manager Strategy. Changes to a previously selected PAS Manager or PAS Style Manager Strategy can occur due to: (1) the client's instruction to replace or terminate a PAS Style Manager Strategy; (2) Merrill terminating a PAS Style Manager from the Program or closing a particular PAS Style Manager Strategy; or (3) a PAS Manager terminating its participation in the Program or closing their PAS Style Manager Strategy to their clients. A client may change or terminate a PAS Style Manager Strategy for any reason by complying with our procedures for PAS Style Manager Strategy changes and termination. Where Merrill determines to close a PAS Style Manager Strategy, Merrill generally will provide notice of any discontinuation, closing or termination event prior to it taking place. It is possible, however, that notice of such event will be provided after the action has already been taken. In the event of a discontinuation or closing to new investment event, Merrill can take action in its discretion to hold any cash contributions or sale or redemption proceeds in cash until you provide Merrill with instructions. If Merrill determines to close a PAS Style Manager Strategy and is not provided with prior alternative instructions by you, Merrill will terminate the enrollment of the Account in the Program and the Account will typically revert to a brokerage account.

Registered Fund Prospectus Delivery. Where a PAS Manager purchases an eligible Registered Fund for the PAS Style Manager Strategy selected for an Account, the PAS Manager is authorized to receive the Registered Fund prospectus in lieu of it being automatically delivered to the client. This is because by choosing the Premium Access Strategy as the Program Strategy type for the Account, the client grants the PAS Manager discretionary authority relating to the investments in the Account and authorizes such delivery. A copy of the Registered Fund prospectus can be obtained by contacting the PAS Manager.



Defined Strategy as a Program Strategy Type

Nature of the Strategy and Investment Options. A Defined Strategy is one where your Advisor (or one you select) constructs, selects and manages an investment portfolio of individual securities and a cash allocation to meet a specified investment style or discipline. In constructing the Defined Strategy, the Advisor may purchase different types of securities or investments, including equity securities, fixed income securities, brokered CDs, mutual funds, ETFs, money market funds, NTFs and certain types of Alternative Investments.

The mutual funds, ETFs, NTFs and eligible Alternative Investments available for investment in a Defined Strategy are those that have been approved for inclusion in the Program; see "Item 6 Portfolio Manager Selection and Evaluation—Selection and Review of Investment Strategies and Funds Available in the Program." Securities that are eligible to be part of a Defined Strategy may change over time as determined by us in our discretion. We may decide to discontinue offering a type of investment product and/or close a particular investment product to new investments and/or additional contributions from existing investors and you will not necessarily be provided with prior notice of any such discontinuation or termination.

The cash allocation for the Defined Strategy is held as a cash balance and/or invested in cash alternatives such as money market funds as determined by the Advisor. If no action is taken by your Advisor, cash balances will be automatically swept under the Cash Sweep Program. The cash allocation will be higher at certain times depending on the nature of the investment style or discipline of the Defined Strategy, the asset allocation, the investment determinations, rebalancings, market conditions and the Advisor's cash management approach and market view and concerns. Some types of investments take an extended period of time to purchase due to the type of security, market availability and selection criteria. Until invested, the cash for these investments is typically automatically swept under in the Cash Sweep Program or invested cash alternatives or other investment products as determined by the Advisor as a temporary investment pending purchase of the individual security. For more information on the treatment of cash balances, see "Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking-Related Services" and "Funding and Operation of Accounts—Cash Balances" in this Item 4.

Only Advisors that meet certain eligibility requirements can offer this Program Strategy type to their clients. Advisors must be approved to participate in this Program Strategy type and to manage assets subject to different Program investment policies and guidelines depending on Advisor qualifications within this Program Strategy type. See Item 6 "Portfolio Manager Selection and Evaluation—Advisory Services Provided by Merrill, its Advisors and Certain Affiliates." You may choose to select a Defined Strategy that is managed by an Advisor who is not your Advisor or part of the team of Advisors primarily

responsible for your relationship with Merrill. In that case, that Advisor selected to manage your assets under a Defined Strategy will be responsible for implementing the Defined Strategy. MFSAs are not eligible to offer this Program Strategy type.

Investment Discretion and Trading Authority. A Defined Strategy is managed with Advisor Discretion Authority. We, through the Advisor, have investment and trading discretion (including as to rebalancing) over the assets in your Account. This discretion empowers the Advisor to make investment and trading decisions with respect to those assets without contacting you. By choosing a Defined Strategy for your Account, you grant to us the authority to trade your investments and to select and implement any change to investments, asset allocation, or rebalancing within the same investment objective. Additionally, where your Advisor is a member of a team of Advisors, other members of that team may also exercise discretion over certain investment decisions made in your Account. The Advisor may make changes to the Defined Strategy used to manage your Account based on various factors, including market conditions.

Defined Strategy Review Process. Defined Strategies are subject to our review and evaluation. In certain circumstances, we may terminate the Defined Strategy offered by an Advisor or the Defined Strategy will no longer be available for an Account. Generally, in such a situation, we will work with you to recommend an alternate investment solution, but, under certain circumstances, we may determine to select a replacement Program Strategy type and/or a Style Manager Strategy or Strategies for your Account that we believe to be in your best interest. A Style Manager Rate will apply for any replacement Style Manager Strategy selected and the Style Manager could be Merrill, one of our Affiliates or a third party investment manager. The replacement may be subject to higher fees than you had been paying. We generally will provide you with notice of any discontinuation, closing or replacement event prior to it taking place. We, however, may provide you with notice of such event after we have already taken action. Having the flexibility to act quickly helps us take action where we believe the replacement and its timing are in clients' best interest. If you do not instruct us to select a different replacement or change to a different type of Program Strategy, your continued participation in the Program after receiving written notice of the replacement will be your consent to the replacement selected. If there is no acceptable alternative to the terminated Defined Strategy or your Account is not eligible for the selected replacement, we may elect to terminate your Account from the Program.

Defined Strategy Profile. Where available, your Advisor will provide you a Profile for the Defined Strategy being followed which provides general information, asset allocation and top holdings. Not all Advisors prepare a Profile for the Defined Strategy that they implement. If provided, these Profiles are typically updated quarterly to include performance information as of the most recent quarter-end and can be obtained from your Advisor upon request.

Registered Fund Prospectus Delivery. When an eligible Registered Fund is purchased as part of the Defined Strategy, we are authorized to receive the Registered Fund prospectus in connection with managing your Account in lieu of it being automatically delivered to you. This is because you have granted discretionary authority to us and an Advisor relating to the investments in your Account and authorize such delivery on your behalf in the Agreement. If you would like a copy of the Registered Fund prospectus, you may obtain one by contacting your Advisor who will arrange for it to be sent to you free of charge. Notwithstanding the foregoing, Merrill may continue to send the Registered Fund prospectus to you in its sole discretion.



Personalized Strategy with Advisor Discretion as a Program Strategy Type

Nature of the Strategy and Investment Options Available. With this Program Strategy type, you grant investment authority to your Advisor and your Advisor will manage an investment portfolio to meet the Target Asset Allocation and other objectives for your Account. Only Advisors that meet certain eligibility requirements can offer this Program Strategy type to their clients. Advisors must be approved to participate in this Program Strategy type and to manage assets subject to different Program investment policies and guidelines depending on Advisor qualifications within this Program Strategy type. See Item 6 "Portfolio Manager Selection and Evaluation—Advisory Services Provided by Merrill, its Advisors and Certain Affiliates." MFSAs are not eligible to offer this Program Strategy type.

Your Advisor may purchase or recommend different types of securities, including equity securities, fixed income securities, brokered CDs, mutual funds, ETFs, money market funds, NTFs and certain other Alternative Investments. Each mutual fund, ETF, NTF and eligible Alternative Investment available for investment in this Program Strategy type have been approved for inclusion in the Program after due diligence and evaluation reviews conducted by our CIO or conducted by third parties subject to our supervision. See "Item 6 Portfolio Manager Selection and Evaluation—Selection and Review of Investment Strategies and Funds Available in the Program." Securities that are available in the Program may change over time as determined by us in our discretion. We may decide to discontinue offering a type of investment solution and/or close an investment product to new investments and/or additional contributions from existing investors. You will not necessarily be provided with prior notice of any such discontinuation or termination.

Your Advisor can also make a cash allocation which can be held as a cash balance and/or invested in cash alternatives available for your Account such as money market funds as determined by the Advisor. If no action is taken by your Advisor, cash balances will be automatically swept under the Cash Sweep Program. The cash allocation will be higher at certain times depending on the nature of the investment style or discipline, the asset allocation, the investment determinations, rebalancing being made, market conditions and the Advisor's cash management approach and market view and concerns. Some types of investments take an extended period of time to purchase due to the type of security, market availability and selection criteria. Until invested, the cash for these investments is typically automatically swept under the Cash Sweep Program or invested in cash alternatives, such as a money market fund or in other investment products as determined by the Advisor as a temporary investment pending purchase of the individual security. For more information on the treatment of cash balances, see "Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking-Related Services" and "Funding and Operation of Accounts—Cash Balances" in this Item 4.

Investment Discretion and Trading Authority. This Program Strategy type is managed with Advisor Discretion Authority. We, through your Advisor, have investment and trading discretion (including as to rebalancing) over the assets in your Account. This discretion empowers your Advisor to make investment and trading decisions with respect to those assets without contacting you. By choosing this Program Strategy, you grant to us the authority to trade your investments and to select and implement any change to investments, asset allocation or rebalancing. Additionally, where your Advisor is a member of a team of Advisors, other members of that team may also exercise discretion over certain investment decisions made in your Account.

Registered Fund Prospectus Delivery. When an eligible Registered Fund is purchased as part of an Account that has selected the Personalized Strategy with Advisor Discretion, we are authorized to receive the Registered Fund prospectus in connection with managing your Accounts in lieu of it being automatically delivered to you. This is because you have granted discretionary authority to us and an Advisor relating to the investments in your Account and authorize such delivery on your behalf in the Agreement. If you would like a copy of the Registered Fund prospectus, you may obtain one by contacting your Advisor who will arrange for it to be sent to you free of charge. Notwithstanding the foregoing, Merrill may continue to send the Registered Fund prospectus to you in its sole discretion.



Personalized Strategy with Client Discretion as a Program Strategy Type

Nature of the Strategy and Investment Options Available. With this Program Strategy type, you retain investment discretion and trading authority (except as noted below) to buy, hold and sell individual investment securities and to hold an allocation to cash to meet your Target Asset Allocation and other investment objectives. This Program Strategy type is intended for clients who seek to receive the Program Services, including ongoing advice and guidance and monitoring with respect to investments but who want to retain investment and trading Authority. It is not designed for clients that intend to maintain or hold high levels of cash, money market funds and/or highly concentrated equity positions, in each case, consistently and over a prolonged period of time. MFSAs are not eligible to offer this Program Strategy type.

The different types of securities or investments that can be purchased or held in an Account that has selected this Program Strategy include equity and fixed income securities, brokered CDs, mutual funds, ETFs, money market funds, UITs, variable rate demand obligations (VRDOs), unsecured debt securities linked to the performance of an underlying market measure (MLIs), variable annuities, variable indexed annuities and fixed indexed annuities (together, Annuities). In addition, Alternative Investments that are currently available for this Program Strategy type include NTFs, hedge funds, certain types of private equity funds, non-traded real estate funds, physical gold, silver, platinum and palladium bullion bars and/or gold, silver or palladium coins (Precious Metals), non-traded business development companies, real asset funds, commodity pools, interval funds and certain other Funds that invest in alternative asset classes or other Funds that invest in whole or in part in any of the foregoing types of Funds.

Each mutual fund, ETF, NTF, Alternative Investment and certain annuities have been approved for the Program after due diligence and evaluation reviews conducted by our CIO or conducted by third parties subject to our supervision. For more information, see "Item 6 Portfolio Manager Selection and Evaluation—Selection and Review of Investment Strategies and Funds Available in the Program." Securities that are available in the Program may change over time as determined by us in our discretion. We may decide to discontinue offering a type of investment solution and/or close an investment product to new investments and/or additional contributions from existing investors. You will not necessarily be provided with prior notice of any such discontinuation or termination.

This Program Strategy can include a cash allocation as directed by you. The cash allocation can be held as a cash balance and/or invested in cash alternatives available for your Account such as money market funds. If no action is taken by your Advisor with your authorization, cash balances will be automatically swept under the Cash Sweep Program. The cash allocation will be higher at certain times depending on the nature of the investment style or discipline, the asset allocation, the investment determinations, rebalancings, market conditions and your cash management approach and market view and concerns. Some types of investments take an extended period of time to purchase due to the type of security, market availability and selection criteria. Until invested, you can hold the cash for these investments in the Cash Sweep Program or invest in cash alternatives, such as a money market fund, or in other investment products as a temporary investment pending purchase of the individual security. For more information on the treatment of cash balances, see "Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking-Related Services" and "Funding and Operation of Accounts—Cash Balances" in this Item 4.

Investment Discretion and Trading Authority. You, with the assistance of your Advisor, will select the investments that make up the Portfolio and, if desired, assign a corresponding asset allocation percentage for each investment and/or select a rebalancing frequency for the assets. Any change to investments (on a transaction by transaction basis), asset allocation or rebalancing will require your consent because you retain the Authority to select and implement these changes. Merrill and your Advisor have no investment or trading discretion.

Certain Guidelines regarding Trade Activity. This Program Strategy type is not intended to be used by clients who engage in activity that is inconsistent with the investment advice provided through the Program or who intend to engage in a very low or very high volume of trading in their Portfolio. It is also not intended for clients who engage in high levels of unsolicited trading activity. Generally, unsolicited orders are those that you request your Advisor to effect without having received a recommendation or call to action from your Advisor or those orders that you instruct us to make that are contrary to your Advisor's advice, guidance or recommendation. Unsolicited trade activity is subject to Program guidelines. We have the right, in our sole discretion, to decline to accept or effect any unsolicited orders at any time, without providing you prior notice. If your activity contravenes our Program guidelines on these and other matters, we will request that you take certain corrective action. We have the right to terminate your Account from the Program if the requested action or other action is not taken.

Portfolio Reviews, Program Reports and Information

An important part of the Program is providing you with the opportunity to engage in periodic reviews with your financial advisor or a designated member of the team servicing your Portfolio. These reviews provide updates on the progress of your Portfolios, Accounts and other important information about your investments. A periodic review of your Account should typically occur on an annual basis; however, under our Program guidelines, both you and Merrill have the ability to extend or defer the timing of the review under certain circumstances and for certain periods of time. If you do not participate in a review within the timeframes that we have established in our Program guidelines, we have the right to terminate an Account from the Program in our discretion. We also provide you with a Program Report in connection with the review and upon certain changes being made to your Portfolio. For an Account that has selected a PAS Style Manager Strategy, you may also receive reports concerning the Portfolio directly from the PAS Manager in accordance with the terms of the agreement separately entered into between you and the selected PAS Manager. See "Account Review and Reporting" for more information.

Brokerage, Banking-Related and Custodial Arrangements and Services

The primary purpose of the Program is to provide you with ongoing fiduciary investment advice and guidance for your Portfolio and access to investment strategies and ongoing monitoring. The Program Fee you pay covers these Program Services and your payment for the trade execution, clearance and settlement services. It also covers custody of assets if you maintain your Account with Merrill. Note that certain fees unrelated to investment activity, like fees for banking-related or cash transfer activities, wire transfer fees, foreign currency wire and conversion fees, account service fees, transaction fees and certain transactional costs, are not covered by the Program Fee, including those described in the section "The Program Fee and Other Charges" below.

Brokerage Trading Services

In effecting transactions for your assets in the Program, Merrill and its Affiliates will be acting exclusively as a broker-dealer and can arrange for trades to be executed through Merrill or a Merrill Affiliate or through an Unaffiliated Trade Counterparty. If we or one of our Affiliates effect the transaction through an Unaffiliated Trade Counterparty, we will take into account various factors, such as the nature and quantity of the securities involved, the markets

involved, the reputation and perceived soundness of the firm, 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. Trades will be handled by us consistent with our best execution and other regulatory obligations. Even in meeting these obligations, it is possible that you may be able to obtain better prices for transactions if such trades were executed with other broker-dealers or third parties, including having smaller spreads (the difference between the bid and the offer price) or at more favorable net prices.

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. In general, in instances where we are responsible for effecting the transaction incorrectly, we may reimburse you for any losses directly resulting from trade errors, credit to you any profits directly resulting from such trade errors that are corrected after the settlement of the transaction or retain for ourselves any profits directly resulting from such trade errors that are corrected prior to the settlement of the transaction.

We may, but are not required to, aggregate orders for the sale or purchase of securities for your Accounts with orders for the same security for our other clients, for our own accounts or the accounts of our employees (including your financial advisor) and/or a Related Entity. Where order aggregation is employed, 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 Style Managers provide similar investment recommendations or trade orders for their particular Style Manager Strategy to MAA for implementation, MAA's ability to implement those recommendations will be affected by the liquidity of the security, market volatility and any price limits imposed by the Style Managers. This may in turn have a negative impact on the performance of a Style Manager Strategy.

For Personalized Strategy with Client Discretion Accounts, your Advisor will enter your trade orders promptly upon your instruction. In implementing your instructions, Merrill, as broker-dealer, has discretion as to the price or time at which it executes an order for a transaction, as long as the transaction is executed the same day the order is given to your Advisor and is consistent with our duty to seek best execution. If we believe that it may be appropriate to execute an order later than on the same day that we receive the order, we will ask for your authorization to do so.

Advisors also have broad discretion to trade Accounts participating in a Defined Strategy. There can be no assurance that an Advisor will purchase or sell the same securities for all such Accounts in the Defined Strategy at the same time, or that the Advisor will aggregate your orders with those of other client Accounts participating in the Defined Strategy. As a result, you may receive different prices and executions for the same securities as compared to other clients making the same investment in that security. In addition, although we do have routines that monitor performance dispersion within a particular Defined Strategy that an Advisor is implementing, investment opportunities will not necessarily be allocated among participating Accounts in the same manner or at the same time.

Brokerage Execution for Discretionary Style Manager Strategies and PAS Style Manager Strategies

If you have selected a Style Manager Strategy with a Discretionary Manager or any PAS Style Manager Strategy, the Discretionary Manager or the PAS Manager, as the case may be, has the authority to place orders for transactions with broker-dealers that it selects, including with us or any of our Affiliates that act as a trade counterparty (Affiliated Trade Counterparty) and with an Unaffiliated Trade Counterparty. For certain Style Managers that are Discretionary Managers, we may provide administrative support to the Discretionary Managers to assist with the placement of orders at their direction. In selecting a firm to execute transactions and the markets in which the transactions will be executed, neither the Discretionary Manager nor the PAS Manager is obligated to solicit competitive bids for each transaction or seek the lowest available commission cost so long as it reasonably believes that the firm it selects can be expected to obtain a "best execution" market price on the particular trade. Each is responsible for ensuring that it complies with its own best execution obligations.

Discretionary Managers and PAS Managers are able to transact with us or an Affiliated Trade Counterparty on a principal basis when permitted by law. They may place trades for purchases of securities in underwritten offerings with BofAS or any of our other Affiliates or with an Unaffiliated Trade Counterparty under which certain underwriting compensation is earned by BofAS or any of our Affiliates or by the Unaffiliated Trade Counterparty. When these transactions are effected on a principal basis, we will receive additional compensation.

Both Discretionary Managers and PAS Managers have the discretion to aggregate orders for the sale or purchase of securities with orders of the same security for other clients (either at Merrill or at other firms) in the same Style Manager Strategy or PAS Style Manager Strategy, as the case may be, for its own accounts or for the accounts of its or our employees and/or related persons. They are not required to aggregate orders. Where aggregation of orders occurs, 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.

Certain Style Managers with model-based Style Manager Strategies may place orders for particular (but not all) transactions with us, an Affiliated Trade Counterparty or an Unaffiliated Trade Counterparty if the Discretionary Manager determines, after consultation with us, that (1) they are able to aggregate a particular trade for Program clients in a block trade and (2) they expect such aggregation will be for the overall benefit of our Program clients.

Please note the following important information about "Step Out Trades" by Discretionary Managers and PAS Managers. An order placed by a Discretionary Manager or a PAS Manager with an Unaffiliated Trade Counterparty is commonly referred to as a "step out" or a "step out trade." The Discretionary Style Managers and PAS Managers that we have identified as having engaged in "step out trades" either on a regular or a limited basis are designated in the *Step Out Information Document* (accessible at mymerrill.com/ADV/materials and available from your Advisor or MFSA). The information in the *Step Out Information Document* is based solely on the historical information provided to us by the Discretionary Style Managers and the PAS Managers. We do not make any representation regarding their future trading practices. In addition, we recommend that you review the applicable investment manager's Form ADV brochure (accessible at mymerrill.com/ADV/materials, the SEC website at adviserinfo.sec.gov and available from your Advisor or MFSA).

For "step out trades" placed by a Discretionary Manager or by a PAS Manager in fixed income or other securities where the Unaffiliated Trade Counterparty imposes a mark-up, mark-down and/or a dealer spread charge (dealer spread charges), the net price of the security will include these dealer spread charges and you bear these costs. Please note that this is also the case where a Discretionary Manager or a PAS Manager places a trade order with an Affiliated Trade Counterparty for the purchase or sale of fixed income or other securities where dealer spread charges are imposed. In both of these types of trade executions, the dealer spread charges (that are part of the net price of the security) will be in addition to your Program Fee. These dealer spread charges will not be listed in your trade confirmation or account statement; however, upon written request, we will undertake to obtain the amount of these charges for a given transaction in your Account. See "Item 4 The Program Fee and Other Charges—Fees and Expenses Not Covered by the Program Fee."

Where a Discretionary Manager or a PAS Manager places a trade order for an equity security or any other security where commissions are charged with Merrill, an Affiliated Trade Counterparty or with an Unaffiliated Trade Counterparty as the executing broker, the brokerage commissions for such trade will not be a separate charge or cost to you. This does not apply for a "step out trade" in foreign ordinary shares and American Depositary Receipts (ADRs); see the heading "Foreign Ordinary Shares and ADRs Transactions" below.

You should consider the costs of "step out trades." If you hold a Style Manager Strategy or a PAS Style Manager Strategy in an Account, you will pay a Style Manager Fee or a PAS Manager Fee, as applicable, for the investment management and related services they provide. The rates charged by these managers vary among each other and among other Style Manager Strategies. For trades in fixed income securities, whether executed as a "step out trade" or a trade with an Affiliated Trade Counterparty, you will pay the dealer spread charges associated with such trade. It is possible that the Manager Fee rates for Discretionary Style Manager Strategies and PAS Style Manager Strategies may be higher than other available Style Manager Strategies and PAS Style Manager Strategies. You could be deemed to be indirectly bearing the cost of the "step out trades" by virtue of any such higher charges. In addition, you will pay the same fee rate for a particular Style Manager Strategy or PAS Style Manager Strategy regardless of whether or not the Discretionary Manager or PAS Manager executes "step out trades." You should consider the use by the Discretionary Manager and/or the PAS Manager in executing "step out trades" when selecting a Discretionary Style Manager Strategy or a PAS Style Manager Strategy.

Brokerage Arrangements for Certain Securities Transactions

Foreign Ordinary Share and ADR Transactions. For foreign ordinary security transactions executed outside the United States, we may use a foreign Unaffiliated Trade Counterparty (or its Affiliate). The foreign Unaffiliated Trade Counterparty (or its Affiliate) will handle the order and will assess trading-related charges and costs (*i.e.*, commissions, mark-ups/downs, dealer spreads and other fees and charges). In addition, fees associated with transactions in foreign ordinary securities can also include local country costs and fees, stamp taxes and foreign currency exchange or conversion fees. To the extent a foreign currency conversion transaction is required, the foreign Unaffiliated Trade Counterparty (or its Affiliate) will be remunerated in the form of a dealer spread or a mark-up/down. These trading-related and currency conversion-related charges and costs are included in the net price of the security and are charges and costs that are in addition to your Program Fee. In addition, these fees, charges and costs will not be reflected as separate charges on your trade confirmations or account statements. We will undertake, at your written request, to obtain the amount of this remuneration for a given transaction in your Account. You will pay charges for transactions in ADRs (or other similar securities) when executed by the Discretionary Manager or the PAS Manager as a "step out" trade. See "Item 4 The Program Fee and Other Charges—Fees and Expenses Not Covered by the Program Fee."

Annuities. Merrill, as a broker-dealer, and Merrill Lynch Life Agency Inc. (MLLA), as general agent and insurance broker, have entered into selling agreements with insurance companies (that are not our Affiliates) to make available Annuities to Merrill clients. Not all Advisors may offer Annuities. Your Annuity assets are maintained at the specific insurance company that issued the Annuity ("Annuity Issuer"). For any Annuity in your Portfolio, you authorize your Advisor to process all transactions relating to your investment decisions regarding the Annuity. We will provide you with investment advice and guidance regarding the Annuity and its role in your Portfolio and as to any constituent underlying investments, where applicable, associated with the Annuity.

Transactions in Precious Metals. For purchases or sales under the program that makes available allocated units of Precious Metals (Precious Metals Program), we will enter into a corresponding agency trade on your behalf with the third-party provider of certain precious metal services. The third-party provider is responsible for seeking pricing for the purchase or sale transaction from its network of dealers approved under the Precious Metals Program and will execute the transaction on a principal basis.

Margin Rules, Margin Loans and Securities Based Lending Programs. As a broker-dealer, Merrill is responsible for compliance with federal margin rules. Except where margin has been specifically permitted, Accounts are set up as cash Accounts. This account notation means that margin is not permitted and purchases of securities must be fully paid for on the date of the trade. With a cash Account, if securities are sold before the payment for their purchase has settled, an event known as a "free-riding violation" has occurred. Freeriding is prohibited under margin rules and our Program guidelines. Having a "free-riding" violation may result in your Account being restricted for 90 days or "frozen." The imposition of such a freeze could have a negative effect on your Account and performance. The risk of engaging in an inadvertent "free riding" violation and therefore freezing of your Account is enhanced: (1) when you have selected for your Account multiple Style Manager Strategies, as they operate independently and are unaware of purchase or sale activity for other strategies; (2) when you change Style Manager Strategies and reconstitute your investments; (3) when you engage in periodic rebalancing (which results in purchases and sales of securities over a short period of time); or (4) when you withdraw cash from your Account when there is a pending order to purchase a security.

Under certain circumstances and for Accounts that have selected the Personalized Strategy with Client Discretion, you may use margin in respect of your non-retirement Account assets. The collateral for the margin debit will be the assets in your Accounts and other accounts at Merrill. The costs, risks and other features and conditions of margin are more fully described in our Margin Lending Program Client Agreement. If you use margin to purchase additional securities, the value of your Account can increase and therefore the amount of fees you pay under the Program will increase. You will also be charged margin interest on the debit balance in your Account. You are responsible for notifying us if you decide that you no longer want to use margin in your Account. We are not responsible for any losses resulting from our failure or delay in implementing such instructions.

Certain of your Account assets may be "pledged" or used as collateral, if we consent, in connection with loans obtained through certain Affiliated loan programs (*i.e.*, the Loan Management Account® and Mortgage 100®/Parent Power® mortgage programs) or through unaffiliated loan programs (together, Lending Programs). There are risks, costs, and conflicts of interests associated with margin loans and Lending Programs. The costs, risks and other features and conditions of a loan under the Affiliated Lending Programs are more fully described in the separate lending documentation you receive in connection with any such loan and are not described in this Brochure. The costs, including interest, associated with a margin loan or a loan through any Affiliated Lending Program are not included in the Program Fee and will result in additional compensation to us, our Affiliates, and our financial advisors. The interest charges on any loan combined with the fees charged for Program Services may exceed the income generated by your pledged Account assets and, as a result, the value of your Account may decrease. See the sections "Investment Strategies and Risk of Loss—Engaging in Margin and Securities-Based Lending with your Account" in Item 6 and the sections "Compensation, Conflicts of Interest and Material Relationships—Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel;" and "Participation or Interest in Client Transactions and Conflicts of Interest—Participation in Affiliated Lending Programs and Margin" in Item 9.

Cash Sweep Program and Other Banking-Related Services

As provided in the relevant brokerage account agreement and documents you executed to open your account, unless you elected the "No Sweep" option, you have consented to having cash held in your account being treated as a cash balance and being automatically "swept" on the day following the cash deposit to the cash sweep option applicable to your underlying brokerage account under the Cash Sweep Program. Unless the cash allocation is invested, either in a cash alternative or in other securities, the cash allocation will be treated as a cash balance in the Program Account subject to the automatic sweep functionality.

"Bank Deposit" Sweep Option. Under the MLBD Program, RASP and the IBVRD Facility, an Account's cash balance is swept to accounts held at our Bank Affiliates. Under the ISA Program, an Account's cash balance is swept to accounts that are held at participating banks (ISA Participating Banks). To view a list of the depository institutions currently participating in the ISA Program, visit www.ml.com/ISA.

Under each of the MLBD Program, RASP, IBVRD Facility and ISA Program, Merrill as your agent establishes the bank deposit accounts on your behalf at the Bank Affiliate or the ISA Participating Bank as provided for in your underlying brokerage account agreements. Bank deposits in the MLBD Program, RASP and the ISA Program are insured by the Federal Deposit Insurance Corporation (FDIC). Cash balances held in the IBVRD Facility are not covered by FDIC or other deposit protection programs. Merrill is not a bank and FDIC deposit insurance only covers the failure of an FDIC-insured bank. Certain conditions must be satisfied for deposit insurance coverage to apply when bank deposits are opened on your behalf in the name of Merrill as your agent. Merrill has in place business requirements and practices that are reasonably designed to satisfy those conditions, which include, but are not limited to, proper account titling and recordkeeping.

The sweep deposit accounts at banks in the MLBD Program, RASP and the ISA Program are protected by FDIC insurance, up to the applicable standard maximum deposit insurance amount. The FDIC limit is generally $250,000 per depositor, per ownership category, per bank. FDIC insurance covers both principal and credited interest, up to applicable limits. Any such deposits in the same account ownership category, whether directly, through other Merrill accounts or through any other intermediary, would be aggregated for FDIC insurance limit purposes. If your total cash balances in any type of deposit account (whether a direct bank deposit account or a sweep deposit account) and/or in any type of bank product (*i.e.*, brokered CD) of a Bank Affiliate in the MLBD Program or RASP or of any ISA Participating Bank exceed the FDIC coverage limits, the amount deposited that is over the applicable standard maximum deposit insurance amount will not be entitled to FDIC coverage.

Neither Merrill nor the Bank Affiliates manage or monitor the deposits swept under the MLBD Program, the RASP or the ISA Program for FDIC insurance limit purposes. Deposits are not aggregated or limited under the MLBD Program, RASP and the ISA Program based on the FDIC limits for the same depositor in the same bank across Merrill accounts. Merrill does not undertake through the Program or the Agreement or the underlying brokerage agreement to provide you notice that cash balances in your Account or Accounts or in any of your brokerage accounts exceeds the FDIC coverage limit for any of our Bank Affiliates or any other Participating Bank. Monitoring FDIC insurance coverage limits is expressly not a Program Service. ***You are responsible for monitoring the total amount of deposits held at the Bank Affiliates and at any ISA Participating Bank in order to determine the extent of FDIC insurance***.

The agreements and disclosures that you received in connection with establishing your underlying Merrill brokerage account and the Sweep Program Guide for Merrill Clients include additional information about FDIC insurance. A paper copy can be obtained from your Advisor or MFSA. For additional information on FDIC insurance, visit fdic.gov.

Cash balances swept under the Cash Sweep Program to a bank deposit account of our Bank Affiliates will bear a rate of interest that has been established for, and in light of the features of, the Cash Sweep Program. The rate of interest for such deposit accounts will be periodically set and reset by the Bank Affiliates in their discretion. The rate is variable and may change at any time after the account is opened without notice or limit.

Under the MLBD Program and RASP, interest rates are tiered based upon a client's relationship with Merrill. Accounts with the MLBD Program and RASP as their Cash Sweep Program that are enrolled in the Program and in other specified Merrill investment advisory programs receive the highest tier rate available under the MLBD Program or RASP. A brokerage account with cash swept into MLBD Program or RASP that enrolls in the Program will continue to receive interest at the tier assigned to the account until the beginning of the month after enrollment. That following month, the enrolled Account will have an updated tier assigned, and interest will begin accruing at that rate.

There is no interest rate tiering offered under the IBVRD Facility. Cash balances held in the IBVRD Facility are not covered by FDIC or other deposit protection and receive a lower rate than the highest rate available under the MLBD Program or RASP.

Please note that the interest rate you earn in the bank deposit account affiliated with the Cash Sweep Program will likely be lower than yields on certain money market funds and other cash alternatives available through the Program as well as cash alternatives and bank deposit products available for purchase in brokerage accounts, such as the Preferred Deposit® product, if eligible, depending on the amount of the balance in such product and the yield range that applies.

"Money Market Fund" Sweep Option for Certain Account Types. Under account agreements covering TMA and certain retirement accounts, you can select from several money market funds as a sweep option. These money market funds have certain internal expenses and costs and also include a 0.40% asset-based administration fee per annum that is paid to Merrill. Merrill rebates the amount of the asset-based administration fee it receives to the clients with this sweep option. The amount of such rebate may be less than this 0.40% fee in certain rate environments where the fund manager waives or reduces the amount of such fee in order to avoid a negative return on the money market fund. You will bear your proportionate share of the sweep money market fund's fees and expenses including, but not limited to, management fees 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. The Program Fee does not cover or offset any fees and expenses that the sweep money market fund incurs for transactions occurring within the fund itself. Please consult the prospectuses and offering material for the sweep money market funds.

"No Sweep" Option. Certain account types have the option to select the "No Sweep" option under their underlying brokerage agreement which results in cash being held as a cash balance and not 'swept' to any available sweep option under the Cash Sweep Program. The cash balance will not earn interest or dividends. The cash will be covered by the Securities Investor Protection Corporation (SIPC) up to $500,000 per client, inclusive of $250,000 for cash. As a registered broker-dealer, Merrill benefits from the possession or use of cash balances, also known as free credit balances in Merrill accounts, subject to restrictions imposed by Rule 15c3-3 under the Securities Exchange Act of 1934 (Exchange Act).

Ability to Invest Cash Balances. For an Account that has selected Personalized Strategy with Client Discretion as their Program Strategy type, rather than having the cash balances being automatically swept under the Cash Sweep Program or remain in the sweep bank deposit, you can instruct your Advisor at any time to invest any cash balances in cash alternatives (such as money market funds) or in other investment securities. As rates and yields offered in the Cash Sweep Program change and/or your personal financial circumstances and other factors change, it may be in your financial interest to invest cash balances in investment products that generate a higher rate of interest or yield tax benefits. For Style Manager Strategies and PAS Style Manager Strategies and for those Program Strategy types where your Advisor has Advisor Discretion Authority, it is the Style Manager, PAS Manager or your Advisor, as the case may be, can direct that your Account's cash allocation be invested in a cash alternative investment.

Conflicts of Interest related to the Cash Sweep Program. There are conflicts of interest associated with the Cash Sweep Program which are discussed in "Compensation, Conflicts of Interest and Material Relationships" in Item 9 at the sections "Cash Sweep Program Compensation Received by Us and Our Affiliates," "Compensation Received by Us for Sub-accounting Services" and "Mutual Funds Arrangements and Compensation" and at "Participation or Interest in Client Transactions and Conflicts of Interest—Cash Balances and Cash Sweep Program."

Custodial Arrangements and Services

Custody with Merrill. Generally, we will act as the custodian for the securities held in the Program. Your assets will be maintained in one or more central asset accounts established at MLPF&S through the applicable brokerage or other account agreement. Any assets held in the Program must be and remain free from any lien, charge or other encumbrance, unless we agree otherwise or it is a lien, charge or other encumbrance in favor of us or our Affiliates through our brokerage or other account agreements. You must notify us in writing prior to effecting any loans secured or collateralized by your Account, including effecting any loans with our Affiliates. No specific securities in your Account should be held as collateral to secure any loans you may have. We will not provide advice on, or oversee any of, your collateral arrangements. Unless we otherwise agree, the terms of the Agreement will prevail in the event of any conflict between the terms of the Agreement and your collateral arrangements. You must also disclose to any lender the terms of the Agreement. There are adverse effects of collateralizing your Account, 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.

Custody with an Affiliated Custodian or an Unrelated Custodian. In limited circumstances, upon your request and direction and with our consent, you may enter into arrangements for your assets in the Program to be maintained with (1) certain of our Affiliates for that Affiliate to act as a custodian (Affiliated Custodian) or (2) a custodian that is not related to or affiliated with Merrill (Unrelated Custodian). You will be responsible for all fees and expenses charged by the Affiliated Custodian or the Unrelated Custodian subject to applicable law and the custodial arrangements you agree to. These fees and expenses are not covered by the Program Fee. Your use of an Affiliated Custodian or Unrelated Custodian that charges custodial fees for its services results in you paying more fees for custody for the Account than if you had chosen to custody your Account at Merrill since custody at Merrill is included in the Program Services and the Program Fee.

Our rights and authority respecting your assets enrolled in the Program, including as to transfers of assets held with the Affiliated Custodian or the Unrelated Custodian, are limited to those set forth in the Agreement, regardless of any separate agreements or arrangements you may have or may enter into. We disclaim any broader rights that may be contained in your separate agreement with an Affiliated Custodian or the Unrelated Custodian.

Cash held in Accounts with a custodian other than MLPF&S are not covered by the Cash Sweep Program and will not be subject to MLPF&S' cash sweep arrangements. You are responsible for separately establishing appropriate sweep arrangements with the Affiliated Custodian or Unrelated Custodian. We will include the cash positions in your Account in the value of your Program assets for the calculation of the Program Fee. Assets held in Accounts with an Affiliated Custodian and the Unrelated Custodian are not subject to Merrill's SIPC coverage.

You will be responsible for ensuring that we (and all vendors used by us) are provided with daily access to the Affiliated Custodian's or Unrelated Custodian's systems, transaction and account data and other information necessary to provide adequate account supervision, transaction, billing and other client reports and other necessary services to your Account. You understand that as a result of your use of a custodian other than Merrill, you will receive more limited information and reporting. Furthermore, any performance and other reports or statements provided by us for your Portfolio will be based on information provided by the Affiliated Custodian or Unrelated Custodian. We will use this information to calculate the Program Fee, monitor your Target Asset Allocation and for other purposes. Merrill and MAA are not responsible for verifying the accuracy of the information provided by such custodian and are not responsible or liable for any losses or errors, including but not limited to, errors in performance reports and fees charged to the Account, if caused by, or in any way related to, our reliance on such information from, and the acts or omissions of, such custodian with respect to the Account.

You agree to promptly notify us about any additions or withdrawals of assets to or from your Account maintained at any such custodian. Neither Merrill nor MAA will be responsible or liable for any losses due to your failure to provide such prompt notification.

It is the responsibility of the Affiliated Custodian or an Unrelated Custodian to implement your proxy delivery instructions. See "Item 4 Proxy Voting—Implementing Your Proxy Voting Selection." Accounts that are custodied with an Affiliated Custodian or an Unrelated Custodian are not eligible to elect periodic trade confirmation delivery from Merrill. See "Item 4 Delivery of Trade Confirmations on a Periodic Basis."

Special Custody Arrangements for Certain Program Assets. Annuity assets purchased for an Account will be maintained at the Annuity Issuer. Custody of Precious Metals purchased through the Precious Metals Program will be maintained at approved vaults in the name of Merrill as agent for your exclusive benefit. Although the Precious Metals Program provides for periodic verification procedures, Merrill may not be able to regularly confirm the existence and amount of Precious Metals held under the Precious Metals Program at a given approved vault location. In lieu of having these assets custodied at one of the approved vaults, subject to certain restrictions, you may elect to take physical delivery of Precious Metals purchased under the Precious Metals Program; however, doing so involves the possibility of significant additional costs and risks. Merrill is not obligated to satisfy your request to take physical delivery. For more information, please review the Precious Metals Disclosure Statement for the Precious Metals Program.

Proxy Voting

Proxy Voting Options

You have the right to vote proxies for securities held in your Account.

For certain Program Strategies, you also have the option to delegate proxy voting authority directly to a proxy voting service provider we have engaged and made available to you. The proxy voting service provider that Merrill has made available under the Program based on its oversight processes is Institutional

Shareholder Services, Inc. (ISS or Proxy Delegation Vendor). ISS offers the ability to select certain proxy voting policies (ISS Voting Policies) that take certain positions on corporate governance and other issues. The ISS Voting Policies available as of the date of this Brochure for your Account are:

- ISS Benchmark Voting Policies designed to promote total shareholder value and company risk mitigation (ISS Benchmark Policies).
- ISS Socially-Responsible Investing Voting Policies designed to reflect a broad consensus of the socially responsible investor community (ISS SRI Policies).
- ISS Catholic Faith-Based Voting Policies designed to reflect the teachings of Catholicism and Christianity as a whole (ISS Catholic Policies).

Not all ISS Voting Policies may be available to all clients. For more information on ISS and its Voting Policies, see the "Implementing Your Proxy Voting Selection-Electing the Proxy Delegation Vendor Option" below. A client that is an ERISA Plan may select among the available ISS Voting Policies based on its own determination that the selected ISS Voting Policy meets the requirements imposed on it under ERISA regulations. An "ERISA Plan" is a plan subject to the 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. We may require additional documentation from the ERISA Plan client as to its selection.

If your Account is enrolled in the Premium Access Strategy type, the PAS Manager will have proxy voting authority for the Account (PAS Manager Delegation), unless you notify us to the contrary in writing.

Implementing Your Proxy Voting Selection

General Approach. You may not delegate to us, and we do not accept or assume from you, proxy voting authority for any securities in your Account. As a broker-dealer, Merrill 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 regulation.

You provide your initial instruction regarding proxy voting in the section "Account Elections/Signature Page" in your Agreement or by a client attestation within our enrollment system that we use to open accounts and capture IAP enrollment by electronic means or otherwise in writing by contacting your financial advisor. You may have a different election for each of your Accounts. Each election will apply to the Account specified unless the proxy voting option you elect is no longer available or until you make a different election. For each Account, your proxy voting election will be reflected in your initial Program Report.

As indicated in the Agreement, unless you instruct otherwise on the "Account Elections/Signature Page" of the Agreement, through a client attestation within our enrollment system that we use to open accounts and capture enrollment in the Program by electronic or digital means (electronic enrollment tool), or by means of a separate writing, you instruct your proxy delegation as follows:

- You retain proxy voting discretion and authority for any Account that has selected the Program Strategy type of Personalized Strategy with Client Discretion.
- You delegate voting discretion and authority to the Proxy Delegation Vendor and select the ISS Benchmark Policies for any Account that has selected any of the following Program Strategy types: Managed Strategy, Custom Managed Strategy, Defined Strategy or Personalized Strategy with Advisor Discretion.
- You delegate voting discretion and authority for any Account that has selected the Program Strategy type of Premium Access Strategy to the PAS Manager of the selected PAS Style Manager Strategy for the Account.

If you subsequently change your Account to one with the Program Strategy type of Personalized Strategy with Client Discretion, any delegation as set forth above will cease and you will retain proxy voting authority for your Account.

Retention by You of Proxy Voting Authority. Where you retain proxy voting authority for securities held in an Account at MLPF&S, 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, except as described in the section "Circumstances When No Proxy Voting May Occur" below. You are responsible for taking any actions. If we are the custodian of your Account and do not receive voting instructions from you or your delegate, we will comply with the rules of the SEC and applicable self-regulatory organizations relating to such matters, as required by law. If your Account is an ERISA Plan, you represent that plan documents and applicable law authorize voting authority to be reserved to the trustee either in the discretion of the trustee or pursuant to the discretion of a named fiduciary.

Where you retain proxy voting authority for securities held in an Account at an Affiliated Custodian or an Unrelated Custodian, you are responsible for ensuring arrangements are in place for the Affiliated Custodian or Unrelated Custodian to deliver proxy ballots and related shareholder communications to you. You are responsible for taking any actions.

Electing the Proxy Delegation Vendor Option. Where you elect to have the Proxy Delegation Vendor vote the proxies for the securities in your Account for permitted Program Strategy types under the Program, you are delegating proxy voting authority directly to ISS for the securities in your Account, voting under the ISS Voting Policies that you select. You can rescind the proxy voting authority that you have delegated to the Proxy Delegation Vendor by contacting your Advisor or MFSA.

As provided in the Agreement, ISS will vote proxies for your Account in accordance with the ISS Benchmark Policies unless you elect one of the other ISS Voting Policies available through the Program in writing, either in the Agreement at the Account Election/Signature Page or in a separate written authorization. The other ISS Voting Policies currently available through the Program are the ISS SRI Policies and the ISS Catholic Policies. ISS, as the Proxy Delegation Vendor, will exercise the applicable voting authority in its sole discretion to vote proxies in accordance with its proxy voting policies and procedures and populate votes on its electronic voting platform. Information on how ISS voted proxies for securities held in your Account, the current ISS Voting Policies (which are periodically updated) and other important information are available at https://vds.issgovernance.com/vds/#/MzU4NA== (Proxy Website). ISS annually reviews and announces updates to its voting policies around the fourth quarter of each year that will apply to meetings held on and after February 1 of the following year. ISS may also make interim voting policy changes and announcements from time to time. We encourage you to review the Proxy Website for the Program and the ISS general website at issgovernance.com/policy-gateway/voting-policies, where you can review the applicable ISS voting policies and guidelines, a summary of policy changes applicable for upcoming meetings and other published announcements by ISS.

ISS has significant relationships with companies on which ISS also furnishes proxy voting advice as part of its proxy voting guideline services. Information relating to ISS' significant relationships with companies whose securities are held in your Account and as to other information is available on ISS' website at

issgovernance.com or by contacting your financial advisor. The ISS ADV 2A brochure is accessible at mymerrill.com/ADV/materials and at the SEC's website at adviserinfo.sec.gov.

If ISS declines or is unable to exercise its proxy voting authority in respect of a proxy meeting for an issuer, the proxy voting authority will revert directly to you. In that event, we take all reasonably practicable action to promptly send or have sent to you all issuer-related materials for such security held in your Account. Delivery of those issuer-related materials to you will constitute notice that proxy voting authority with respect to a security has reverted to you. In instances where we have determined that it is not possible to send the materials to you given timing or other circumstances, the proxies of such securities will not be voted.

If you elect to have the Proxy Delegation Vendor vote the proxies for securities held in an Account at an Affiliated Custodian or an Unrelated Custodian, we will use reasonable efforts to notify such Custodian of the appropriate delivery instructions for proxy-related communications based on your election and the information you provide us about the Custodian.

If we replace the current Proxy Delegation Vendor with another Proxy Delegation Vendor, we will provide you with notice of the change.

PAS Manager Delegation. Unless you instruct us otherwise in writing, by selecting the Premium Access Strategy as a Program Strategy type for an Account, you are delegating proxy voting authority directly to the PAS Manager for the securities in that Account. A PAS Manager will exercise the applicable voting authority in its sole discretion in accordance with its proxy voting policies and procedures. For more information regarding the PAS Manager's proxy voting, you should refer to your PAS Manager/Client Contract and the PAS Manager's Form ADV brochure on the SEC website at adviserinfo.sec.gov.

Circumstances When No Proxy Voting May Occur. Voting proxies in certain situations involves logistical issues that can impact Merrill's or the PAS Manager's ability to transmit a vote. We will not arrange for proxy voting under the Program in circumstances where we conclude, based on reasonable efforts and good faith belief and understanding, that the costs and burdens of voting exceed the potential benefit to you. The circumstances where this may occur include the following:

- The proxy or other relevant materials are not received in a sufficient time to allow a vote to be cast by the voting deadline.
- The quantity or quality of materials received is insufficient.
- The proxy materials are provided in a language other than English.
- There are voting restrictions that may apply to shareholders not resident in a security issuer's place of listing or incorporation (applicable in certain non-U.S. jurisdictions).
- The non-U.S. issuer or the non-U.S. jurisdiction has imposed a requirement that you vote the proxy in person and/or appoint a local agent or provide a local agent with powers of attorney in order for a voting instruction to be accepted.
- Share-blocking rules apply under local law or regulation that result in the sale of the security being prohibited for a period of time (usually the time between the record and meeting dates) if you cast a proxy vote for a shareholder meeting.
- Share re-registration requirements are imposed that affect liquidity.
- The issuer or the non-U.S. jurisdiction of the issuer requires that you provide personal, client-specific information (*e.g.*, passport identification, personal client data) and/or whether you have a controlling or personal interest in the issuer, in order for your ballot to be accepted and/or counted for the meeting.
- Securities are on loan (*i.e.*, securities may not be voted by the lender unless the loan is recalled).

In light of significant costs and burdens, including privacy concerns, we have determined that we will generally not arrange for the voting of non-U.S. company proxies. A PAS Manager with delegated voting authority may make a different decision regarding voting of non-U.S. company proxies based on their own guidelines and contractual agreement with you. If you retain the proxy voting authority for an Account, Merrill will provide pre-ballot notices we receive about non-U.S. company meetings where required.

If you wish to receive proxy voting materials for a particular meeting of a non-U.S. company, you may contact your financial advisor and we will arrange for proxy materials and forms to be provided to you on a best efforts basis. To vote, you will need to provide us with the information and other documentation that may be required. Merrill will arrange with its agents to transmit your completed ballot for a particular meeting provided the appropriate information is timely received. In transmitting your vote, this information will be provided to various intermediaries unrelated to us. Merrill is not responsible for any misuse of your client information and data provided to these intermediaries or to the issuer and its agents. Clients holding securities of European companies or issuers are also entitled to receive confirmation of proxy votes, which may be requested via dg.msg-proxy@ml.com.

Delivery of Trade Confirmations on a Periodic Basis

You may elect to receive trade transaction information on a periodic basis (at least quarterly) in lieu of trade-by-trade confirmations for an Account unless (1) it is enrolled in Personalized Strategy with Client Discretion or (2) the assets in your Account are held at an Affiliated Custodian or Unrelated Custodian. In our discretion and from time to time, we will take action to ensure trade-by-trade confirmation delivery for your Account if you are not eligible to elect periodic delivery of trade confirmations.

To receive periodic trade transaction information, you must make an election on the "Account Elections/Signature Page" in your Agreement, attest to this election within our electronic enrollment tool, or provide us with a separate written letter of authorization. The election to have periodic delivery of trade confirmations will apply to the eligible Accounts you designate until you instruct your Advisor or MFSA to the contrary. You can rescind this election at any time. If you enroll in the electronic delivery service for trade confirmations at mymerrill.com after this election, we will provide you with an electronic communication of your periodic trade transaction information being available for your review in your inbox at mymerrill.com. Your Program Report will indicate whether you have elected the periodic delivery of trade confirmations option. Making this election will not result in any change to the Program Fee and is not a condition to receiving the Program Services. 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. You may request interim updates and further details concerning any transaction by calling your financial advisor or reviewing your activity at mymerrill.com.

If your Account is enrolled in Custom Managed Strategy with Client Discretion, any election that you make for periodic delivery of trade confirmations will only apply as to trades that occur as part of a Style Manager Strategy that is included in the Account. If you include mutual funds and ETFs in the Account, you will receive trade by trade confirmations as to any transactions related to those securities.

Delivery of Program Materials and Electronic Access

When you enroll in the Program, you acknowledge in the Agreement that you received certain Program materials, such as this Brochure, the ADV Part 2B Brochure Supplements and other materials applicable to your enrollment. Additional copies may be requested from your Advisor or MFSA at any time and will be provided without charge. For your reference and convenience, we have posted this Brochure and other materials, including Profiles, term sheets for various types of Program Services you can select and other information at mymerrill.com/ADV/materials.

We provide access to Style Manager disclosure documents and brochures by the digital media format at mymerrill.com/ADV/materials. We provide access to Profiles of any Style Manager Strategies you select by the digital media format at Merrill website address provided to you in your enrollment materials and in the Program Reports or communications that you receive from us about your selection. You may request a paper copy of these disclosure documents and Profiles at any time from your Advisor or MFSA. For clients that have selected a PAS Style Manager Strategy, the PAS Manager, and not Merrill, will provide you with copies of the PAS Manager disclosure documents and brochures. We have posted these materials for your information and convenience at mymerrill.com/ADV/materials. Profiles of any PAS Style Manager Strategies are provided to you in the digital media format at Merrill website address provided to you in your enrollment materials and in your Program Reports or communications that you receive from us about your selection. We provide access by the digital media format at mymerrill.com/ADV/materials to the term sheets and other disclosure materials associated with your selection of any of the optional Account services described in this Brochure, such as the TEM Overlay Services and the TET Service described below.

You may revoke your consent to electronic delivery of Program documents, disclosures and Style Manager disclosure documents and brochures and receive paper copies by contacting your Advisor or MFSA. From time to time, we may deliver paper copies of documents relating to your Account notwithstanding your Account preference.

If you consent to electronic delivery at mymerrill.com, you will generally authorize us to deliver Program documents, disclosures and notices to you electronically. There are separate procedures for enrollment and unenrollment through mymerrill.com. In accordance with any such consent, we will send electronically certain Program materials, including the Brochure, any Account-specific documents (and any changes or amendments), Program Reports as well as other Program notices and materials. 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.

Certain of our materials, including this Brochure, are accessible to clients as required under the Americans with Disabilities Act (ADA) and other of our Program materials, including your Program Report, will be provided to you in an ADA compliant format upon request to your Advisor or MFSA.

Optional Account Services

Merrill and MAA offer you the ability to elect certain optional services for your Account to help meet certain of your goals and objectives for the Account. Except as otherwise provided in the Agreement, neither Merrill, MAA nor our Affiliates, employees, or agents will be liable for any loss or expense that may result from your use of any of these optional Account Services. There could be current tax consequences with any transaction occurring under these optional Account Services. ***Neither we nor our financial advisors provide tax, accounting or legal advice and you should review any planned financial transactions or arrangements with your professional tax or legal advisors for these matters***.

Tax Efficient Management Overlay Services

For those Accounts that have selected eligible Style Manager Strategies, we make available certain tax efficient management overlay services (each, a TEM Overlay Service) that are intended to help manage the investment activity in a more tax-efficient manner as considered under U.S. tax rules and regulations. Through rules-based rebalancing, portfolio management and loss harvesting approaches, the TEM Overlay Services generally try to increase post-tax value for the electing Account by seeking to:

- Opportunistically sell securities that have a loss and invest proceeds in strategy-aligned replacement securities for at least 30 days.
- Engage in tax lot management by prioritizing sales of securities that result in the lowest tax cost, as circumstances warrant.
- Defer short-term gains by restricting sales of short-term tax lots if the tax lot holding period will go long-term within 31 days or less.
- Engage in tax efficient management by realigning the Account's portfolio to underlying Style Manager Strategy weights and giving a sell preference to depreciated securities.
- Overweight gains and underweight losses by not selling appreciated securities and selling depreciated securities relative to the underlying Style Manager Strategy, as circumstances warrant.
- Avoid wash sales in the Account.

We describe the available TEM Overlay Services, including the approach for the particular TEM Overlay Service and the related risks and limitations, in offering materials and term sheets for the specific service available at mymerrill.com/ADV/materials. You should read these materials carefully. The risks and limitations associated with the TEM Overlay Services and other TEM-related Offerings are also covered in this Brochure in the section "Tax Matters."

You can elect that a TEM Overlay Service apply to an Account with verbal instructions to your Advisor. By selecting a TEM Overlay Service, you authorize MAA to effect the TEM Overlay Service or Services selected and the related securities transactions on an ongoing basis without making any additional contact with you. This authority will continue in effect until you change or cancel the TEM Overlay Service (which you may do at any time) or terminate the associated Account from enrollment in the Program.

The TEM Overlay Services will only be available to taxable Accounts that have enrolled in a Managed Strategy or Custom Managed Strategy and have selected as investments for that Account a Style Manager Strategy or Strategies that are eligible for the TEM Overlay Services and/or mutual funds and ETFs. The TEM Overlay Services will only take into consideration the trading activity that occurs in that enrolled Account and will only apply to eligible investments within the Account for which it was selected. It therefore may not apply to all investments or managed strategies that are part of a

Custom Managed Strategy. If there are any Reasonable Investment Restrictions in place for the enrolled Account, MAA will seek to take those investment restrictions into consideration when applying the TEM Overlay Services and identifying appropriate replacement securities (if any). MAA may add to the TEM Overlay Services that it offers from time to time.

There is no separate or additional fee that is charged by Merrill or MAA for adding one or more of the TEM Overlay Services to an eligible Account. MAA reserves the right to charge a fee for any TEM Overlay Service upon prior written notice. We make no guarantee that any tax liability in the Account will be reduced or that any indicated limits or mandates will be met. MAA can, in light of other considerations in an Account, effect transactions even though they may generate tax liabilities, including short-term taxable income, or exceed or violate any of the limits or mandates identified by the client. If the client discontinues a TEM Overlay Service, MAA will manage the investments in the Account without applying that TEM Overlay Service, which may result in the recognition of significant short-term taxable gains. MAA will not be responsible for any such gains that may be realized in managing the client's Account after the termination of a TEM Overlay Service.

The TEM Overlay Services are not available to be selected for an Account that has invested in a PAS Style Manager Strategy. If you have tax requests or instructions with respect to that Account, you must separately request the PAS Manager to implement investment instructions providing for tax-efficient management of the Account.

Tax Efficient Transition Service

We make available a tax efficient transition service (TET Service) implemented by MAA that is intended to help transition assets into a new investment strategy consisting of a Style Manager Strategy or Strategies, mutual funds and/or ETFs (referred to in this section as the selected Investment Strategy) with the goal of spreading out the realization of capital gains over time. Through a transition methodology developed by the CIO, the TET Service generally tries to manage the realization of capital gains when transitioning assets from a brokerage or other account to the selected Investment Strategy or to transition existing Account assets to the selected Investment Strategy. We describe the TET Service, including the approach for the TET Service and the related risks and limitations, in offering materials, including the TET Service Term Sheet, which is available at mymerrill.com/ADV/materials. You should read these offering materials carefully. The risks and limitations associated with the TET Service are also covered in this Brochure in the section "Tax Matters."

Annual Transition Budget. Account assets will be invested in the securities of the selected Investment Strategy in accordance with an annual net capital gains transition budget (Annual Transition Budget) that you select pursuant to the terms of the TET Service. The Annual Transition Budget will include an annual net long-term capital gains transition budget that you specify, and an annual net short-term capital gains transition budget of $0 unless you specify a specific budget for this purpose. Your Annual Transition Budget will be confirmed to you in a Program Report upon enrollment and upon any change in such budget. As part of the periodic client review for your Account, TET Service status reporting will be included in your Program Report. A status report can also be provided at your request at any time after enrollment. You may increase your Annual Transition Budget at any time. If you do not make any adjustments, your Annual Transition Budget will remain in place for subsequent years while enrolled in the TET Service. Generally, you cannot decrease your Annual Transition Budget during the current tax year but can decrease it for subsequent years.

Treatment of your Account with the TET Service Election. The investment and treatment of Account assets subject to the TET Service includes the following:

- You can elect the TET Service for an Account and make any changes related to the TET Service with verbal instructions to your Advisor.
- Account assets will be transferred in kind to the selected Investment Strategy where appropriate.
- Individual equity securities and eligible mutual funds and ETFs are TET Service eligible assets in your Account and will be sold over time in accordance with your Annual Transition Budget and the proceeds invested in the selected Investment Strategy.
- Excluded Assets (as defined below) will be sold where permitted under our internal policies and the proceeds will be invested in the selected Investment Strategy. Note as provided in the section "Funding and Operation of Accounts—Funding or Contributing Excluded Assets to your Account," you may be required to move certain Excluded Assets to a brokerage account in lieu of their being sold in the Account.
- Fixed income assets (excluding mutual funds or ETFs) are not considered in the methodology that underlies the TET Service. Any fixed income assets that cannot be transferred in kind will be sold upon enrollment or upon being moved into the Account and the proceeds will be invested in the selected Investment Strategy.
- Capital gains resulting from trading activity within the selected Investment Strategy, net capital gains or losses incurred prior to enrollment and carryover capital losses are not considered in the methodology that underlies the TET Service and do not count towards the Annual Transition Budget.
- The TET Service relies on cost basis for any securities subject to the TET Service. At the time of enrollment in the TET Service, securities without a cost basis will not be eligible for the TET Service. Any securities that have an inaccurate or missing cost basis will impact the TET Service and the timing of the transition. You agree in the Agreement that, if requested, you will provide us with an accurate cost basis.
- The TET Service is not available to be selected for an Account that has invested in a PAS Style Manager Strategy. If you have tax requests or instructions with respect to that Account, you must separately request the PAS Manager to implement investment instructions providing for tax-efficient management of the Account.

How Your Account will be Charged with the TET Service. For the Account assets that MAA identifies as not yet invested in the selected Investment Strategy (Transition Assets), you will be charged the Merrill Lynch Fee Rate that you have agreed upon with your Advisor for the Account. For the Account assets that MAA identifies as invested in the selected Investment Strategy (Investment Strategy Assets), you will be charged the Program Fee Rate, which consists of the Merrill Lynch Fee Rate and the Style Manager Rate, if applicable.

You will pay the Merrill Lynch Fee Rate on the Transition Assets irrespective of the Annual Transition Budget. You will be charged the Merrill Lynch Fee on the Transition Assets even if the transitioning of these assets causes you not to exhaust or to exceed your Annual Transition Budget. Upon the transition of the Account assets to the selected Investment Strategy, you will pay the Program Fee on that portion of the Account. You may pay lower transaction costs by maintaining the assets transitioning to a selected Investment Strategy in a brokerage account and moving the assets over time into the selected Investment Strategy but you would not have access to the TET Service implemented by MAA and you would have to pay brokerage commissions on purchase and sales of securities in order to invest in the selected Investment Strategy.

Operation of the Account with the TET Service. When you elect the TET Service, the following will apply:

- Transition Assets are held in the Account but are identified separate from the Investment Strategy Assets. TET Service eligible securities that you add to the Account after enrollment in the TET Service are treated as Transition Assets.
- Your Advisor will provide ongoing advice and guidance with respect to the assets in your Account, including the Transition Assets. Target Asset Allocation monitoring in your Account as part of the Program Services will only consider Investment Strategy Assets and not the Transition Assets.
- Any transactions relating to the Transition Assets, other than relating to their transition to the selected Investment Strategy as provided in the TET Service, will require your authorization as you retain investment and trading authority.
- The TET Service operates on a per-account basis only. It does not consider securities held in other accounts at Merrill or other firms.
- While enrolled in the TET Service, certain elections, such as those related to rebalancing activities that you have made for your Account with regards to the Investment Strategy Assets may function on a different schedule than they would for accounts not participating in the TET Service.
- The TET Service will only be available to a domestic taxable Account that has selected to implement a Managed Strategy or Custom Managed Strategy as the Program Strategy type for their Account. It will apply to the Style Manager Strategy or Strategies, mutual funds and/or ETFs for the Account.
- The TET Service will only take into consideration the trading activity that occurs in the Account that has selected the TET Service and will only apply to eligible investments within such Account.
- There is no guarantee that MAA will always be able to transfer Transition Assets in kind to the selected Investment Strategy. Unless an annual net-short-term capital gains transition budget is selected, MAA will seek to avoid the realization of net short-term capital gains in connection with the transition of assets to the selected Investment Strategy.
- Any Reasonable Investment Restrictions on your Account related to individual securities will be monitored as part of the TET Service. If a security is subject to a Reasonable Investment Restriction, it may be sold, which can cause you to incur additional net capital gains and/or exceed your Annual Transition Budget. Sector and social restrictions will apply only to Investment Strategy Assets and not to Transition Assets.

Merrill and MAA Authority on the Account with the TET Service. By selecting the TET Service, you authorize MAA, and grant MAA discretion, to implement the TET Service and sell Account assets and invest the proceeds in the selected Investment Strategy for the Account, at enrollment in the Service and on an ongoing basis, without making any additional contact with you. MAA and Merrill will have no trading discretion over the Transition Assets in your Account other than MAA taking action to transition the assets to the selected Investment Strategy as part of the TET Service pursuant to the authority under the Agreement. As provided for in the Agreement and in this Brochure, MAA has authority to make certain investment and trading decisions related to assets invested in the selected Investment Strategy.

MAA will implement the TET Service in a manner designed to meet your Annual Transition Budget and pursuant to the terms of the TET Service. Once the Annual Transition Budget has been exhausted for the year, MAA will periodically review the Account for additional opportunities to invest Transition Assets in the selected Investment Strategy throughout the remainder of the calendar year. We make no guarantee that Transition Assets will be transferred in kind to the selected Investment Strategy or at a loss. We make no guarantee that any tax liability in the Account will be reduced or that any indicated limits or mandates will be met. MAA can, in light of other considerations in an Account, effect transactions even though they may generate tax liabilities, including short-term taxable income, or exceed or violate any of the limits or mandates identified by you. If you discontinue the TET Service, MAA will manage the investments in the Account as if the Account was never enrolled in the TET Service, which may result in the recognition of significant taxable gains as the assets are transitioned into the selected Investment Strategy. MAA will not be responsible for any gains that may be realized in managing the Account after the termination of the TET Service.

MAA's authority with respect to the TET Service will continue in effect until (i) you cancel the TET Service (which you may do at any time) or (ii) you terminate the associated Account from enrollment in the Program. In addition, the TET Service will automatically end when all your Transition Assets in the Account are invested in the selected Investment Strategy. The termination of the TET Service will not affect the application of the TER Service or QLH Service for the Account if elected as provided below.

The TET Service and TEM Overlay Services in the Account. By enrolling in the TET Service, you understand and agree that the Tax Efficient Rebalancing overlay service (TER Service) that is part of the TEM Overlay Services offering will be applied to the Investment Strategy Assets unless you instruct your Advisor to the contrary. You agree to the terms and conditions of, and acknowledge the risks and limitations associated with, the TER Service as described in the TER Service term sheet, the Agreement and this Brochure. You may elect to apply the Quarterly Loss Harvesting overlay service (QLH Service) to the Investment Strategy Assets while enrolled in the TET Service. If applied, the timing of the associated QLH Service analysis and harvesting action and the exhaustion of the Annual Transition Budget for the period may be impacted. For additional details on the TER Service and QLH Service, see the applicable TER Service and QLH Service Term Sheets available at mymerrill.com/ADV/materials.

Rebalancing Service and Automatic Contribution/Withdrawal Service

For any of your Accounts having a Personalized Strategy with Client Discretion, you may enroll at no additional cost in (1) the Rebalancing Service which offers scheduled automatic rebalancing of selected securities in your Account and/or (2) the Automatic Contribution/Withdrawal Service which offers scheduled contributions to or withdrawals from your Account. The Rebalancing Service and the Automatic Contribution/Withdrawal Service are referred to as "Automatic Services." Only certain equity securities, mutual funds, ETFs, NTFs, publicly traded closed-end funds and cash and cash alternatives are eligible for these optional Services. We may, from time to time, change which assets will be eligible.

You can enroll in either of these Automatic Services by executing the required written letter of authorization (Automatic Service LOA) which sets forth the terms and conditions of, and enrolls you in, the service that you select. You authorize us in the Automatic Service LOA (which supplements your Agreement) to effect the chosen scheduled service and related securities transactions) on an ongoing basis without making any additional contact with you. Your instructions will continue in effect until any expiration date in the Automatic Service LOA is reached (if applicable), you change or cancel your instructions or your Account is terminated. You can change or cancel your instructions at any time. We may terminate the offering of these optional Automatic Services at any time upon prior notice to existing participants.

Having an Account with an Automatic Service may affect other of your Accounts that enroll in a TEM Overlay Service or that invest in a Direct Indexing Style Manager Strategy or a PAS Direct Indexing Style Manager Strategy. See "Item 4 Tax Matters."

The Program Fee and Other Charges

Program Fee and Services Covered by the Program Fee

You agree to pay the Program Fee to Merrill for the Program Services provided under the Agreement for each Account. The Program Fee for each Account is the sum of (1) the ***Merrill Lynch Fee*** and (2) the ***Style Manager Fee*** or ***PAS Manager Fee*** if you chose a Style Manager Strategy and/or a PAS Style Manager Strategy for your Account, as applicable. Note the following:

- The Merrill Lynch Fee is the fee charged by Merrill for the Program Services that Merrill and its financial advisors provide under the Program based on a fee rate determined as set forth below (Merrill Lynch Fee Rate).
- The Style Manager Fee is the fee charged by the Style Manager if a Style Manager Strategy is selected for your Account as determined below.
- The PAS Manager Fee is the fee charged by the PAS Manager if you select a PAS Style Manager Strategy for your Account as determined below. The Style Manager Fee and PAS Manager Fee may also be referred to collectively as the "Manager Fee."

Each of your Accounts may be subject to a different Program Fee which will be calculated separately for each Account. Your Program Fee is payable monthly in advance and generally will be calculated based on the value of the assets in your Account as of the last business day of the prior month. Unless otherwise agreed to between you and Merrill in writing, the Program Fee and any other fees payable under the Agreement will be deducted directly from your Account. The Program Fee does not include all of the charges that may apply to your Account. Please see the heading "Fees and Expenses Not Covered by the Program Fee" below.

Information about the Program Fee and rates applicable to each of your Accounts will be shown in a Program Report that we prepare for you. We will send you a Program Report upon enrollment into the Program and provide an updated Program Report when you enroll any new Accounts, make certain changes to your Account or Portfolio Group and when you and your Advisor agree on a different Merrill Lynch Fee Rate or rate schedule to apply to your Account.

For participating TMAs which are accounts over which BANA has investment discretion, please refer to your trust agreement and/or TMA Brochure and Fee Schedule in addition to this Program Brochure for information relating to fees and expenses and other matters regarding your TMA account.

The Program provides you with ongoing fiduciary investment advice and guidance for your Portfolio. The Merrill Lynch Fee component of the Program Fee is an asset based fee that covers the various services we and our financial advisors provide in the Program. The Program Fee covers our and, as applicable, a Style Manager's or PAS Style Manager's investment advisory services, including investment advice and guidance under the Program, access to investment strategies and ongoing monitoring as described in this Brochure, as well as trade execution, clearance and settlement of transactions, custody of assets and reporting and other administrative services. The Program Fee will not be adjusted for your use of, or failure to use, the Program Services, including (1) the level of your trade activity (including low or no trading activity); (2) your choice of a Style Manager Strategy or a PAS Style Manager Strategy where the manager engages in trading activity away from us for certain security types; (3) your decision to custody your assets at a financial institution other than Merrill; or (4) your determination to not implement or follow the investment advice we provide to you within Personalized Strategy with Client Discretion and Custom Managed Strategy with Client Discretion or for Program Strategy type selection. Obtaining incidental services and trade execution should not be a principal consideration in deciding to enroll or remain in the Program.

We offer similar programs and/or investment strategies in different sales channels and at different fee levels. The Program Fee (or component of the Program Fee) paid by a client may be higher or lower than the fees other clients pay in the same Program or another investment advisory program and/or the cost of similar services offered through other financial firms. See "Ability to Obtain Certain Services Separately and for Different Fees" in this Item 4.

The Merrill Lynch Fee Component of the Program Fee

The Merrill Lynch Fee Rate—Working with an Advisor. We have set the maximum Merrill Lynch Fee Rate for the Program at 1.75%. The Merrill Lynch Fee Rate is negotiable, meaning you and your Advisor may agree to a Merrill Lynch Fee Rate for an Account that is lower than 1.75%. In addition, the following requirements and information apply:

- The Merrill Lynch Fee Rate that applies to your Account is the rate agreed to between you and your Advisor for the Account and that is set forth in a Program Report provided to you by us upon enrollment. This rate can be either set up as a specified rate or determined by reference to a schedule with different rates based on asset levels (a Merrill Lynch Fee Rate schedule).
- The maximum Merrill Lynch Fee Rate that can be charged under the Program is 1.75%. This maximum Merrill Lynch Fee Rate is subject to change from time to time upon notice to you. Your continued use of Program Services after this notice will constitute your agreement to the change in the maximum Merrill Lynch Fee Rate.
- You and your Advisor may agree to a Merrill Lynch Fee Rate for an Account that is lower than the maximum rate. The extent to which you and your Advisor agree to a rate that is lower than the maximum Merrill Lynch Fee Rate is solely within your and your Advisor's discretion and is subject to our policies regarding the Program.
- You and your Advisor can agree to a different Merrill Lynch Fee Rate for each of your Accounts.
- If you and your Advisor subsequently agree to a change to the Merrill Lynch Fee Rate applicable to your Account, we will provide you an updated Program Report to reflect this change. You will not receive an updated Program Report as a result of your qualifying for a different rate based on an applicable Merrill Lynch Fee rate schedule. Your continued use of our Program Services will be confirmation by you of your agreement to any such change to the Merrill Lynch Fee Rate reflected in the updated Program Report.
- If you and your Advisor agree to a Merrill Lynch Fee Rate schedule for an Account based on asset levels, for purposes of determining the Merrill Lynch Fee Rate from month to month, we will consider the value of the assets in your Account and the value of certain assets and liabilities (Household value) held by you and/or others in your designated household at Merrill and its Affiliates (Household), as determined by us in accordance with our polices. This may result in a Merrill Lynch Fee Rate that is lower than the one that would have been applicable to your Account if only the value of your Account assets were used in making such determination. Once determined, the applicable Merrill Lynch Fee Rate will apply to that Account and generally will not change within any given month even if there are fluctuations in the value of your Account and/or your Household value. At any time, we may decide to no longer consider the Household value in determining a Merrill Lynch Fee Rate for an Account where a schedule has been agreed to. We have a

financial incentive and related conflict of interest if our decisions relating to use of the Household value results in a higher Merrill Lynch Fee Rate for an Account because it results in a greater amount of Merrill Lynch Fees paid to us and more compensation to your Advisor.

- In certain instances and in our discretion and in the manner we determine in our discretion, we may waive, reduce or rebate for a period of time some or all the monthly Merrill Lynch Fee applicable to your Account or other Merrill client accounts enrolling or enrolled in the Program. Any such waiver, reduction or rebate will not necessarily apply to all clients enrolled in the Program. We may make available introductory offers for the Program to certain clients, including institutional clients and/or their employees, through promotional programs.

Merrill compensates your Advisor on an ongoing basis derived from the Merrill Lynch Fee Rate that applies to your Account. When considering whether to offer or agree to charge a lower Merrill Lynch Fee Rate, an Advisor typically will consider a number of factors, including the type and size of your Account, the breadth of our relationship with you, your engagement with the Advisor, the Program Strategy type you selected for your Account, competitive considerations and how Merrill compensates the Advisor. Because the amount of compensation paid to your Advisor is based on the Merrill Lynch Fee Rate for your Account, your Advisor has a financial interest in that Rate. In general, Advisors receive "production credits" toward their compensation formula based on the amount of the Merrill Lynch Fee that you pay for your Account. Merrill's policies result in Advisors receiving fewer production credits (by 10% or more) if the weighted average of the Merrill Lynch Fee Rates for a client's Accounts and for Accounts that are part of the Household is lower than the rate levels for specific wealth asset tiers that Merrill establishes. Merrill and Advisors have a conflict of interest based on this structure because the Advisor is incentivized not to offer a Merrill Lynch Fee Rate below such rate levels since that would reduce their compensation earned. In addition, as part of Merrill's practice management guidance, Merrill provides Advisors statistical information about the Merrill Lynch Fee Rates charged in the Program. This information can encourage Advisors to not agree to a lower Merrill Lynch Fee Rate.

The selection of the Program Strategy types of Defined Strategy, Personalized Strategy with Advisor Discretion and Personalized Strategy with Client Discretion result in you only paying the Merrill Lynch Fee component of the Program Fee. The Program Strategy types of Managed Strategy and Custom Managed Strategy can involve you only paying the Merrill Lynch Fee component of the Program Fee if, for example, the selected Style Manager Strategy has no Manager Fee and/or your Account in Custom Managed Strategy only invests in mutual funds or ETFs. Recommending Program Strategy types, Style Manager Strategies and PAS Style Manager Strategies where the Program Fee for the Account consists solely of the Merrill Lynch Fee present the Advisor with an opportunity to negotiate a higher Merrill Lynch Fee Rate than might otherwise be the case for an Account with a Manager Fee. This opportunity provides the Advisor with an incentive to recommend Program Strategy types with only a Merrill Lynch Fee or to include a Style Manager Strategy or PAS Style Manager Strategy with no Manager Fees over such Strategies that have Manager Fees. The ability to negotiate a higher Merrill Lynch Fee Rate benefits Merrill as well as the Advisor since Merrill retains a certain percentage of the Merrill Lynch Fee.

Merrill typically pays a portion of the Merrill Lynch Fee it receives from each client to the Advisor for that client. The exact portion paid by Merrill to the Advisor varies among the Advisors and depends on factors such as each Advisor's overall annual revenue production. The amount received by an Advisor as a result of a client's participation in this Program may be more than the Advisor would receive if the client participated in certain other of our investment advisory programs, or paid separately for investment advice, brokerage and other services covered by the Merrill Lynch Fee. In those circumstances, the Advisor has an incentive to recommend an investment advisory program that would pay higher compensation.

If you work with an Advisor as opposed to an MFSA, the Merrill Lynch Fee Rate you agree to with your Advisor for your Account could be higher than the Merrill Lynch Fee Rate that is applied to your Account when working with an MFSA even where you may select a Style Manager Strategy for your Account that is also available when working with an MFSA.

For more information about Advisor conflicts, see "Item 9 Compensation, Conflicts of Interest and Material Relationships at the sections "Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel-Advisor Compensation" and "Account and Program Choice."

The Merrill Lynch Fee Rate—Working with an MFSA. Where you work with an MFSA as your financial advisor, based on qualifications and our internal policies, you will be limited to selecting the Managed Strategy as your Program Strategy type and then to selecting certain designated Style Manager Strategies. In light of the limited capabilities that an MFSA can offer under the Program, the Merrill Lynch Fee Rate applied to your Account is determined based on the following Merrill Lynch Fee Rate schedule for Accounts where you work with an MFSA:

- 1.10% where your assets are below $2 million.
- 1.00% where your assets are at $2.0 million and above.

The maximum Merrill Lynch Fee Rate that can be charged when working with an MFSA under the Program is 1.10%. The Merrill Lynch Fee Rate schedule applicable to Accounts serviced by MFSAs is subject to change from time to time, upon notice to you. Your continued use of Program Services after this notice will constitute your agreement to the change in the Merrill Lynch Fee Rate.

For purposes of determining the Merrill Lynch Fee Rate from such schedule, we will consider the value of your Account assets and the Household value. This may result in a Merrill Lynch Fee Rate that is lower than the one that would have been applicable to your Account if only the value of your Account assets were used in making such determination. Once determined, the applicable Merrill Lynch Fee Rate will apply to that Account and generally will not change within any given month even though there may be fluctuations in the value of your Account and/or the Household value during the month. At any time, we may decide to no longer consider using the Household value in determining a Merrill Lynch Fee Rate under this schedule. We have a financial incentive and related conflict of interest if our decisions relating to use of the Household value results in a higher Merrill Lynch Fee Rate for an Account because it results in a greater amount of Merrill Lynch Fees paid to us.

The Merrill Lynch Fee Rate applicable to your Account is determined and adjusts based on the level of assets at the end of a billing period. It may vary from month to month but generally will not change within any given month.

Merrill has the discretion to approve a Merrill Lynch Fee Rate that is lower than the rates in the schedule above. The extent to which we agree to and approve any such lower rate is solely within your MFSA's and our discretion and is subject to factors that we determine in our discretion and which may change. For more information on MFSA compensation, see "Compensation, Conflicts of Interest and Material Relationships—Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel-MFSA Compensation and Awards" in Item 9.

The Manager Fee Component of the Program Fee

Style Manager Fee Component of the Program Fee. If you select a Style Manager Strategy for your Account, your Program Fee will consist of the Style Manager Fee, if any, for each such Style Manager Strategy selected and the Merrill Lynch Fee component discussed above. The Style Manager Fee is a fee charged by a Style Manager based on the assets invested in the Style Manager Strategy and the rate set by the Style Manager either as a specified rate or by reference to a schedule implemented for that Style Manager Strategy by the Style Manager (Style Manager Rate). Certain Style Manager Strategies do not charge a Style Manager Rate.

The following applies to the determination and calculation of the Style Manager Fee component of the Program Fee:

- The Profile for the Style Manager Strategy indicates the applicable Style Manager Rate or whether a schedule applies. The *Style Manager Strategy List* (accessible at mymerrill.com/ADV/materials and available from your Advisor or MFSA) provides a listing of the Style Manager Strategies available in the Program and their associated Style Manager Rates as indicated therein.
- The Style Manager Rates will vary, even for comparable strategies, depending on the Style Manager Strategy. Certain Style Manager Strategies have no Style Manager Fee or have a lower rate than others. The Style Manager Rates (and the maximum Style Manager Rates in the Style Manager Rate schedules, if applicable) generally range from 0.00% to 0.65%. If a Style Manager Strategy is offered that has a Style Manager Rate above 0.65%, you will be provided with prior notice through the Profile or otherwise prior to its selection.
- The Style Manager Rate (including the rates in the Style Manager Rate schedule) may change from time to time and you will receive notice of any increase in the Style Manager Rate other than a rate change resulting from a change in the allocation among Style Manager Strategies that are part of a Custom Managed Strategy or a change in allocation among Style Manager strategies that are included in a particular single Style Manager Strategy.
- If the Program Strategy selected includes a combination of Style Manager Strategies, each applicable Style Manager Rate will be applied proportionately to the value of your assets in your Account with each Style Manager Strategy. In the event that the actual asset allocation is not available, the strategy allocation of the Style Manager Strategies (instead of your actual allocation) will be used to calculate the Style Manager Fee component of the Program Fee. Once calculated, the Style Manager Fee will be charged to the account as a blended rate.
- Where a Style Manager Rate schedule based on assets is applicable to the Style Manager Strategy selected for your Account, in determining the applicable Style Manager Rate from month to month, we and the Style Manager will consider the value of the assets in your Account and in the Accounts and other accounts of your Household that are invested in the Style Manager Strategy and the other Style Manager Strategies of the Style Manager (other than assets invested in in any PAS Style Manager Strategy of the Style Manager). This may result in applying a Style Manager Rate that is lower than the one that would have been applicable to your Account if only the value of your Account assets were used in making such determination. The Style Manager Rate applicable to your Account may vary from month to month based on the fluctuations in the value of these assets. At any time, we and a Style Manager may decide to no longer consider these assets in determining a Style Manager Rate for an Account selecting a particular Style Manager Strategy where a schedule applies.

Recommending Style Manager Strategies that charge no Manager Fee or have lower Manager Rates than others present the Advisor with an opportunity to negotiate a higher Merrill Lynch Fee Rate than might otherwise be the case. The opportunity to negotiate a higher Merrill Lynch Fee Rate provides the Advisor with a financial incentive to recommend Style Manager Strategies with no or lower Manager Fees over other Style Manager Strategies. The ability to negotiate a higher Merrill Lynch Fee Rate benefits Merrill as well as the Advisor since Merrill retains a certain percentage of the Merrill Lynch Fee. For more information, see "Compensation, Conflicts of Interest and Material Relationships—Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel-Advisor Compensation and Awards" in Item 9.

PAS Manager Fee Component of the Program Fee. If a client selects a PAS Style Manager Strategy for their Account, the client will be charged a PAS Manager Fee for the PAS Style Manager Strategy. The PAS Manager Fee is a fee charged by a PAS Manager based on the assets invested in the PAS Style Manager Strategy and the rate agreed to between the client and the PAS Manager (PAS Manager Rate), which can be a fixed specified rate or a rate determined by an agreed-upon fee rate schedule.

The following applies to the determination and calculation of the PAS Manager Fee component of the Program Fee:

- The Profile for the PAS Style Manager Strategy indicates the applicable maximum PAS Manager Rate. The *Style Manager Strategy List* (accessible at mymerrill.com/ADV/materials and available from your Advisor) provides a listing of the PAS Style Manager Strategies available in the Program and their associated maximum PAS Manager Rate.
- The PAS Manager Rate is a negotiated rate or a negotiated fee schedule, in each case, determined between the client and the PAS Manager. The PAS Manager has complete discretion in determining the PAS Manager Rate with the client, including whether to charge, waive or discount the rate. It will take into account any number of factors or criteria, including, among other things, the nature of the PAS Style Manager Strategy, the complexity of the Accepted Investment Instructions, the nature of the client requests for their Account, the PAS Manager's own competitive considerations, the size of the client's assets and anticipated investment opportunity, the client's household value, the overall relationship with the PAS Manager, Merrill's relationship with the PAS Manager, the size of Account investment, the breadth of the client's relationship with Merrill and/or with other financial institutions with which the PAS Manager does business. At any time, the PAS Manager can decide to no longer consider these criteria in determining its PAS Manager Fee rate for a client.
- The client can accept or decline any proposed PAS Manager Rate as part of the negotiation process.
- The PAS Manager informs Merrill of the agreed-upon PAS Manager Rate in the form required by Merrill. Merrill will include the PAS Manager Fee rate in the Program Report provided to you at time of enrollment. The PAS Manager Fee rate that is provided to us by the PAS Manager will apply until we are provided with notice from the PAS Manager in the form required by Merrill that a different rate has been agreed to between you and the PAS Manager. We will provide you with notice upon any change to such rate (other than as result of a rate change within the agreed upon fee schedule).
- Where a PAS Manager Rate schedule based on assets is applicable to the PAS Style Manager Strategy selected for your Account, in determining the applicable PAS Manager Rate from month to month, the PAS Manager will consider the value of the assets in your Accounts invested in, and in other of your accounts and those of your Household invested in, the PAS Style Manager Strategy and in other PAS Style Manager Strategies of the PAS Manager. This may result in a PAS Manager Fee Rate that is lower than the one that would have been applicable to your Account if only the value of your Account assets were used in making such determination. The PAS Manager Rate applicable to your Account may vary from month to month based on the

fluctuations in the value of these assets. At any time, a PAS Manager can decide to no longer consider these assets in determining a PAS Manager Rate for an Account selecting a particular PAS Style Manager Strategy.

- In certain instances, the PAS Manager may waive, reduce or rebate the PAS Manager Fee applicable to a client's Account or to other clients' Accounts enrolling or enrolled in the PAS Style Manager Strategy. Any such waiver, reduction or rebate will not necessarily apply to all clients enrolled in the Program.

Recommending PAS Style Manager Strategies that charge no PAS Manager Fee or have lower PAS Manager Rates than others present the Advisor with an opportunity to negotiate a higher Merrill Lynch Fee Rate than might otherwise be the case. The opportunity to negotiate a higher Merrill Lynch Fee Rate provides the Advisor with a financial incentive to recommend PAS Style Manager Strategies with no or lower Manager Fees over other PAS Style Manager Strategies. The ability to negotiate a higher Merrill Lynch Fee Rate benefits Merrill as well as the Advisor since Merrill retains a certain percentage of the Merrill Lynch Fee. For more information, see "Compensation, Conflicts of Interest and Material Relationships—Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel-Advisor Compensation and Awards" in Item 9.

Payment of the Program Fee

Initial Program Fee Assessment. 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 Program Strategy you select. The initial Merrill Lynch Fee component of the Program Fee will be calculated as follows: one twelfth (1/12) of the product of (1) 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 (2) the annual Merrill Lynch Fee Rate applicable to the Account. Such amount will then be prorated based on the number of days remaining in the month from the date of required funding.

The initial Manager Fee component of the Program Fee (*e.g.*, the Style Manager Fee and/or the PAS Manager Fee) will be calculated as follows: one twelfth (1/12) of (1) the value of your assets in your Account for the Style Manager Strategy or PAS Style Manager Strategy, as the case may be, 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 (2) the annual Style Manager Rate or PAS Manager Rate applicable to the Account. This amount will then be prorated based on the number of days remaining in the month from the date of required funding.

Monthly Program Fee Assessment. After the initial Program Fee, the Program Fee is typically charged to your Account during the first week of the current calendar month. The Merrill Lynch Fee component will be calculated as follows: one twelfth (1/12) of the product of (1) the value of the assets in your Account as of the last business day of the previous calendar month and (2) the annual Merrill Lynch Fee Rate applicable to the Account. Similarly, after the initial Manager Fee, the Manager Fee component will be calculated as follows: one twelfth (1/12) of the product of (1) the value of your assets in your Account for each Style Manager Strategy or PAS Style Manager Strategy as of the last business day of the previous calendar month and (2) the annual Style Manager Rate or PAS Manager Rate applicable to the Account.

The following changes to your Account that occur during the month will not change the Program Fee calculated for the month but will be applied in determining the next month's Program Fee. These include but are not limited to:

- Changes in the value of your Program Account.
- Fluctuations in the value of your assets and liabilities that we, in our discretion, have decided to consider or to no longer consider in calculating the Program Fee.
- Changes in the Program Strategy type.
- Changes in the individual Style Manager Strategies or PAS Style Manager Strategies selected or your allocations among them.
- Changes in the Merrill Lynch Fee Rate or the Style Manager Rate or PAS Manager Rate (either as a specified rate or in the form of a schedule).

This means that any fee rate change associated with any such change will be implemented for purposes of determining the next month's Program Fee and there will be no interim adjustment if such events happen intra-month.

Treatment of the Program Fee upon Termination of Your Account or Certain Program Strategy Changes. 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. For more information, see "Item 4 Funding and Operation of Accounts." If you make certain changes to your Program Strategy, we consider the change as an initial enrollment into the new Program Strategy and we will calculate the Merrill Lynch Fee and any applicable Manager Fee for the remainder of the month of the change as outlined in the section "Initial Program Fee Assessment" above.

How the Program Fee is Charged

General. Except as noted, you will be charged the Program Fee on all assets in your Account, including cash and cash alternatives. Generally, all Account values used to determine the Program Fee are based on the value of the assets in your Account, as determined by us. In calculating such Account values, we will use a variety of pricing sources, including our Affiliates. When utilizing a Style Manager or a PAS Manager, there may be a difference in the determination of the Account values for the Style Manager Fee or PAS Manager Fee versus the Merrill Lynch Fee applicable to your Account.

Cash and Cash Alternatives. The Program Fee will be applied to any cash and cash alternatives held within your Account, including (1) cash that is treated as a cash balance which is automatically swept into a cash sweep option applicable to your Account in accordance with the Cash Sweep Program; (2) cash in your Account due to your having chosen the "No Sweep" option for your cash balances; and (3) cash alternatives held in the Account such as money market funds. The Program Fee is in addition to other compensation that we and our Affiliates earn on cash and cash alternatives held in your Account. Depending on interest rates and other market factors, the yield that you earn on cash balances and cash alternatives has been, and can be in the future, lower than the Program Fee that you pay on assets held in your Account. As a result, depending on the interest rate environment, you may experience a negative overall investment return with respect to cash and cash alternatives and, in some situations, the effective return on cash held in a bank deposit account can be negative. For more information on the treatment of cash, see "Item 4 Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking-Related Services" and "Item 4 Funding and Operation of Accounts—Cash Balances."

Assets Held with a Custodian other than Merrill. If you maintain the assets in your Account with an Affiliated Custodian or an Unrelated Custodian, we will calculate the Program Fee based on information provided by such custodian, which may use a different method to value the securities in the Account than we do. We will not be responsible for verifying the accuracy of information provided by such custodian regarding your Account or any losses or errors

that result from that information. For information regarding the billing methodology used for Accounts with such a custodian (including the circumstances relating to the addition of new Accounts or termination of Accounts), please speak with your Advisor or MFSA.

Annuities. Valuations of Annuities used to calculate the Program Fee will be based on the daily end-of-day contract values provided by the Annuity Issuer. We provide no assurance that the end-of-day contract values given to us by the Annuity Issuer and used to calculate the Program Fee are accurate and we do not verify the Annuity contract values provided.

Alternative Investment Funds. We generally calculate the Program Fee on an investment in an Alternative Investment Fund (an AI Advisory Unit) on the basis of estimated and unaudited net asset values provided to us on a periodic basis by the investment manager of the Alternative Investment Fund. An Alternative Investment Fund includes a hedge fund, private equity fund, managed futures fund, non-traded business development company, non-traded real estate fund, real asset fund, commodity pool, interval fund, or any other Fund that invests in alternative asset classes or other Funds that invest in whole or in part in any of the foregoing types of Funds. We use the most current valuations that we have been provided to calculate the portion of the Program Fee attributable to your investments in AI Advisory Units. We provide no assurance that the estimated net asset values given to us by an investment manager of the Alternative Investment Funds are accurate and we do not verify the valuations provided by them. It is possible that we will be using a valuation that does not reflect the current net asset value of the particular AI Advisory Units as of the date that the Program Fee is actually calculated for your Account. We will not make any adjustments to your Program Fee if the actual net asset value is subsequently updated. For more information about how net asset value for the AI Advisory Units is determined by the investment manager of the particular Alternative Investment Fund, please refer to the offering materials for the relevant Alternative Investment Fund. The foregoing approach is not applicable to NTFs. The valuation of a non-traditional mutual fund is based on the fund's net asset value and the valuation of a non-traditional ETF is based on the closing market price.

Treatment of Short Positions. The asset value of an Account with margin is based on the market value of the eligible assets, which is the long eligible portfolio value, minus the short cash and short options. All short equity, debt and ineligible securities are excluded from the asset value of the Account.

Precious Metals. Valuations of Precious Metals held under the Precious Metals Program and used to calculate the Program Fee and applicable service fees will be based on average daily valuations provided by the third-party provider under the Precious Metals Program. Daily valuations will in turn be based on the closing average of the top three indicative bids for the relevant bar type and will not be verified by us.

Assets Subject to Merrill Lynch Fee Deferral. We have determined that we will defer including in the calculation of the Merrill Lynch Fee component of the Program Fee the value of any securities purchased in your Account or transferred into your Account from your brokerage account that had been acquired in the past twelve months through a new-issue offering for which we or an Affiliate were paid under the terms of the new issue offering an underwriting discount, selling concession or other sales commission and as to which an Advisor receives sales compensation (Fee Deferred Assets). The deferral of charging the Merrill Lynch Fee on the Fee Deferred Assets will take place for a period of up to one year after the Fee Deferred Assets were purchased. If the securities designated as Fee Deferred Assets are sold prior to the end of the applicable fee deferral period, the value of the proceeds and any subsequent investment of such proceeds will be included in the calculation of the Merrill Lynch Fee component of the Program Fee in your Account. This treatment does not apply to securities purchased in an initial public offering or other new-issue offering that we have determined should not be treated as Fee Deferred Assets and it will not apply in the circumstance when a client determines after the purchase of any such securities in their brokerage account to later enroll the brokerage account holding such securities in the Program in order to receive the Program Services.

Please note that any securities purchased in a Merrill securities account, an account of an Affiliate or an account at another firm and/or that is moved to or becomes part of a Program Account will be subject to the Program Fee immediately other than as described above for Fee Deferred Assets. This means that these securities are not considered Fee Deferred Assets and will be subject to the Merrill Lynch Fee Rate being applied immediately when moving to or becoming part of the Account. In these situations, you will have paid an up-front commission or transaction charge at the time of purchase because the security was purchased in a brokerage account where per trade charges and fees apply. Once the security is held in an Account enrolled in the Program, we and your Advisor receive compensation from charging the Merrill Lynch Fee Rate calculated based on the Account's asset value that incudes the value of those securities. While the Account is enrolled in the Program, you will receive the Program Services and you will not pay any sales commissions for any subsequent sales or subsequent purchase transactions that would be charged if done in a brokerage account.

You should assess your own trading patterns, objectives and intention to utilize the Program Services to determine whether purchases and sales of investment securities should be effected in your Program Account where the Program Fee will apply, whether transactions should be effected in a brokerage account where you will pay up-front commissions and whether such assets should be moved to or from the Account. We reserve the right to designate assets as Fee Deferred Assets and to re-designate a Fee Deferred Asset as an asset covered by the Program Fee without notice to you.

Excluded Assets. We determine in our sole discretion and without notice to you that certain assets are or will be designated as Excluded Assets and therefore are not eligible for the Program or otherwise unacceptable to hold in an Account. We will not provide Program Services for Excluded Assets and you will not be charged the Program Fee on such assets. Accordingly, Merrill will not be obligated to provide any investment advice with respect to Excluded Assets, including making any recommendation with respect to their suitability, risks, sale or holding in the Account. If the Excluded Assets in an Account are not otherwise sold, you will be required to transfer any such Excluded Assets from your Account. Failure to comply with a request to transfer out such asset may result in the termination of the Account from the Program. Commissions or other transaction-based compensation can apply to sales of Excluded Assets because we do not charge the Program Fee on these securities. This compensation may be more or less than the Program Fee that would have been charged. We reserve the right to designate assets as Excluded Assets and to re-designate an Excluded Asset as an asset covered by the Program Fee without notice to you.

Margin Balances. Margin debit balances do not reduce the value of the Account. Purchasing eligible securities with proceeds from a margin loan increases your Account value by the value of those positions. If the margin loan proceeds are reinvested in securities, the Account value will be affected by any changes in the value of those securities. You will also be charged margin interest on the debit balance in your Account. Margin interest is in addition to the Program Fee. The interest charges, combined with the Program Fee, may exceed the income generated by the assets in your Account and, as a result, the value of your Account may decrease.

Fees and Expenses Not Covered by the Program Fee

Your Program Fee does not cover the following expenses, charges and costs, some of which are discussed in more detail below:

- Dealer spread charges, mark-ups or mark-downs charged with respect to any principal transaction effected by us or our Affiliate or effected by a Discretionary Manager or PAS Manager with us or by an Affiliated Trade Counterparty acting as a dealer and fees that we or our Affiliate may receive in connection with our Affiliate's role as a remarketing agent for certain VRDOs.
- Dealer spread charges, mark-ups or mark-downs charged with respect to any transaction effected by us, a Discretionary Manager or PAS Manager with an Unaffiliated Trade Counterparty acting as a dealer.
- Underwriting discounts, selling concessions or other transaction charges with respect to any new issue securities offering that we or our Affiliate may receive in connection with the offering, a portion of which may be used to pay your financial advisor.
- Commissions, mark-ups or mark-downs, sales charges or penalties charged on purchases and sales of Fee Deferred Assets and Excluded Assets, a portion of which may be used to pay your financial advisor.
- Margin interest and fees and charges, charged by us or third parties, imposed for any margin strategy or for any securities that are shorted as part of an options strategy and that are in limited supply (*i.e.*, the shorted securities are "in demand"), a portion of which may be used to pay your financial advisor.
- Transfer taxes.
- Exchange fees, alternative trading system fees, required SEC fees or similar fees charged by third parties, including issuers.
- Electronic fund, wire and other Account transfer fees, including any fees or mark-ups charged for foreign currency exchange or conversions relating to transfers or wires to or from your Account, a portion of which may be used to compensate your financial advisor.
- Custodial fees and expenses associated with your use of an Affiliated Custodian or an Unrelated Custodian.
- Commissions and charges for transactions in foreign ordinary securities and dealer spread charges, mark-ups or mark-downs in connection with foreign currency conversions, including transactions in foreign ordinary shares or ADRs or foreign currency wire transfers either in or out of your Account.
- Fees, expenses and charges charged by Funds or by the managers or sponsors of Funds.
- Fees and charges that are specific to Annuities or in respect of the Precious Metal program, including administrative and distribution fees, charges for optional benefits, surrender charges as well as charges for the underlying investment options.
- Any other charges imposed by law or otherwise agreed to by you and Merrill with regard to your Account, including those charges payable to Merrill and/or third parties as described in this Brochure.

The Program Fee does not include certain fees and charges relating to transfers and terminations, certain corporate actions and banking related services, like lending, check-writing services, money transfers, wire transfers, including foreign currency wire transfers, and conversions. Certain of these fees and charges are detailed in the Merrill Schedule of Miscellaneous Account and Service Fees and the Explanation of Fees (as to fees and charges associated with foreign currency wire transfers and conversion), accessible ml.com/relationships. Please see the brokerage account agreement and account enrollment documents relating to brokerage services and related transactions and account fees for your Merrill account. If you have any questions about any charges or fees applicable to your Account, please consult with your financial advisor.

For new issue securities offerings, you will pay the public offering price on securities purchased from an underwriter or selling group member involved in a public offering distribution and such public offering price may reflect costs incurred by the issuer in conducting the offering or distribution with such underwriter or dealer, which may be one of our Affiliates.

For certain transactions effected by a Discretionary Manager or a PAS Manager, the trading-related charges and costs (dealer spreads, mark-ups or mark-downs) charged by the Affiliated Trade Counterparty or Unaffiliated Trade Counterparty acting as a dealer are included in the net price of the security and will not be reflected as separate charges on your trade confirmations or account statements. We will undertake, at your written request, to obtain the amount of this remuneration for a given transaction in your Account.

For foreign ordinary securities transactions, a foreign Unaffiliated Trade Counterparty (or its Affiliate) that we use to effect the transaction will assess trading-related charges and costs and, to the extent a foreign currency conversion transaction is required, will be remunerated in the form of a dealer spread or a mark-up/down. In addition, fees associated with transactions in foreign ordinary securities can also include local country costs and fees and stamp taxes. These costs, fees and commissions/dealer spreads are included in the net price of the security and will not be reflected as separate charges on your trade confirmations or account statements. We will undertake, at your written request, to obtain the amount of this remuneration for a given transaction in your Account.

For investments in Funds, 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. In addition, any Fund contingent deferred sales charge, redemption or other fees imposed by a Fund manager as a result of your redeeming the Fund (*e.g.*, to invest in a particular Program Strategy) will be separate from, and in addition to, the Program Fee. The Program Fee does not cover or offset any fees and expenses that any Fund incurs for transactions occurring within the Fund itself, including commissions and other transaction-related charges incurred by the Fund, even if we or any Affiliate effect these transactions for the Fund or provide services to the Fund. All of these fees and costs may be material. 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. Please consult the prospectuses and offering material for the Funds for more detailed information on the amounts charged.

For investments in Annuities, you will be subject to fees and charges that are specific to these products, which may include, but are not limited to, mortality and expense risk charges, administrative and distribution fees, charges for optional benefits, surrender charges and charges for the underlying investment options. Over time, your total expenses to own an Annuity in an Account enrolled in the Program may be greater than the total expenses to own a similar Annuity in a brokerage account.

For investments in Precious Metals, you will be subject to transaction and service fees which will be in addition to, and will not be covered or offset by, the Program Fees. A portion of the service fee you are charged by the third-party provider of the Precious Metals program will be allocated between the

provider and Merrill as compensation for ongoing sub-accounting, reconciliation, transaction and related expenses. Valuations of Precious Metals used to calculate these applicable transaction and service fees will be based on average daily valuations provided by the program provider. Daily valuations will in turn be based on the closing average for the top three indicative bids for the relevant bar type and will not be verified by Merrill. Please consult the Precious Metals Disclosure Document for the Precious Metals Program for further details on the amounts charged and allocation arrangements.

Ability to Obtain Certain Services Separately and for Different Fees

You may be able to obtain some of the same or similar Program Services or types of investments through a brokerage account or other investment advisory programs and services offered by Merrill. Many of the tools and analytics that are used to support services provided through the Program are also available through Merrill without enrolling in the Program and paying the Program Fee. However, while clients can obtain similar products and services from Merrill without enrolling in the Program, they would not receive the Program Services, including Account monitoring services and access to Style Manager Strategies and PAS Style Manager Strategies. Depending on your asset allocation, Program Strategy selection and Merrill Lynch Fee Rate, certain security types and investment strategies are available to you outside of the Program for more or less than you would pay in the Program. You may also be able to obtain some or all of the Program Services from other firms and at fees that may be lower or higher than the Program Fee we charge.

When you compare the account types and investment advisory programs and their relative costs with what is available in the Program, you should consider various factors, including, but not limited to:

- Your preference for a fee-based or commission-based relationship.
- The nature and breadth of the offering and services provided in the programs you are comparing.
- The qualifications of your financial advisor and what they are able to offer you based on their qualifications.
- Whether the program has the features and framework to offer you the ability to manage your investment assets in the method you require or prefer.
- The ability to access a wider range of investment solutions and products available to you in the Program, including Style Manager Strategies, PAS Style Manager Strategies, along with individual securities, including Funds.
- The ability to choose whether to delegate or retain Authority.
- Whether you want to work with your Advisor at the Merrill Lynch Fee Rate you agreed to in order to have the ability to access the complete range of available Managed Strategies and investment solutions available in the Program.
- Whether you want to work with an MFSA who is qualified to offer you advice and guidance in the Program with respect to the Managed Strategy type only and as to a smaller number of Style Manager Strategies than an Advisor may offer you.
- The types of investments available to you through a brokerage relationship.
- The types of investment solutions available to you under the MGI and MGI with Advisor programs discussed in more detail below.
- How much trading activity you expect to take place in your Account.
- How much of your assets you expect to be allocated to cash.
- The frequency and type of client profiling reports, performance reporting and account reviews that are available in a brokerage account and in the other investment advisory programs.

We have provided you with materials that help to explain the various platforms and programs we offer, including the Form CRS and the Summary of Programs and Services, both of which are available at ml.com/relationships or from your Advisor or MFSA upon request.

The MGI, MGI with Advisor and MEAA Programs. We offer the Merrill Guided Investing with Advisor program (MGI with Advisor), the Merrill Edge Advisory Account program (MEAA) and the Merrill Guided Investing program (MGI). These investment advisory programs have a different service model than what is available through the Program. For the MGI with Advisor and MEAA programs, you are provided advisory services from Financial Solutions Advisors (FSAs) who are available to you through our call center or at certain bank branch locations. With MGI, a self-guided investment advisory program through an interactive website, there is no advice or recommendations available from a financial advisor. From a service model perspective under the Program, you have direct access to, and advice and guidance from, your dedicated Advisor or your MFSA, as the case may be, whom you have personally selected and chosen to work with to discuss the particular investment strategy and available alternatives. The MGI with Advisor, MEAA and MGI programs offer only certain Style Manager Strategies constructed by our CIO (CIO Style Manager Strategies). Certain CIO Style Manager Strategies that they offer are also available through the Program.

The program fee for MGI with Advisor and the MEAA programs is 0.85% and the program fee for the MGI program is 0.45%. Depending on the Merrill Lynch Fee Rate you pay for Program Services, you could access these same CIO Style Manager Strategies potentially at a lower cost through the MGI with Advisor MEAA and MGI programs; however, you will not have access to your dedicated financial advisor. In addition, through the Program, you have access to a much larger offering of Style Manager Strategies which includes Style Manager Strategies of third-party investment managers, the full complement of CIO Style Manager Strategies and the Merrill-managed Style Manager Strategies. In addition, you have the ability to access the full range of Program Strategy types and investment products and solutions which are not available in the MGI with Advisor, MEAA and MGI programs.

Access to Managed Strategies through SPA and MAS and from BANA. Merrill makes available the Merrill Lynch Strategic Portfolio Advisor Service program (SPA), a dual contract investment advisory program. By enrolling into SPA, clients can access discretionary management services and investment strategies and related advisory and trading services of participating third-party and affiliated investment managers (each, a SPA manager). Participation in SPA requires the client and the SPA manager to enter into a separate contract that sets forth the terms of the SPA manager's services and the negotiated, agreed upon SPA manager fee rate. In addition, the client will enter into the Merrill SPA agreement that provides, among other terms, for the payment of the Merrill SPA fee rate. The maximum Merrill SPA rate that can be charged is 1.50% for equity and hybrid SPA managed strategies and 0.70% for SPA managed fixed income strategies The SPA Fee Rate is subject to negotiation by the client and their Advisor.

In certain circumstances, Merrill makes available the Merrill Lynch Managed Account Service program (MAS), a dual contract program which is designed to accommodate a client's selection of a third-party investment manager that is not currently available in other Merrill investment advisory programs. Under this program, Merrill makes the investment strategy available on an exception basis where the client or the Advisor has a pre-existing relationship with the MAS manager prior to establishing an account relationship with Merrill. BANA, our Affiliate, makes available certain of its managed strategies through the

Program as Style Manager Strategies and as PAS Style Manager Strategies to Accounts and to TMA Accounts enrolled in the Program. These strategies may also be available directly through BANA outside of the Program including though the Select Portfolio Solutions program offered by BANA to its clients for which we provide investment-related services. The fee schedules applicable to TMA clients and clients with accounts directly through BANA are different from that offered in the Program and can be lower than the Merrill Lynch Fee Rate negotiated with an Advisor in light of the fact that the maximum BANA rate that can be charged is lower than the maximum Merrill Fee Rate that can be charged for the Program.

In the Program, we may offer or make available from the same investment manager a Style Manager Strategy that is substantially similar to a PAS Style Manager Strategy. By selecting the Premium Access Strategy type for their Account, if eligible, the client has the opportunity to negotiate a lower rate for the PAS Style Manager Strategy than the specified Style Manager Strategy Rate for the Style Manager Strategy. Certain SPA managers also participate in the Program as PAS Managers and/or Style Managers.

There are important differences among the SPA and MAS programs, a BANA account relationship and this Program in terms of the involvement of your Advisor in providing ongoing advice, the services associated with the relevant investment advisory or trust program offering, structure and administration, the depth of research conducted on the managers available in the programs and the applicable fees. You may request a copy of the ADV program brochures for the SPA and MAS programs or TMA or trust account materials by contacting your Advisor.

Funding and Operation of Accounts

Enrolling Your Account

By signing the Agreement, you can enroll an Account and then any subsequent Accounts into the Program in the same account ownership capacity by providing verbal, electronic or written instructions. Examples of different account ownership capacities include an individual, a joint ownership capacity, a trustee of a trust, a personal representative or executor of an estate, a guardian for a minor, a business entity, a non-IRA retirement plan and an endowment. You may need to sign a separate Agreement if you want to open an Account in an account ownership capacity not covered in the originally signed Agreement.

The effective date of the Agreement for each of your Accounts will be the date of its acceptance by us and will be set forth in the Program Report you receive. The effective date of a Program Strategy change will be the date that the change is entered and noted into our systems. Any preliminary discussions or recommendations provided to you before Merrill accepts the Agreement do not constitute investment advice under the Advisers Act and should not be relied on as fiduciary investment advice.

Your request to enroll in the Program or to initiate a Program Strategy change is not considered a market order due to the requirements for enrollment, which includes funding as well as the administrative processing time needed to implement enrollment instructions. We will initiate Program Services for new Accounts after your execution of any required Account documentation, approvals and funding of the Account and expect such enrollment to occur promptly. The investment of assets in an Account will only occur when all operational requirements have been met. Account acceptance may be delayed or rejected if the account is overfunded, underfunded, or funded with ineligible assets.

Upon enrollment of your Account in the Program, you acknowledge and agree that any open "good 'til cancelled orders," "good 'til date orders" and "day limit orders" for equity securities that have not been executed in your brokerage account will be cancelled for administrative purposes. For Accounts that are in a Personalized Strategy with Advisor Discretion, a Personalized Strategy with Client Discretion and/or a Defined Strategy, a "good 'til cancelled order," "good 'til date order," or "day limit order" for equity securities will not be re-entered in your Account unless you instruct your financial advisor to do so. Any such re-entered orders will be executed by Merrill in the trading capacity permitted for the Account.

Funding your Account and Contributions

General. There is typically a short delay between Account inception and initial investment transactions. Until the Account is accepted into the Program, your assets will be treated as brokerage assets for which you will be solely responsible for making any investment decisions and we will not act as an investment adviser with respect to the assets.

You may fund your Account by depositing cash and/or securities acceptable to us. Contributions of cash and securities to your Account may be made at any time. You may contribute certain Annuities and certain units of certain Alternative Investment Funds to be held in an Account that has selected the Personalized Strategy with Client Discretion as the Program Strategy type for the Account. For an Account that has selected a Style Manager Strategy for investment, there will possibly be a delay between the date that securities are contributed to the Account and the date that MAA invests such funds and/or liquidates contributed securities, if applicable. For an Account that has selected a PAS Style Manager Strategy, there will be a delay between the date the securities are contributed to such Account and the date that the PAS Manager invests such funds and/or liquidates contributed securities, if applicable. Neither Merrill nor MAA will be liable for any lost opportunity profits that may result from a delay in investing or liquidating contributed securities in order to invest the proceeds except as otherwise provided in the Agreement.

If you select a Style Manager Strategy for your Account, we will as a general matter sell any assets you may have in your Account in order to invest in accordance with the Style Manager's recommendations. If we determine not to sell the particular asset, are unable to sell the asset or if you specifically direct us in writing to not liquidate the asset (before it has been liquidated), we have the right to transfer the asset to a Merrill brokerage account or other account. You are responsible for all tax liabilities arising from the sale of any assets you may have in your Account in order to invest in accordance with the Style Manager's recommendations.

If you select a PAS Style Manager Strategy for your Account, the PAS Manager will as a general matter sell any assets you may have in your Account in order to invest such assets in accordance with its PAS Style Manager Strategy. The terms of your PAS Manager/Client Contract with the PAS Manager will determine the treatment of assets held in the Account and whether you can direct the PAS Manager to refrain from liquidation of any asset. You are responsible for all tax liabilities arising from any sale of any assets you may have in your Account in order to invest in accordance with the PAS Manager's recommendations.

Funding or Contributing Excluded Assets to your Account. We may request that you take action to transfer any Excluded Assets out of an Account. Failure to comply with such a request may result in that Account's termination from the Program. By your execution of the Agreement, you authorize us to sell the Excluded Asset as promptly as practicable from your Account, including on a principal basis, and charge you a commission or other transaction-

based charge or to transfer the Excluded Asset to a Merrill brokerage account. You are responsible for all tax liabilities arising from any sale of an Excluded Asset.

Funding Your Account with Mutual Fund Shares. Before contributing mutual fund shares to the Program, you should consider that you may have paid a front-end sales charge or may be obligated to pay a contingent deferred sales charge or redemption fee if the mutual fund shares are redeemed by us in order to invest in the manner you have selected as part of your Program Strategy for the Account. These fees, where applicable, will remain your responsibility and will be in addition to the Program Fee.

Each mutual fund has its own system of fund share classes for certain types of clients and accounts. The Program-eligible share classes vary depending on the mutual fund, its roster of share classes and our agreements with the mutual funds. In general, the share classes that are eligible for the Program do not have any sales loads and annual asset-based fees. Annual asset-based fees include "service fees" or "12b-1 fees" charged by mutual funds. There are some mutual funds available in the Program that have such annual asset-based fees due to share class availability.

If you contribute or hold mutual fund shares that we deem to be ineligible for the Program, depending on the Program Strategy you have selected, we will either sell them and purchase the share class eligible for the Program or we will exchange them into the Program-eligible share class as promptly as practicable under the Authority provided to us under the Agreement, the mutual fund prospectus rules and our own policies. We may also require you to remove them from the Account. We may elect to not exchange particular share classes of a mutual fund if, for example, there is no equivalent class eligible for the Program or if other circumstances exist. Depending on your Program Fee, by contributing mutual fund shares to your Account in the Program, you could be subject to higher expenses overall once the shares are exchanged into a class we deem to be eligible or if you held them in your brokerage account.

Holding Funds in your Account

If you invest in Funds, 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. The Program Fee does not cover or offset any fees and expenses that any Fund incurs for transactions occurring within the Fund itself, including commissions and other transaction-related charges incurred by the Fund, even if we or any Affiliate effect these transactions for the Fund or provide services to the Fund. Please consult the prospectuses and offering material for the Funds for more detailed information on the amounts charged.

Where a Style Manager or PAS Manager receives a Manager Fee and utilizes a Manager-Related Fund that is charged a fund management fee by the Style Manager or PAS Manager (or their Affiliate), Merrill will work with the Style Manager or PAS Manager, as the case may be, to provide a rebate of the fund management fees paid in respect of the Manager-Related Fund holdings as against the Style Manager or PAS Manager Fee. See the information covered in "Holding Funds in your Account" in this section and "Compensation, Conflicts of Interest and Material Relationships—Affiliated Investments of a Style Manager or a PAS Manager" in Item 9.

Merrill makes available money market funds with a one dollar ($1) minimum investment through the Program for investment. Money market funds are available with the same day settlement period and with a one day settlement period. For transactions in money market funds implemented by MAA, the available money market funds have a one day settlement period. Advisors have the discretion to purchase money market funds with either a same day or a one day settlement period.

Withdrawals

For withdrawal requests, the liquidation of certain securities will be required. Withdrawal requests will be implemented as promptly as practicable, although implementation of the withdrawal may be delayed in certain instances, such as during periods of extreme market volatility. The following will apply to our handling of a withdrawal request:

- We require at least five business days prior notice before you withdraw assets from an Account. In certain situations, it may take longer than five business days before you can access your requested funds. The ability of MAA, or the PAS Manager in the case of assets invested in a PAS Style Manager Strategy, to liquidate may be impacted by market conditions and events or pending rebalancing or other actions being taken in respect of the Portfolio.
- Your withdrawal request will be handled as promptly as practicable given other activities that may be occurring at the same time in an Account or Portfolio, like changes to a Program Strategy, a change to the Style Manager Strategy or PAS Style Manager Strategy applicable to the Account, any rebalancing transactions in process and other activity affecting the Account.
- For withdrawals from an Account invested in a PAS Style Manager Strategy, you must take action to notify promptly the PAS Manager with respect to any additions or withdrawals of assets to the Account and to avoid conflicting instructions to Merrill and the PAS Manager. Except as otherwise provided in the Agreement, neither Merrill nor MAA will be responsible or liable for any losses due to your failure to provide such prompt notification of additional or withdrawn assets to the Account or in circumstances where you provide conflicting instructions to Merrill and the PAS Manager.
- For Managed and Custom Managed Strategy Accounts, if you do not withdraw the proceeds received from a liquidation from the Account within 15 calendar days after the proceeds have settled in the Account, MAA may take action to reinvest the proceeds without notifying you in accordance with the strategy that was part of the Managed Strategy or Custom Managed Strategy.
- We reserve the right to terminate any Account that falls below the required minimum asset size as reflected in the applicable Profile for a Style Manager Strategy or a PAS Style Manager Strategy.
- Merrill reserves the right to liquidate, redeem or exchange mutual funds, Alternative Investment Funds, and other securities that are transferred from an Account to a brokerage account.
- In certain circumstances, you may not be permitted to redeem all or a portion of your investment in an Alternative Investment Fund at the time of your choosing and you may be required to hold such investments indefinitely.
- We will charge the Program Fee on the value of your Account investments until the proceeds from any sale or redemption have moved out of the Account.
- For certain Alternative Investment Funds, all or a portion of your redemption proceeds may not be available to you for a period of time following the effective date of redemption (the date on which the Alternative Investment Fund has provided as the redemption date for the particular investment

(*i.e.*, the monthly or quarterly scheduled date). You will continue to pay the Program Fee on the value of your investment in a particular Alternative Investment Fund until the proceeds from any sale or redemption have been withdrawn from the Account unless determined by us in our sole discretion.

- Frequent withdrawals from your Account may affect the achievement of your investment objectives and taxable gains and losses may be realized as a result of your withdrawal instructions. Your Account's trading activity may impact available funds for an Account under margin rules. See "Item 4 Brokerage and Custodial Arrangements and Services" for additional information.

Cash Balances

Depending on the Program Strategy type you have selected, either you, your Advisor, a Style Manager or a PAS Manager will determine the cash allocation for your Account. The cash allocation can be held in the form of cash balances in your Account or investments in money market funds and other cash alternatives. For transactions in money market funds implemented by MAA, the available money market funds have a one day settlement period. For orders entered by an Advisor, there is a choice of a money market fund with either a same day or a one day settlement period.

At times, your Account will have an allocation to cash balances that will be automatically swept to the cash sweep option applicable to your Account under the Cash Sweep Program because you or your Advisor have made a decision to keep a cash balance for various purposes, such as your cash needs or as a way to fulfill your cash asset allocation target. Except for Accounts that have invested in a Style Manager Strategy or PAS Style Manager Strategy, at any time, you can instruct your Advisor to invest cash balances in cash alternatives, such as money market funds, or to invest in securities other than cash alternatives. Where your Account has selected to invest in a Style Manager Strategy or PAS Style Manager Strategy, the Style Manager or PAS Manager, as the case may be, determines whether to keep a cash balance for operational and/or investment purposes and determines how to invest the cash asset in the particular Style Manager Strategy or PAS Style Manager Strategy. See "Item 4 Investment Strategy Services Available."

Any uninvested cash balances in your Account (other than an Account held with a custodian other than Merrill or that has selected the "No Sweep" option) will automatically be "swept" in accordance with the Cash Sweep Program as part of your underlying brokerage account agreement. Except for Accounts that have invested in a Style Manager Strategy or PAS Style Manager Strategy, at any time, you can instruct your Advisor to invest cash balances in cash alternatives, such as money market funds, or to invest in securities other than cash alternatives. For Style Manager Strategies and PAS Style Manager Strategies, the Style Manager or PAS Manager, as the case may be, determines how to invest the assets in the Strategies and may determine to keep a cash balance as part of the strategy as described above.

We have a conflict of interest regarding the use of bank deposits as a cash sweep option because such use benefits Merrill and benefits our Bank Affiliates. See Item 9 at "Compensation, Conflicts of Interest and Material Relationships" at the sections "Cash Sweep Program Compensation Received by Us and Our Affiliates," "Compensation Received by Us for Sub-accounting Services" and "Mutual Funds Arrangements and Compensation" and Item 9 at "Participation or Interest in Client Transactions and Conflicts of Interest-Cash Balances and Cash Sweep Program."

You can hold cash in a separate brokerage account or in a deposit account at a Bank Affiliate or at other banking institution. This cash will not be subject to the Program Fee and will not receive any Program monitoring and other Program Services. We will not be an investment adviser or fiduciary with respect to such cash.

Your Responsibilities for Account Operation and Management

You must notify your financial advisor promptly of any material change in financial circumstances, investment objectives, or investment restrictions (if any) that may affect the nature of the investment advice and services your financial advisor provides to Program Accounts. Because the management of an Account that is enrolled in a PAS Style Manager Strategy is the responsibility of the particular PAS Manager and not ours, you must provide any such updated information directly to the PAS Manager. We and your financial advisor do not have any obligation to communicate such information to the PAS Manager.

You are responsible for monitoring the total amount of deposits, including brokered CDs and other bank deposit products, held at any one bank, including at any of our Bank Affiliates, for FDIC insurance limits. See "Item 4 Brokerage, Banking-Related and Custodial Arrangements and Services—Cash Sweep Program and Other Banking-Related Services." There is more detailed information about FDIC insurance and limits in the Sweep Program Guide.

Terminating Enrollment in the Program

The Agreement may be terminated at any time by either us or you, by providing verbal or written notice. The termination of the Agreement will terminate the Program enrollment of all of your Accounts. You may also terminate the enrollment of any Account in the Program by giving us notice of termination. Your termination of Program enrollment of a particular Account will not automatically terminate the enrollment in the Program of any of your other Accounts. Termination of the Agreement will not preclude the consummation of any transaction initiated prior to termination. Termination of your Account will be effective following the completion of processes that may be required to terminate the Account, including any required liquidations.

We will not be responsible for market fluctuations in your Account from time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner. Factors that affect the orderly and efficient liquidation of an Account include, but are not limited to, size and types of securities, liquidity of the markets and market-makers' abilities. Due to the administrative processing time needed to terminate an Account, termination requests cannot be considered market orders. It could take up to several business days under normal market conditions to process your request, particularly as it relates to Accounts that have selected a PAS Style Manager Strategy for their Account. For an Account that is in a PAS Style Manager Strategy, it is your responsibility to notify both your Advisor and the PAS Manager of your decision to terminate the selection of the PAS Style Manager Strategy for the Account and to terminate the PAS Manager/Client Contract with the PAS Manager.

For an Account that is in Personalized Strategy with Advisor Discretion, Personalized Strategy with Client Discretion and/or Defined Strategy, upon termination of your Account from the Program, you acknowledge and agree that any open "good 'til cancelled orders," "good 'til date orders" and "day limit orders" for equity securities will be cancelled. A "good 'til cancelled order," "good 'til date order" or "day limit order" for equity securities will not be re-entered in your brokerage account (if applicable) following termination of your Account from the Program unless you instruct your financial advisor to do so. Any such orders may be executed by Merrill on a principal, agency or agency cross basis if your account has been converted to a brokerage account.

Upon termination of an Account or the Agreement, a pro-rata adjustment to the Program Fees for the remainder of the billing period will be made, which may result in your receiving a refund of a portion of the Program Fee monthly payment. In addition, except for certain types of Account, your Account will be converted to, and designated as, a brokerage account that will be subject solely to the terms and conditions of the Merrill brokerage account agreement.

The termination of your financial advisor's employment with Merrill or a change in the role of your financial advisor will not automatically terminate the Agreement. In such an event, we will transfer your Account to a different financial advisor and we will inform you of this fact. The Account will remain in the Program and incur the Program Fee until you instruct us otherwise. Where the Program Strategy type for an Account is Defined Strategy or Personalized Strategy with Advisor Discretion, your assigned Advisor will work with you to recommend an alternate investment solution, but, under certain circumstances, we may determine to select a replacement Program Strategy type for your Account and/or a Style Manager Strategy or Strategies that we believe to be in your best interest. We generally will provide you with prior notice before selecting such a replacement. If you do not instruct us to select a different replacement or change to a different type of Program Strategy, your continued participation in the Program will be your consent to the replacement we select for your Account. The replacement may be subject to higher fees than you had been paying.

Merrill reserves the right to take action under its Program guidelines to terminate the Account from the Program or to authorize or preclude financial advisors from taking action in respect of your Account if we are unable to obtain instructions from you as to your Account in a timely manner. If your Account is terminated and converted to a brokerage account, the brokerage services and activities will be limited to those available from your Advisor or MFSA, as the case may be. The brokerage capabilities you will receive where your financial advisor is an MFSA are more limited than those available from an Advisor. You (or any other party acting on your behalf) will have the sole responsibility for the investment of assets in the brokerage account. In the event of a termination, the Account assets will not be liquidated but will be held in your brokerage account, except where the holding of such security in that account is not permitted.

Special Note about Impact of Termination on Holdings of Mutual Funds, Alternative Investment Funds and Annuities. For certain mutual funds (including NTFs) and Alternative Investment Funds, the advisory share class of such funds are not eligible to be held in an account that is not enrolled in the Program. Upon Account termination or termination of the Agreement or if you or we move or transfer mutual fund shares from your Account to a brokerage account, we will automatically liquidate, redeem or exchange these mutual fund shares into another appropriate share or unit class in accordance with applicable offering materials and our own policies, without providing prior notice. Any liquidation, redemption or exchange will generally be effected as soon as practicable, which may be as soon as the close of the next business day following termination or transfer. In addition, certain Manager-Related Funds that may be part of a Style Manager Strategy or a PAS Style Manager Strategy cannot be held outside of the particular managed strategy. Upon termination, we will work with the Style Manager or PAS Manager to liquidate the position.

For AI Advisory Units, we may automatically redeem or convert the AI Advisory Units to another appropriate tranche, share, or unit class in accordance with applicable offering materials and our own policies, without providing prior notice. Any liquidation, redemption or exchange will generally be effected as soon as practicable, which may be as soon as the close of the next business day following termination or transfer. For certain securities, such as those traded on a when-issued basis or as odd-lots, the liquidation or redemption process may take longer. Additional fees and expenses may apply upon any such liquidation, redemption, exchange or conversion.

Brokerage share classes, tranches or units of mutual funds and Alternative Investment Funds generally will have higher operating expenses than advisory share classes that are eligible for the Program and will charge sales loads and/or trailing commissions, which will be used to compensate Merrill or one of its Affiliates and your financial advisor. Please note that if there is higher compensation resulting from the liquidation, redemption or exchange of mutual fund shares, AI Advisory Units or Annuities, your Advisor has a financial incentive to recommend that you terminate your Account or move individual positions from your Account to a brokerage account and therefore has a conflict of interest. See "Compensation, Conflicts of Interest and Material Relationships—Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel" in Item 9.

As to any holdings of Annuities, upon termination of your Account, Merrill and MLLA will no longer act in any capacity as to any Annuity held in your Account, including as broker-dealer of record, custodian (or beneficiary) or as general agent and insurance broker. We will resign all positions and you will have to make alternative arrangements for the holding of this asset. You should discuss with your Advisor the impact of an Account's termination from the Program with respect to an Annuity.

Legal Matters and Related Notifications

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. In its role as a broker-dealer, Merrill will endeavor to send you any documents received with respect to such matters. You may enroll in the Merrill Class Action Settlement Service, a separate administrative service. Please note that this service is not part of the Program or covered by the Program Fee.

The type of Program Strategy and Authority you select will determine who responds to corporate actions for securities in the Account. Corporate actions for an Account can include any conversion option; execution of waivers; consents and other instruments; and consents to any plan of reorganization, merger, combination, consolidation, liquidation or similar plan. If you have selected the Personalized Strategy with Client Discretion as the Program Strategy type for your Account, corporate actions will be sent to you. In certain cases, we may be unable to forward certain corporate actions, such as when we receive the corporate action within two weeks of the required response date. For Accounts that have selected Custom Managed Strategy with Client Discretion, corporate actions will be sent to you relating to mutual funds or ETFs that are part of the Account. We will respond to corporate actions relating to any securities that are part of a Style Manager Strategy included in the Account.

Where you have selected the Program Strategy types of Managed Strategy, Custom Managed Strategy with Advisor Discretion, Defined Strategy and Personalized Strategy with Advisor Discretion, we will respond to corporate actions. For Accounts with Premium Access Strategy, the PAS Manager will respond to corporate actions.

Tax Matters

General Tax Matters. The wide ranging variety of investments that may be covered by the Program makes it impossible to alert you to the tax risks and consequences of each investment. You are responsible for all tax liabilities and tax-return filing obligations arising from the transactions in your Account(s) enrolled in the Program. You also are responsible for all tax liabilities and tax-return filing obligations arising from all transactions in your Account. We are not responsible for attempting to obtain any tax credit or similar item or preparing and filing any legal document on your behalf. You should review all

disclosures you receive associated with the investments held in and transactions occurring within your Account with a qualified tax professional. We do not, and will not, offer tax advice to you and you need to rely on such qualified tax professional in all instances for tax advice.

If you are an investor with special circumstances such as a non-U.S. resident or an entity sensitive to unrelated business taxable income, you should also discuss with your qualified tax professional the tax consequences of each investment held in your Account as there may be additional tax withholding, reporting and payment obligations which may result from such investments. Special tax rules may apply to the investments themselves which may result in unique tax consequences to you. In some circumstances, certain tax elections may be able to be made that will affect the tax consequences arising from such an investment. Certain investments (such as master limited partnerships) may result in tax consequences to investors that are subject to tax on unrelated business taxable income and you will be responsible for the reporting and filing of tax returns and the payment of the associated income tax resulting from such investments.

You should be aware that tax consequences may arise when portfolio changes occur in your Account, such as rebalancing, liquidations and redemptions and as a result of any action undertaken as part of a TEM Overlay Service, the TET Service or in implementing a Direct Indexing/TEM Style Manager Strategy or PAS Direct Indexing/TEM Style Manager Strategy. Except to the limited extent described in this section, we specifically disclaim any undertaking of tax management of your Account or investments and assume no responsibility for any resulting tax consequences. Additionally, if you direct us to take certain actions in an Account (other than an Account with a PAS Style Manager Strategy, as to which we cannot take any such instructions) for tax related reasons, there is no assurance that your desired tax effect will be realized. For example, if you direct us to realize gains in your Account, when we resume normal trading activity in your Account, such activity could generate new taxable losses or gains and the same or similar securities may be repurchased. Similarly, if you direct us to realize losses in your Account, when we resume normal trading activity in your Account, such activity could generate new taxable losses or gains.

Upon your request to realize losses within an Account (other than an Account with a PAS Style Manager Strategy, as to which we cannot take any such instructions) and not as part of a TEM Overlay Service, we will attempt to undertake the following: (1) restrict purchases of substantially identical securities in the Account for a minimum of thirty-one calendar days following the sale of securities at a loss in the Account; (2) restrict sales of substantially identical securities in the Account that are currently at a loss for a period of thirty-one calendar days following the purchase of securities in the Account; and (3) 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. We also could determine to hold cash in certain circumstances. We do not make any guarantee that these actions will be successful in recognizing the losses. For Accounts in Managed Strategy and Custom Managed Strategy arrangements, MAA will generally accept specific tax gain and loss requests for taxable Accounts but the extent to which it implements such a request may be affected by its qualitative assessment of market liquidity. MAA can reject a client's request for tax-related trades in whole or in part at its discretion.

We are not providing any tax advice with respect to the effects of these transactions including whether a loss has been disallowed pursuant to the wash sale rules under the Code and we do not take into account the trading activity in any of your other accounts, including your other Accounts in the same Portfolio Group, any other Accounts you may have in the Program or any accounts you have with Merrill or its Affiliates or third parties. You should be aware that as a result of these transactions, a higher than normal cash allocation may result for a period of time. In addition, this type of transactional activity may adversely affect Account performance and may increase the volatility of its results.

For Accounts with a PAS Style Manager Strategy, any requests to realize gains or losses with the Account must be made to the PAS Manager as the PAS Manager has full investment and trading authority respecting activity in the Account.

Special Risks and Limitations associated with Tax Efficient Management Offerings. We make available to eligible Accounts: (1) TEM Overlay Services provided by MAA and (2) Direct Indexing/TEM Style Manager Strategies offered by Style Managers and PAS Managers (both, Tax Efficient Management Offerings). There are risks and limitations associated with Tax Efficient Management Offerings and these limitations may result in tax-inefficient trades and wash sales. A Tax Efficient Management Offering is designed to effect tax efficient management under U.S. tax rules and regulations. You should consult your tax and/ or legal advisor prior to enrolling in any Tax Efficient Management Offering, as well as on an ongoing basis, to determine whether the wash sale rules, the straddle rules, or other special tax rules could apply to your trading activity. Generally, under the wash sale rules, if you sell a security for a loss and you repurchase the same (or a substantially identical) security either 30 days before or 30 days after the date of sale, the loss is disallowed. In addition, other tax treatment rules, such as the straddle rules, may disallow losses. There is little authority governing whether an ETF or mutual fund replacement security is "substantially identical" to another ETF or mutual fund security for purposes of the wash sale rules. As such, no assurances can be provided that if we or a Style Manager choose an ETF or mutual fund security as a replacement security to the sold security, the replacement ETF or mutual fund security will not be deemed "substantially identical" for purposes of the wash sale rules.

A Tax Efficient Management Offering applies on a per-Account basis only and only to the Account that has selected the particular Tax Efficient Management Offering. Please note, however, that the wash sale rules apply to securities transactions in not only that Account but also to securities transactions in all other accounts held by you, your spouse and certain entities controlled by you and your spouse. The accounts covered under the wash sale rules include all taxable accounts and retirement accounts held at Merrill or an Affiliate that are brokerage accounts and/or accounts enrolled in investment advisory programs, and all securities accounts of any type held with third parties in each case, held by you, your spouse and certain entities controlled by you and your spouse (securities accounts). A particular Tax Efficient Management Offering will not take into account trading activity in any of these other securities accounts. If an Account that has selected a Tax Efficient Management Offering is part of a Portfolio Group, the Tax Efficient Management Offering will only apply to activities occurring in that Account and not to the activities occurring in the other Accounts that are part of the Portfolio Group.

The sale of a security for a loss in an Account enrolled in a Tax Efficient Management Offering will not generate a loss for tax purposes if the security or position was part of a wash sale or straddle as a result of trading activity or securities in any other of your securities accounts. In addition, the purchase of a replacement security in an Account enrolled in a Tax Efficient Management Offering may give rise to a wash sale with respect to a security or position in any of your securities accounts (including those of your spouse and certain of your spouse's controlled entities). Similarly, other trades executed in any securities account may also result in a wash sale in the Account enrolled in a Tax Efficient Management Offering. If you have elected to participate in the Automatic Contribution Service, Automatic Withdrawal Service, or Rebalancing Service offered in the Program for certain Program Accounts, the transactions that occur as a result of a Tax Efficient Management Offering may result in wash sales, even in the Account that has selected a Tax Efficient Management Offering.

In applying or selecting a Tax Efficient Management Offering to an Account that includes selling securities and investing in Style Manager Strategy-aligned replacements, the performance of any replacement security selected will not be the same as that of the security sold and, in fact, the replacement security may perform worse than the security sold. Any tax-related benefits that result from a Tax Efficient Management Offering may be negated or outweighed by investment losses and/or missed gains (realized and unrealized) that also may result.

An Account that enrolls in a Tax Efficient Management Offering will generally trade more frequently than an account which has not selected a Tax Efficient Management Offering. There are implicit trading opportunity costs associated with the additional turnover which may affect the returns on your Account. Selecting a Tax Efficient Management Offering may not be appropriate for your financial situation. If you are taxed at lower aggregate marginal income tax rates, you may be less likely to benefit from the Tax Efficient Management Offering than would an investor taxed at higher aggregate marginal income tax rates. Because you may use capital losses only to offset certain amounts of capital gains that you might have, and possibly, to a limited extent, ordinary income, if you have net capital losses in excess of the applicable threshold, you may not realize as many immediate tax benefits through the application of a Tax Efficient Management Offering to your Account. When selling a security that is held in two or more tax lots, certain overlay services may seek to minimize the capital gains tax consequences of the sale and in doing so may consider the holding periods (long-term or short-term) of the securities sold.

It is your obligation to monitor transactions across all of your accounts to identify any wash sales or straddles and you are responsible for all tax liabilities attributable to the disallowance of any losses pursuant to the wash sale rules or of any deferral under the straddle rules. Merrill and MAA cannot provide any assurances that losses will not be disallowed pursuant to the wash sale rules or deferred under the straddle rules. If you elect to enroll in a Tax Efficient Management Offering, you should consider receiving trade-by-trade confirmations (rather than receiving trade confirmations on a periodic basis), monitoring those confirmations and, to the extent any security is sold for a loss, refraining from acquiring the same (or a substantially identical) security in your Account or any of your securities accounts. Despite this, it is possible that you may still be subject to the wash sale or straddle rules in any given tax year.

Special Risks and Limitations associated with the TET Service. Unless you notify your Advisor otherwise, by enrolling in the TET Service, the Tax Efficient Rebalancing overlay service (TER Service) that is part of the TEM Overlay Service offering will be applied to the assets invested in the selected Investment Strategy. You may elect to apply the Quarterly Loss Harvesting overlay service (QLH Service) to the assets invested in the selected Investment Strategy while enrolled in the TET Service. If applied, the timing of the QLH Service analysis and harvesting action and that of the Annual Transition Budget exhaustion may be impacted. For additional details on the TER and QLH Services, see the applicable term sheets available at mymerrill.com/ADV/materials.

The Dynamic Tax Loss Harvesting overlay service (DTLH Service) is not available while enrolled in the TET Service and will be removed, if applied, for the Account. If replacement ETFs are held in your Account as a result of the DTLH Service, enrolling in the TET Service will cause the replacement ETFs to be sold and reinvested in the ETFs designated in the selected Investment Strategy. This can cause you to incur additional net capital gains outside of the TET Service and may result in wash sales but will not impact your Annual Transition Budget. You should consult with your legal and/or tax advisors regarding applicable wash sale rules.

The TET Service operates on a per-account basis only. It does not consider securities held in other accounts at Merrill or other firms. It will only take into consideration the trading activity that occurs in the Account that has selected the TET Service and will only apply to eligible investments within such Account.

The TET Service relies on cost basis for any securities subject to the TET Service. At the time of enrollment in the TET Service, securities without a cost basis will not be eligible for the TET Service. Any securities that have an inaccurate or missing cost basis will impact the TET Service and the timing of the transition. You agree in the Agreement that, if requested, you will provide us with an accurate cost basis.

We make no guarantee that Transition Assets will be transferred in kind to the selected Investment Strategy or at a loss. We make no guarantee that any tax liability in the Account will be reduced, that any indicated limits or mandates will be met or that the desired tax results will be produced. For example, while spreading tax liability over multiple years may reduce the tax liability in a single year, it will generally only reduce the total tax liability to the extent that gains realized in a single year qualify for a lower tax rate or the client has more losses that are available for tax offsetting as compared to if the tax liability had not been spread over multiple years.

MAA can, in light of other considerations in an Account, effect transactions even though they may generate tax liabilities, including short-term taxable income, or exceed or violate any of the limits or mandates you identity in connection with selecting the TET Service. If the TET Service is terminated, MAA will manage the investments in the Account as if the Account was never enrolled in the TET Service, which may result in the recognition of significant taxable gains as the assets are transitioned into the selected Investment Strategy. MAA will not be responsible for any such gains that may be realized in managing the client's Account after the termination of the TET Service. The termination of the TET Service will not affect the application of the TER Service or QLH Service for the Account if elected.

Although the TET Service may provide tax-related benefits, there are risks associated with investing Transition Assets into the selected Investment Strategy over time, rather than all at once, that could negate these benefits. Those risks include the potential risk of loss on the Transition Assets, a decrease in the value of the Transition Assets during the transition period and missing, in whole or in part, any potential gains (realized or unrealized) derived from being invested in the selected Investment Strategy.

The estimated tax impacts or any insight provided in connection with the TET Service or the Tax Efficient Management Service are not guaranteed and should not be viewed as tax advice. We and our affiliates and financial advisors do not provide legal, tax or accounting advice. You should consult your legal and/or tax advisors before making any financial decisions. You should also consult with your tax advisor whether the wash sale rules, the straddle rules, or other special tax rules could apply to your situation.

ITEM 5. ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Client and Financial Advisor Eligibility

Merrill requires that all clients who wish to enroll in the Program enter into the Agreement, which sets forth the services that Merrill and/or MAA will provide to the client. The Agreement sets forth the terms and conditions that govern the handling of the client's Account or Accounts and the investment advisory relationship between the client and Merrill. A separate account is required for each Program Strategy selected by the client. For the Premium Access Strategy type, the client must also enter into the PAS Manager/Client Contract directly with the PAS Manager that will manage the client's assets in the Account, giving the PAS Manager trading authority over the Account. The PAS Manager/Client Contract with the PAS Manager will govern the terms of the client's investment advisory relationship with the PAS Manager. Merrill and, where applicable, the PAS Manager may each decline to accept a particular client or account in the applicable Program at any time and for any reason at their sole discretion.

Clients generally eligible to participate in the Program include individuals, trusts, estates, charitable organizations, banks, insurance companies, thrift institutions, pension and profit sharing plans, corporations and virtually all other types of business as defined by us. Not all Merrill account types are eligible for enrollment in the Program. Certain Program Strategy types where the Advisor has investment Authority and certain investment products, including certain Alternative Investment Funds, may only be made available to clients of qualified Advisors. See "Item 4 Investment Strategy Services Available—Defined Strategy as a Program Strategy Type" and "—Personalized Strategy with Advisor Discretion as a Program Strategy Type" and "Item 6 Portfolio Manager Selection and Evaluation—Advisory Services Provided by Merrill, its Advisors and Certain Affiliates."

Not all types of investors are eligible for each Program Strategy. See "Item 4 Investment Strategy Services Available—Premium Access Strategy as a Program Strategy Type." Certain investment products and solutions and services are only available for eligible Accounts and eligible investors. MFSAs can only offer the Program Strategy type of Managed Strategy and not any of the other Program Strategy types. Within Managed Strategy, they are only eligible to offer certain of the Style Manager Strategies that are available in the Program.

Program Minimums

There is generally no minimum asset requirement to participate in the Program; however, the PAS Style Manager Strategies, certain Style Manager Strategies and the TEM Overlay Services require minimum investment amounts as reflected in the applicable Profile or other disclosure documents.

Retirement Accounts

In accordance with Department of Labor regulations under Section 408(b)(2) of ERISA, we are required to provide certain information regarding our services and compensation to assist fiduciaries and plan sponsors of those Retirement Accounts that are subject to the requirements of ERISA in assessing the reasonableness of their plan's contracts or arrangements with us, including the reasonableness of our compensation. This information is provided to you at the outset of your relationship with us through the Retirement Account Addendum/408(b)(2) fee disclosures which references information included in this Brochure and the Agreement. It is also provided at least annually to the extent that there are changes to any investment-related disclosures for services provided as a fiduciary under ERISA in a separate letter sent to you that describes any material updates to our Brochure.

Retirement Accounts subject to ERISA that elect to delegate voting authority to the Proxy Delegation Vendor may require additional documentation to elect the ISS SRI Guidelines or the ISS Catholic Guidelines as their voting policy. The sub-accounting service or distribution fees received from the mutual fund or a fund service provider or its Affiliate relating to mutual fund or other securities holdings in a Retirement Account will be credited to the Retirement Account on a periodic basis. To the extent required by law, a Retirement Account that invests in any Related Style Manager Strategy or a Related Fund will not be charged or will be credited, as the case may be, on a periodic basis with certain fees or other compensation associated with the Related Style Manager Strategy or Related Fund in the Retirement Account.

If you invest through your Retirement Account in Alternative Investment Funds, you will purchase shares or units that do not provide for fee sharing with, or payment of placement or selling agent fees to, Merrill or its Affiliates. Certain Alternative Investment Funds (or their sponsors or managers) or one or more portfolio companies in which an Alternative Investment Fund holds an interest may use our services or those of our Affiliates in the ordinary course of business. In such case, we or one of our Affiliates will receive compensation from the Alternative Investment Fund, a portfolio company or their respective managers (none of which are our Affiliates). If your Retirement Account receives an in-kind distribution (that is, a distribution that is not made in cash) from the Alternative Investment Fund, you are responsible for ensuring that your Retirement Account may accept and hold the distributed asset and that no prohibited transaction under ERISA or Section 4975 of the Code will result. Merrill will not monitor the ability of Retirement Accounts to receive in-kind distributions from Alternative Investment Funds and will not be acting as a fiduciary under Title 1 of ERISA or Section 4975 of the Code with respect to an in-kind distribution made to your Retirement Account. You should consult with your tax advisors concerning receipt of in kind distributions.

ITEM 6. PORTFOLIO MANAGER SELECTION AND EVALUATION

Selection and Review of Investment Strategies and Funds Available in the Program

The Program offers you access to Style Manager Strategies and, if the client meets eligibility requirements, PAS Style Manager Strategies fund investments, like mutual funds, money market funds, ETFs, unit investment trusts, closed-end funds and Alternative Investment Funds, Annuities and other security types, in each case, that we decide in our discretion to make available in the Program. The determinations to include these types of investment solutions in, or to remove them from, the Program is made by us based on a variety of factors, including client needs, investment styles available in the marketplace, platform capacity, client demand and the outcome of certain reviews that are conducted by or under Merrill's auspices, including through the CIO.

We perform, through our product teams' internal business processes, initial and periodic reviews. In addition to these business processes, we have in place an investment review, referred to as the "CIO Review Process," conducted by or under the auspices of personnel of the CIO of investment solutions that are being considered for inclusion in the Program. The CIO Review Process consists of proprietary processes conducted by the CIO and those processes and reviews provided by third-party reviewers that we have engaged for this purpose. The third-party reviewer processes and reviews are generally consistent with the review processes that the CIO deploys but they are not identical. We, through the CIO, have reviewed such third-party reviewers' processes and believe they are reasonable and appropriate in light of the objectives of the Program.

The CIO Review Process covers Style Manager Strategies, PAS Style Manager Strategies and limited aspects of variable annuities that are made available in the Program. It also covers mutual funds, money market funds, ETFs, closed-end funds and Alternative Investment Funds (together, CIO-reviewed Funds). Please note that, at various points in time, particular Style Manager Strategies, PAS Style Manager Strategies, variable annuities and individual CIO-reviewed Fund securities may not be covered under the CIO Review Process. While substantially all of these investment products available under the Program have been reviewed for the administrative and operational requirements of our platform, not all products available in the Program are subject to the CIO Review Process.

Once we identify a need for a particular investment management style or strategy, a quantitative and qualitative due diligence process is employed, including but not limited to, the organizational structure and stability of the investment manager or Fund manager or sponsor, adherence to investment style, including sustainability or SII attributes, where relevant, 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, the CIO Review Process involves quantitative and qualitative analytical methods, some of which may be subjective. Generally no single factor will be determinative.

Our reviews may involve in-person visits, telephone conference calls, reviews of performance, and updates of disclosures and documents relating to the particular investment solution. We may also conduct periodic analysis of composite performance data; however, we do not perform audits of Style Managers, PAS Managers, product sponsors and fund sponsors or Annuity Issuers or of their investment strategies to verify past performance information provided to us. There is no assurance that the CIO Review Process or our internal reviews will identify the best performing Style Manager Strategies, PAS Style Manager Strategies, variable annuities or Funds.

We will periodically evaluate factors related to the investment management of the Style Manager Strategies, PAS Style Manager Strategies, variable annuities and CIO-reviewed Fund investments that we deem appropriate. In addition, we may initiate reviews based on various factors determined by us and/or the CIO to be appropriate, including the level of assets invested in client accounts at Merrill or an Affiliate, the number or percentage of Merrill or Affiliate clients and the asset class involved, among other factors. If we identify concerns that we find significant or important, we may choose not to accept any new investments. A drift or variation of the style of management of a particular Style Manager Strategy, PAS Style Manager Strategy or CIO-reviewed Fund from the stated style does not require a removal from our Program offering.

Merrill retains the decision-making authority to add or remove a Style Manager Strategy, PAS Style Manager Strategy, Fund or an Annuity from the Program, regardless of, or in light of the results of, any review conducted, including through the CIO Review Process.

Our product teams' internal business review and the CIO Review Process form the basis for Merrill determining whether to make ETFs and other exchange traded products (exchange traded products) and closed-end funds available for solicitation and use in the Program. In addition, the CIO Review Process determines whether exchange traded products will be included in a Style Manager Strategy constructed and implemented by the CIO. The CIO Review Process and conclusions from that process do not rely on or otherwise use the research reports and ratings related to certain exchange-traded products and closed-end funds of the BofA Global Research Group (Research Ratings) as an input or factor. The CIO, BofA Global Research and other business units of BofA Corp. apply different methodologies in their review of exchange traded products and closed-end funds and may arrive at different or inconsistent conclusions.

We make available model-based Style Manager Strategies from MAA based on BofA Global Research Group investment models or lists that include exchange traded products that are covered by these Research Ratings. It is possible that certain of the exchange traded products included in the Style Manager Strategies based on the BofA Global Research-based models or lists may not have been reviewed under the CIO Review Process and such review is not required.

As a result of the CIO Review Process, internal business reviews or otherwise, Merrill may determine to take certain actions, including not making Style Manager Strategies, PAS Style Manager Strategies, CIO Reviewed Funds, Alternative Investment Funds or variable annuities or their manager/sponsors or issuers available in the Program. Note that Style Managers, PAS Managers, Annuity Issuers, product sponsors and Fund managers include as part of their strategies' investment portfolios individual equity and fixed income securities, investment strategies and Funds based on their own review and portfolio management processes and determinations. These individual securities, including Fund securities, may not be covered, and are not required to be subject to, the CIO Review Process.

Our review, including through the CIO Review Process, of Style Manager Strategies, PAS Style Manager Strategies, Funds and variable annuities does not substitute for your ongoing monitoring of your Portfolio and the performance of your investments.

Available Information Regarding Style Manager Strategies, PAS Style Manager Strategies and Funds

We make available guidance to our Advisors and MFSAs through regular or ad hoc internal publications, including those from the CIO, that reflect our internal opinions and views with respect to a Style Manager Strategy, PAS Style Manager Strategy or CIO-reviewed Fund. Financial advisors are not obligated in all circumstances to take action with respect to any such determination and have the ability to decide not to use or follow this additional guidance and to make independent recommendations.

For Style Manager Strategies and PAS Style Manager Strategies, we receive strategy descriptions and performance information from the Style Manager, PAS Manager and MAA for use in the Profiles. Each such Manager may use different methodologies to select and aggregate accounts for performance reporting purposes as well as different calculation approaches for composite performance results. We make no claim that the Profile performance information has been calculated according to any industry standards.

MAA's implementation of investment advice from a Style Manager could result in performance that is materially different from the results that the Style Manager would achieve if it managed your Account directly. Account performance also may differ for a variety of other reasons, including differences in the types, availability and diversity of securities that can be purchased, regulatory restrictions on the purchase of certain securities, economies of scale and other factors applicable to investments in large accounts, gains or losses caused by currency transactions and other considerations. For a Discretionary Style Manager Strategy and PAS Style Manager Strategy, the Profiles will contain performance information of the strategy provided by the Style Manager or the PAS Manager as it is implementing its investment decisions directly.

By offering a Style Manager Strategy or a PAS Style Manager Strategy in the Program, we are of the view, after considering certain information, including information and representations provided by the Style Manager or the PAS Manager, that the Strategy's past performance is reasonably representative of the investment style as it will be implemented in the Program and is sufficiently relevant for consideration by a potential or existing client. Please note that any past performance shown on the Profile is not indicative of future results and your investment performance will differ from the information presented in the Profile.

For an eligible Account, you will be provided with documents (which are available at mymerrill.com/ADV/materials) that contain descriptions of the TEM Overlay Services. You should carefully read these materials and understand the relevant approaches of the TEM Overlay Services and the risks and limitations.

Strategy Construction

Style Manager Strategies and PAS Style Manager Strategies are generally organized according to a shared characteristic such as asset class or investment style. The Style Manager (whether a third-party investment manager or Merrill, MAA or their Affiliates) and the PAS Manager will construct the particular investment strategy and select the securities, including, in certain cases, Funds and other types of investment strategies. They also set the allocations or allocation ranges. For certain Style Manager Strategies, the Strategy's portfolio incorporates the Style Manager's tactical asset allocation over a strategic allocation. Please refer to the Profile for additional information about the Style Manager Strategy or the PAS Style Manager Strategy itself, including further details with respect to the strategy description, portfolio construction and due diligence.

The Style Manager Strategies that are available in the Program include those that are constructed, implemented and managed by Merrill or one of its Affiliates and where Merrill or its Affiliate acts as the Style Manager. These Style Manager Strategies include those constructed by the CIO and those implemented by MAA based on BofA Global Research investment models or lists.

For the Style Manager Strategies constructed by the CIO (CIO Style Manager Strategies), the CIO selects the constituent mutual funds, money market funds and exchange traded products for the particular CIO Style Manager Strategy and, when doing so, selects only those subject to the CIO Review Process and those that are considered to have sufficient assets under management and to meet minimum trading volume parameters. In addition, it considers and evaluates their share price or net asset value, along with the corresponding allocation weighting, in light of the CIO Style Manager Strategy's investment minimum. The CIO also determines the allocations or allocation ranges. The CIO develops the strategic asset allocations for the CIO Style Manager Strategies based on its long-term expected return, risk and correlation assumptions for each asset class (capital market assumptions), its view of the appropriate long term allocation guidelines to follow in light of market conditions, expected trends and, as applicable, corresponding tactical asset allocation adjustments. The tactical asset allocation adjustments are applied to those long-term asset allocations based on the CIO's near-term market, economic and asset class expectations. These tactical adjustments overweight or underweight specific asset classes, incorporating its investment views on how market dynamics, phases of the economic or business cycle and particular investment themes may affect the CIO Style Manager Strategies. In order to determine tactical asset allocations, the CIO utilizes internal as well as third-party research and data at both the macro and micro levels.

Once the CIO Style Manager Strategies are constructed, the CIO regularly monitors and reviews them and makes adjustments based on asset allocation changes. The individual securities are also periodically reviewed to ensure they continue to meet the criteria for inclusion. The CIO Style Manager Strategies are also subject to internal governance and oversight processes on a periodic basis, which may include a review of performance against expectations as well as any applicable investment or regulatory restrictions.

The offering of Related Style Manager Strategies and Related PAS Style Manager Strategies is subject to internal governance processes and applicable legal requirements. The Program does not currently offer any Related Funds. However, to the extent any Related Funds become available, we may determine to include them in a Style Manager Strategy constructed by Merrill or one of our Affiliates or a third-party Style Manager Strategy. The conflicts of interest and other considerations arising from the use of Style Manager Strategies constructed, implemented and managed by Merrill or any of its Affiliates are discussed in "Compensation, Conflicts of Interest and Material Relationships" in Item 9.

The investment strategies constructed and implemented by an Advisor in an Account enrolled in the Personalized Strategy with Advisor Discretion or the Defined Strategy are not subject to the same level of review that is applicable to Style Managers.

Advisory Services Provided by Merrill, its Advisors and Certain Affiliates

Merrill, acting primarily through your Advisor, will generally act as the portfolio manager for an Account where you select the Custom Managed Strategy with Advisor Discretion, a Defined Strategy or a Personalized Strategy with Advisor Discretion for your Account. To qualify to offer investment advisory services through the Program Strategy types of Personalized Strategy with Advisor Discretion and Defined Strategy, Advisors must meet eligibility requirements which include length of experience in the securities industry, having an acceptable sales practice record, completion of business certification and training requirements, having a minimum level of client assets in Merrill accounts and management approval. To attain a senior designation and therefore be entitled to additional flexibility under Program guidelines respecting their client's account activity, Advisors must achieve a specified level of client assets in discretionary assets; however, they are not required to maintain a certain discretionary assets level in order to retain their senior status.

For an Account that selects either a Managed Strategy or a Custom Managed Strategy, MAA will generally act as the portfolio manager. If you choose a Related Style Manager Strategy, the Related Style Manager will generally act as a portfolio manager, as described in the applicable Profile. Merrill and MAA act as both the wrap fee program sponsor and as the portfolio manager in respect of certain Style Manager Strategies, as described in this Brochure. One of our Affiliates may also act as a PAS Manager. We both also act as the portfolio manager in other wrap fee programs sponsored by us.

Merrill receives the entire Merrill Lynch Fee as described in this Brochure. As explained in "Item 4 The Program Fee and Other Charges," the Style Manager Fees and PAS Manager Fee are separate charges from (and in addition to) the Merrill Lynch Fee component of the Program Fee. We do not retain any portion of the Style Manager Fee or PAS Manager Fee unless Merrill or its Affiliate serves as the Style Manager or the PAS Manager and charges a Manager Fee. Offering Style Manager Strategies and PAS Style Manager Strategies constructed by Merrill or by one of our Affiliates where a Manager Fee is charged is subject to our internal policies and any applicable legal requirements.

We also act as an investment adviser in our other investment advisory programs, like MGI, MGI with Advisor, MEAA, SPA and MAS, which provide investment advisory and management services that, in certain ways, are similar to the Program Services but are not the same. Additional information about such other programs is available in the "About Us and the Program" and in "Item 4 Ability to Obtain Certain Services Separately and for Different Fees."

Performance-Based Fees

The Program does not charge performance-based fees. Certain mutual funds and Alternative Investment Funds available in the Program, however, may be subject to performance-based fees or varying fund expense charges that are imposed by the manager, adviser or other party that are based on performance of the mutual fund or Alternative Investment Fund.

Methods of Analysis

The implementation and management of any Portfolio will be dependent upon your Advisor's or MFSA's investment expertise, philosophy and process. We make available various resources, including securities research and guidance prepared by BofA Global Research, investment guidance and management research and publications from the CIO covering macroeconomic and market events and specific Style Manager Strategies, PAS Style Manager Strategies and CIO-reviewed Funds, information and assistance from other Merrill internal specialists and support teams and information from selected third-party research providers and other resources. They have access to Merrill's asset allocation guidance and proprietary model portfolios, including those constructed and managed by the CIO. Any use of such guidance and proprietary model portfolios does not assure or guarantee that investment performance will necessarily be profitable or consistent with the proprietary model portfolio.

We and your Advisor or MFSA, as the case may be, can use various securities analysis methods, including fundamental, technical, quantitative and economic analyses, and can reference primary source materials, including company management contacts, company releases, financial and trade publications, corporate rating services, annual reports and filings with governmental agencies and research reports and market commentary issued by investment firms that are not affiliated with us. The method of analysis used for a Portfolio varies among and depends on the individual practice and investing philosophy of the Advisor or MFSA. There is no assurance that a particular Advisor or MFSA will use any of the methods of analysis identified above.

Investment Strategies and Risk of Loss

Set forth below is a summary description of material risks related to the Program Services provided in the Program and investment strategies and products that have significant or unusual risks. The information provided below is meant to summarize certain risks and is not inclusive of each and every potential risk associated with each investment type or applicable to a particular Account. Therefore, you should not rely solely on the descriptions provided below and are urged to speak with your Advisor or MFSA and ask questions regarding risk factors applicable to a particular investment strategy or product, read all product-specific risk disclosures and determine whether a particular investment strategy or type of security is suitable for your account in light of your specific circumstances, investment objectives and financial situation.

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

Lack of Diversification. We typically recommend that clients diversify their investments across multiple asset classes, issuers, sectors and industries to reduce the additional investment risk frequently associated with concentrated investments. The Equity-Focused, Fixed Income-Focused and Alternative Investment-Focused Target Asset Allocation options limit the Portfolio to exposure in a specific asset class and limit the diversification benefits offered in other available Target Asset Allocations. You should understand that concentrated portfolios, including Portfolios with a concentration in one asset class, typically result in increased risk and volatility and decreased diversification, which could result in losses.

Multi-Client Account Portfolio Groups. All participants in a multi-client Portfolio Group will have access to information about the Accounts included in the multi-client Portfolio Group. The management of the Accounts that are included may be affected by the multi-client Portfolio Group's Target Asset Allocation, as well as by the addition and removal of Accounts by other clients participating in the multi-client Portfolio Group. The fees and other costs in your Account that is included in a multi-client Portfolio Group may be more or less than if your Account were not in such a Portfolio Group. If you have agreed to a multi-client Portfolio Group, the members of the Portfolio Group will receive Program Reports that include information about other of your accounts included in the report.

Unsolicited Trading. Effecting unsolicited trades may limit your financial advisor's ability to make recommendations in accordance with your Target Asset Allocation. If you choose to invest assets in a manner that differs materially from our investment recommendations, you may assume additional risks that result from your decisions. We have no obligation to monitor securities that you include in your Account on an unsolicited basis. If you effect trades in securities that we do not cover for research purposes or about which BofA Global Research has a contrary recommendation, this will be at your own risk.

Engaging in Margin and Securities-Based Lending with your Account. As disclosed in your brokerage account agreement, if you use margin to purchase securities, the collateral for the margin debit will be the assets in your Accounts and other accounts at Merrill. The costs, risks and other features and conditions of margin are more fully described in our margin Agreement and disclosures. We can take certain actions if the value of the collateral supporting the margin debit declines in order to maintain the required equity in the account, such as issuing a margin call or selling securities or other assets maintained at Merrill. We can increase our "house" maintenance margin requirements at any time and we are not required to provide you with advance written notice. You are not entitled to choose which securities or other assets are to be liquidated or sold to meet margin calls and you are not entitled to an extension of time on a margin call. If a margin call cannot be fully satisfied from assets in your Account or other assets at Merrill, you will remain liable for the outstanding debt. Overall, margin increases the risk of losses in declining markets that negatively affect the value of securities bought on margin. You assume full responsibility for using margin to buy securities and may discontinue the use of margin at any time. If you invest using margin, you assume additional risk, including the fact that your losses may exceed the amount you have in your Account.

Certain of your Account assets may be "pledged" or used as collateral, if we consent, in connection with loans obtained through certain Affiliated Lending Programs and unaffiliated loan programs. Risks to your Portfolio will be heightened in the event you pledge your Account or if your pledged Account makes up all, or substantially all, of your overall net worth or investible assets. The lender has the right to protect its own commercial interests and to take actions that adversely affect the management of your Account and related performance. Regardless of whether the lender is us, an Affiliate or a third-party lender, the lender's lien is senior to any rights we may have on the assets in the Account. As such, the lender has the right to sell securities in the Account that serve as collateral, if needed. You may not be provided with prior notice of a liquidation of securities or transfer of interests in your pledged Account and

neither may Merrill or its Affiliates. Furthermore, neither you nor we are entitled to choose the securities which are to be liquidated or transferred by the lender.

Role of Your Financial Advisor in the Program. The view of your financial advisor is an important factor as to which services, securities, Funds, Style Manager Strategies and/or PAS Style Manager Strategies are recommended to you or purchased for your Account. If your financial advisor is designated as an MFSA, they may only recommend to you certain Style Manager Strategies approved for them to offer and/or recommend to you.

If you work with an Advisor and have selected a Defined Strategy, Personalized Strategy with Advisor Discretion and/or Custom Managed Strategy with Advisor Discretion for your Portfolio, your Advisor has discretion and Authority with respect to the investments in the Account or Portfolio. The performance of the Portfolio will be dependent in part on your Advisor's ability to develop and implement an investment strategy. For a Portfolio with a Defined Strategy, your Advisor has the discretion to manage the assets in a manner that is different from the description provided in the Defined Strategy Profile without your consent.

Certain Advisors manage the same securities across different clients' Accounts and in Accounts that have selected different Program Strategy types for their Accounts. Clients can have different execution experiences depending on the nature of the Program Strategy they have for their Account. Clients should understand that, because of timing and the need to obtain client authorization, to the extent an Advisor has clients in a Program Strategy type where they have the investment Authority and intends to buy or sell a security for clients with an Account where the client has the Authority at or about the same time, the Advisor can generally execute the transaction for the discretionary accounts before executing it for non-discretionary investment accounts. This could have a negative effect on the performance of accounts where the client retains the investment Authority.

Information Security, Cybersecurity and Artificial Intelligence Risks. With the increased use of technologies to conduct business, like all companies, Merrill, its parent BofA Corp, their Affiliates, customers and clients and service providers are susceptible to operational, information security, and related risks. We and they are targets of an increasing number of cybersecurity threats and cyberattacks Cyber-incidents cause disruptions and affect business operations, potentially resulting in financial losses, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber-incidents affecting issuers of securities, Style Managers and PAS Managers, the Funds and Fund managers and sponsors, counterparties, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers), and other parties.

We, as well as BofA Corp., seek to mitigate cybersecurity risk and associated legal, financial, reputational, operational and/or regulatory risks by employing a multifaceted program through various policies, procedures and playbooks that are focused on governing, preparing for, identifying, preventing, detecting, mitigating, responding to and recovering from cybersecurity threats and cybersecurity incidents suffered by BofA Corp. and its Affiliates, including Merrill, and its third-party service providers. While we and our third-party providers have experienced cybersecurity incidents and well as adverse impacts from such incidents and expect to continue to experience such incidents resulting in adverse impacts with increased frequency and severity due to the evolving threat environment. There can be no assurance that we or our service providers, will not suffer losses relating to cybersecurity attacks or other information security breaches in the future.

In addition to cybersecurity incidents and information security breaches, the focus on information security includes the collection, use and sharing of data, the safeguarding of personally identifiable information and corporate data, and the development, implementation, use and management of emerging technologies, including artificial intelligence (AI) and machine learning. We rely on our ability to manage and process data in an accurate, timely and complete manner, including capturing, transporting, aggregating, using, transmitting data externally, and retaining and protecting data appropriately. Our data management processes may not be effective and are subject to weaknesses and failures, including human error, data limitations, process delays, system failure or failed controls. Failure to properly manage data effectively in an accurate, timely and complete manner may adversely impact its quality and reliability and could adversely impact our ability to develop our products and relationships with customers, increase regulatory risk and operational losses, and damage our reputation.

Merrill may use programs and systems that utilize AI, machine learning, probabilistic modeling and other data science technologies (AI Tools), including those developed by third parties. AI Tools are highly complex and may be flawed, hallucinate, reflect biases included in the data on which such tools are trained, be of poor quality, or be otherwise harmful, which therefore requires supervision and oversight. The legal and regulatory environment relating to the use of AI Tools is uncertain and rapidly evolving, and could require changes in our implementation of AI Tools and increase compliance costs and the risk of non-compliance. We may have limited visibility over the accuracy and completeness of AI Tools developed by third parties. AI Tools often use data feeds from a number of sources. If those data feeds or formats become corrupted, compromised, or discontinued in any material manner, or become undeliverable or inaccessible in a timely manner, the tool will be unable to properly function or their operation may be adversely impacted. The AI Tools' ability to use the data may also be adversely impacted by any change in the format of data delivered or acquired by the tool. Furthermore, the use of AI tools may lead to increased risks of cyber-attacks or data breaches and the ability to launch more automated, targeted and coordinated attacks due to the vulnerability of AI technology to cybersecurity threats.

General Risks Associated with Investments Available in the Program. All investments involve risk, the degree of which varies significantly. Investment performance can never be predicted or guaranteed and the value of your assets will fluctuate due to market conditions and other factors. Investments made and the actions taken respecting your Program assets will be subject to various economic, geopolitical, and market conditions, such as changes in interest rates, availability of credit, inflation rates, global demand for particular products or resources, natural disasters, climate change, economic uncertainty, pandemics and epidemics (*e.g.* COVID-19), terrorism, social and political discord, debt crises and downgrades, regulatory events, governmental or quasi-governmental actions, changes in laws, and national and international political circumstances risks. Investments will not necessarily be profitable.

Portfolios that consist of equity securities (such as stocks) will be more or less volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements will generally result from factors affecting individual companies, sectors or industries selected for a portfolio or the securities market as a whole, such as changes in economic or political conditions. Fixed income securities increase or decrease in value based on changes in interest rates. If rates increase, the value of these investments generally decline. On the other hand, if rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities generally are subject to greater fluctuations in value. There is a risk that issuers and/or counterparties will not make payments on securities and instruments when due or will default completely. In addition, the credit quality of

securities and instruments may be lowered if an issuer's or a counterparty's financial condition changes. Lower credit quality may lead to greater volatility in the price of a security or instrument, affect liquidity and make it difficult to sell the security or instrument. Certain strategies invest in securities and instruments that are issued by companies that are highly leveraged, less creditworthy or financially distressed. These investments (commonly known as junk bonds) are considered speculative and are subject to greater risk of loss, greater sensitivity to interest rate and economic changes, valuation difficulties and potential illiquidity. Investments in some securities can be difficult to purchase or sell, possibly preventing the sale of these illiquid securities at an advantageous price or when desired. A lack of liquidity can also cause the value of investments to decline, and the illiquid investments can also be difficult to value. Additionally, there may be no market for a fixed income instrument, and the holder may not be able to sell the security at the desired time or price. Even when a market exists, there may be a substantial difference between the secondary market bid and ask prices for a fixed income instrument.

You should review the offering materials and other disclosure available for each relevant investment security or transaction, including any prospectuses and other offering material produced by issuers and sponsors of investment products, to get an appreciation of its associated risks and fees. 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 you hold in the Program. For a discussion of conflicts of interest with the use of certain investments and securities, please review the information in this section and in "Item 9 Compensation, Conflicts of Interest and Material Relationships."

Use of Style Manager Strategies and PAS Style Manager Strategies. By deciding to allow a Style Manager to give investment directions to Merrill and/or by deciding to allow a Discretionary Manager or a PAS Manager to make investment and trading decisions with respect to the investment strategy for your Account, you assume the risks associated with such investment manager's investment decisions. If any such Manager effects trades in securities that we do not follow or for which we have a contrary recommendation, you assume the risk associated with this activity. If the investment manager assembles a concentrated position in the Account, you assume the risk of a substantial loss in value to the entire Account if there is a decline in the concentrated position or industry sector. Other risks of holding concentrated positions include substantial loss in the Account based upon the loss in value of a single security or industry sector and the impact that a large, concentrated position will have on the manager's ability to diversify the Account. Similarly, if the investment manager chooses to make use of margin to effect transactions in an Account, you assume the risk associated with margin transactions, including the risk that losses in the value of an asset purchased on margin are magnified as a result of the use of borrowed money. If an investment manager or an Advisor with Discretion uses option strategies as part of their respective investment strategy, including writing uncovered options or combination or straddle options, you assume additional risk. These risks include being exposed to potentially significant losses.

If you are in a Style Manager Strategy or a PAS Style Manager Strategy for your Account, you acknowledge that MAA, the Style Manager or PAS Manager will sell all or a portion of the securities in your Account, either initially or while in the Style Manager Strategy or the PAS Style Manager Strategy. You are responsible for all tax liabilities arising from these transactions. We and your financial advisor will not offer tax advice to you on these or other issues.

The Style Manager Strategies that are constructed, implemented and managed by Merrill, MAA or one of its Affiliates and a Defined Strategy that is managed by your Advisor are not subject to the same level of review that is applicable to third-party managers.

SII-themed Strategies or Funds. There are an increasing number of products and services that purport to offer sustainability or impact investing or strategies (SII Strategies). The variability and imprecision of industry SII definitions and terms can create confusion. Investment managers and product sponsors have designed their own approach to SII investing and how they use SII-related terms for their investment products. Merrill and MAA generally do not undertake a review of these approaches (including, where applicable, any SII-related investment policy or process followed by the manager) other than as part of the CIO Review Process. You should review the offering materials and Profiles to gain an understanding of how these managers and product sponsors describe their investment approach.

SII Strategies, including SII-related Funds, can limit the types and number of investment opportunities and, as a result, could underperform other strategies that do not have an SII or sustainable focus. Certain strategies focusing on a particular theme or sector can be more concentrated in particular industries or sectors that share common characteristics and are often subject to similar business risks and regulatory burdens. Because investing on the basis of SII criteria can involve qualitative and subjective analysis, there can be no assurance that the methodology utilized by or determinations made by a Style Manager or fund manager, will align with your SII-related beliefs or values. In addition, investments identified as demonstrating positive SII characteristics at a particular point in time might not exhibit positive or favorable SII characteristics across all relevant metrics or methodologies or on an ongoing basis. SII investing practices differ by asset class, country, region and industry and are constantly evolving. As a result, a company's SII practices and the Style Manager or Fund manager's assessment of such practices could change over time.

SII Strategies can follow different approaches. For example, some SII Strategies select companies based on positive SII characteristics while others may apply screens in order to exclude particular sectors or industries from an investment portfolio. Restrictions and exclusions can affect the portfolio manager's ability to make investments or take advantage of opportunities and, as a result, investment performance could suffer. On the other hand, category restrictions that aim to screen companies that engage in certain behaviors or earn revenue derived from a restricted category may not exclude all companies with any tie or revenue derived from such restricted category and require assumptions, opinions and the subjective judgment of the data provider that might not reflect your SII-related views or values. If you hold an investment that is perceived to belong to the restricted category, such security will be sold and could trigger a taxable event. Category restrictions will not be applied to strategies that invest only in Funds, nor will they be applied to investments made by Funds, so it is possible that client restrictions would not have any practical effect on an account comprised primarily of Fund investments.

When evaluating investments for an SII Strategy, a Style Manager or Fund manager is dependent upon information and data that might be incomplete, inaccurate or unavailable, which could cause an incorrect assessment of an investment's SII attributes. Neither Merrill nor MAA guarantees or validates any third-party data, ratings, screenings or processes. Moreover, the screenings and processes to implement category restrictions are not absolute and could be discontinued or changed at any time, including, but not limited to, changes to industry sector definitions, parameters, ownership categories, revenue calculations and estimations that could result in a Portfolio holding investments in companies that derive revenue from the restricted category.

ETFs. 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 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, they may be sold at a significant discount to their net asset value (NAV), or it may not be possible to sell them in the secondary market. Market and other disruptions also make it difficult for the ETF to accurately price its investments, thereby potentially affecting the ETF's price and performance. 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. An ETF's prospectus contains important information including disclosures about risks, fees and expenses. You should review the prospectus and other disclosures available for each ETF relevant to your Account to get an appreciation of its associated risks and fees.

Crypto Investment Vehicles. ETFs and other investment vehicles (Crypto Investment Vehicles) that invest in or hold underlying positions in, or derive value from, cryptocurrency (for example, Bitcoin or Ether) or cryptocurrency derivative contracts (collectively, crypto assets). The risks related to an investment in crypto assets are significant. Crypto assets are highly speculative and have been in existence for only a short period of time. A significant portion of the demand for crypto assets is generated by speculators and investors seeking to profit from short-term holdings. Media headlines, tweets, or influencers' opinions can significantly influence performance given the speculative nature of cryptocurrency. Historical prices of crypto assets have been extremely volatile. Crypto asset prices can decline rapidly, and investors can lose their entire investment within a short period. Some crypto assets have concentrated ownership or a number of large holders, who may cause unexpected price declines by selling or transferring their holdings without warning.

Due to the new and evolving nature of crypto assets, the regulatory landscape is uncertain. Future legal and regulatory developments may negatively impact the value of crypto assets and may adversely impact the ability of Crypto Investment Vehicles to operate. There is substantial uncertainty regarding the U.S. federal, state, and local tax treatment of (1) crypto assets and (2) Crypto Investment Vehicles. Additionally, the treatment of crypto assets for tax purposes by non-U.S. jurisdictions may differ from the treatment of crypto assets for U.S. federal, state or local tax purposes. It is possible, for example, that a non-U.S. jurisdiction would levy sales tax or value-added tax on purchases and sales of certain crypto assets, or impose other onerous tax burdens on crypto assets. Future guidance regarding the tax treatment of crypto assets could have an adverse impact on the prices of crypto assets, or increase the expenses of Crypto Investment Vehicles. Certain Crypto Investment Vehicles can generate unrelated business taxable income (UBTI) for tax exempt investors like individual retirement accounts.

There are no broadly accepted or standardized valuation methodologies or pricing models for crypto assets. The prices at which crypto assets trade may vary widely among different trading venues. As a result, any value and performance data of crypto assets may be difficult to measure or verify. This can, in turn, exacerbate any tracking error of Crypto Investment Vehicles that seek to track the performance of crypto assets, potentially leading such vehicles to trade at significant premiums and discounts. Similarly, this can also exacerbate any adverse impact on the performance of futures-based Crypto Investment Vehicles, cause them to underperform the spot price of the crypto assets associated with them, and/or exacerbate any such underperformance.

Certain crypto asset exchanges have experienced failures or interruptions in service due to fraud, Ponzi schemes, bucket shops, pump and dump schemes, security breaches, operational problems or business failure. Similar events could impact the value of a Crypto Investment Vehicle that has exposure to a crypto asset, regardless of whether the Crypto Investment Vehicle relies on such an impacted exchange. Further, certain crypto exchanges are not regulated to the same extent as national securities exchanges or registered futures exchanges, which increases the chance that transactions conducted on such exchanges are subject to market manipulation. Both factors can impact the ability of the Crypto Investment Vehicle to transact in the crypto asset and/or materially and adversely impact its price, thereby decreasing the value of the investment, regardless of whether the Crypto Investment Vehicle relies on an impacted exchange.

Furthermore, crypto asset related investments are subject to cybersecurity risks. Crypto assets—including crypto assets of a Crypto Investment Vehicle—could be permanently lost, stolen, destroyed or become inaccessible by virtue of, among other things, the loss or theft of the private keys necessary to access a crypto asset. The network associated with the crypto asset could be subject to attacks by malicious actors, software changes and/or changes in the level of continued engagement by developers, operators and validators of such networks, any of which could have a material and adverse impact on the crypto asset. Crypto assets are not legal tender, and are not backed by any government, corporation or other identified body, other than with respect to certain cryptocurrencies that certain governments are or may be developing now or in the future. Crypto assets are not FDIC insured or covered by SIPC.

Due to the anonymity cryptocurrencies offer, they have known use in illegal activity, including drug dealing, money laundering, human trafficking, sanction evasion and other forms of illegal commerce. Abuses could impact legitimate consumers and speculators; for instance, law enforcement agencies could shut down or restrict the use of platforms and exchanges, limiting or shutting off entirely the ability to use or trade crypto asset related products.

Certain Crypto Investment Vehicles are not registered under the Investment Company Act of 1940, as amended ("1940 Act"), and are not subject to regulation under the 1940 Act. Investors in such Crypto Investment Vehicles will not, therefore, receive the regulatory protections afforded by funds registered under the 1940 Act. For more information, you should review the risk factor discussions in the Crypto Investment Vehicle prospectus, periodic reports and/or other offering material.

Alternative Investments. There are risks associated with investments in Alternative Investments, which includes Alternative Investment Funds and NTFs. Alternative Investments are in general speculative and illiquid investments that are subject to a high degree of risk. Alternative Investment Funds are only available to certain clients who meet applicable eligibility and suitability requirements and in circumstances approved by us. The offering materials for Alternative Investment Funds contain material information relevant to making a decision to subscribe to the Alternative Investment Fund including its investment strategy, liquidity terms, fees and expenses, risks and conflicts of interest, as well as about the investment manager, fund operations and processes and how redemption requests are processed, including how proration of redemption requests may be applied for certain Alternative Investment Funds.

NTFs are classified as Alternative Investments by us because their principal investment strategies utilize alternative investment strategies (including short selling, leverage and derivatives as principal investment strategies) or provide for alternative asset exposure as the means to meet their investment objectives. They may not have the same type of non-market returns as Alternative Investment Funds since they have a relatively liquid and accessible structure with daily pricing and liquidity, are subject to a more structured regulatory regime and offer lower initial and subsequent investment minimums.

Annuities. Annuities are long-term investments primarily designed for retirement purposes and can offer tax-deferred accumulation with options for downside protection, death benefits and lifetime income. Variable annuities have market risk and investment risk because the contract value fluctuates based on the investment performance of the subaccounts selected or, if a variable indexed annuity, based on the index selected. The value of your Annuity will vary and could decline to less than the value of the premiums you have paid. You must pay the Annuity fees, charges and other expenses regardless of how the Annuity performs. Optional guaranteed benefits, which can normally only be elected at the time your Annuity contract is issued, could restrict

your investment options and in some cases cannot be reversed. You'll pay additional charges for optional benefits and guarantees, whether or not you use the benefits. If you want to take back the money you've paid in premiums under an Annuity contract, your withdrawal may be subject to surrender charges. These charges are described in the Annuity contract and prospectus/statement of understanding. In addition, your contract with the Annuity Issuer may include specific guarantees and payment commitments. Those are obligations of the insurer and are not guaranteed by Merrill or its Affiliates. If the insurer goes out of business, or if it lacks the funds to meet its obligations, including optional guaranteed benefits, you may not receive all of the promised income.

Brokered CDs. Rates paid on brokered CDs may be lower or higher than the rates available directly through the bank that is issuing the brokered CD or through a Merrill brokerage transaction. You are responsible for monitoring the total amount of brokered CDs and other bank deposits that you hold with any one bank for FDIC insurance limits.

VRDOs. VRDOs are variable rate demand obligations issued by municipalities or other municipal entities that carry an interest rate that resets periodically and that allows an investor to "put" or "tender" the VRDO to the issuer at the full face value of the VRDO plus accrued interest. The issuer engages a remarketing agent that is responsible for setting the VRDO's interest rate and for reselling VRDOs that have been tendered for purchase by their holders. For VRDOs available at Merrill, BofAS acts as the remarketing agent and earns fees associated with this activity from the issuer. VRDOs also often have a contractual source of liquidity in the form of a letter of credit or stand-by purchase agreement from a financial institution; for certain VRDOs, our Bank Affiliates may provide such contractual liquidity enhancement. Risks include interest rate risk; the inability of the remarketing agent to find purchasers for tendered securities; the inability to obtain an appropriate replacement liquidity provider to support the issuer's repurchase obligation at an acceptable price where needed; the risk of issuer default; and the credit risk of liquidity providers affecting the pricing levels of VRDOs.

Market-Linked Investments. MLIs are typically unsecured debt securities of the companies that issue them, which may include, from time to time, an Affiliate of Merrill. Your return on MLIs, including the amount you receive at maturity, if any, will depend on the performance of an underlying market measure, which may include stocks, indices, currencies, commodities or interest rates. The issuing companies of the MLIs are financial institutions and other entities that are subject to due diligence reviews by us and/or our Affiliate. MLIs are only available to clients who meet applicable eligibility requirements. The prospectus for an MLI contains material information relevant to making a decision to purchase the MLI, including its economic terms, risks and conflicts of interest. An investment in MLIs involves particular risks. MLIs are not conventional debt securities, typically do not bear any interest, and are not insured by the FDIC or secured by any collateral. Any payment on MLIs will be subject to the credit risk of the issuing company. Neither the issuing company, Merrill or its Affiliates, nor any unaffiliated third-party broker dealer is obligated to make a market for, or to repurchase, any MLI.

Precious Metals. The prices of Precious Metals are volatile and influenced by a wide range of economic, political, market-related and other factors. In addition, investing in Precious Metals is subject to all the risks of holding physical assets (including, without limitation, loss, theft, inaccessibility and corruption), which are generally not relevant to most financial instruments. Purchases and sales of Precious Metals through the third-party provider and the holding of Precious Metals at approved vaults will carry additional risks such as counterparty and custody risks.

Uncovered Options, Uncovered Call Writing, Short Selling and Options Overlay Strategies. If you write uncovered options or take action to sell stock short, you will be exposed to potentially significant losses. For a call option, if the value of the underlying instrument increases above the exercise price, you can incur large and unlimited losses until the option expires or other option contract remedies are pursued. For a put option, you bear the risk of loss if the value of the underlying instrument declines below the exercise price. If you write combination or straddle options (where a put and a call option are written on the same underlying instrument), the potential risk of loss is unlimited. If a secondary market in options were to become unavailable, you could not engage in a closing transaction and you would remain obligated until expiration or assignment. If you do not meet the margin payment requirements described in your option account agreement, we may liquidate stock or options positions in your Account, with little or no prior notice to you. We reserve the right to not approve any Account to engage in uncovered options transactions or short sales. You assume full responsibility for writing uncovered options and selling stock short, including the possibility of incurring unlimited losses, and may discontinue writing options and short selling at any time. Options overlay strategies may be adversely affected by market behavior or unexpected events. Like with any strategy, no assurances can be given that options overlay strategies will accomplish their objectives.

Tailored Investment Advice

Under the Program, you set a Target Asset Allocation for your Account or Portfolio Group based on certain factors provided by you. You can also select one or more Program Strategies for each of your Accounts. You also may request that we impose Reasonable Investment Restrictions on an Account. Depending upon the Program Strategy you select, your financial advisor will help you select, or will select for you, investments consistent with your Target Asset Allocation, and other information you provide to us. If you have an investment policy statement or other investment guidelines (IPS), it is your responsibility to communicate your investment approach and preferences to your financial advisor. However, we do not have any responsibility to review, monitor or adhere to any IPS relating to your Account. Adherence to your IPS is solely your responsibility. To the extent the terms of such IPS conflict with an investment or Strategy you select under the Program, by signing the Agreement, you have agreed that the terms of such IPS were amended to incorporate by reference such investment or Strategy.

Voting Client Securities

You have the right to vote proxies for securities held in your Account or to select a third-party agent to vote on your behalf as further described in "Item 4 Proxy Voting." In the event that proxy voting authority is granted to the Proxy Delegation Vendor and the Proxy Delegation Vendor declines to exercise its proxy voting authority, the proxy voting authority will revert directly to you. You may not delegate to us, and we do not accept or assume from you, proxy voting authority for any securities in your Account.

ITEM 7. CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

As part of the enrollment process, we elicit information about your financial circumstances, investment objectives, risk tolerance, time horizon and other information relating to your Accounts and Portfolios. We provide this information to Style Managers as necessary and pursuant to the Agreement. We do not generally provide this information to Funds. If you select a PAS Style Manager Strategy for your Account, you must also provide information about your financial circumstances, investment objectives, risk tolerance, time horizon and other information relating to your Account to the PAS Manager.

In managing your Portfolio, we rely on information you provide and it is your responsibility to notify promptly your Advisor or MFSA, as the case maybe, of any updates to such information. In the Agreement, you represent to us that you have provided us and will provide us with information that is accurate and complete. Failure to do so could affect the suitability of the Program Services being provided to you. We are not required to verify the accuracy of the information.

ITEM 8. CLIENT CONTACT WITH PORTFOLIO MANAGERS

MAA has agreed to make one or more of its advisory or investment personnel reasonably available for consultation with you and your financial advisor regarding a Style Manager Strategy if you request. Upon request, Discretionary Managers periodically will make one or more of their advisory or investment personnel reasonably available for consultation with MAA, your financial advisor and you for a joint consultation regarding their respective Style Manager Strategy, composition and performance of a Strategy, and the factors underlying the selection of the securities. If you select a PAS Style Manager Strategy for your Account, your PAS Manager/Client Contract will provide for the level of client contact available to you with the PAS Manager and its investment or advisory personnel.

ITEM 9. 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. You can find additional information regarding these settlements in Part 1 of Merrill Lynch's Form ADV at adviserinfo.sec.gov.

On January 17, 2025, the SEC issued an administrative order in which it found that MLPF&S willfully violated Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. The order found that, from January 2022 through April 2024, MLPF&S failed to adopt and implement reasonably designed written policies and procedures (i) to consider the best interests of clients when evaluating and selecting which cash sweep program options to make available, specifically its use of the MLBD Program and (ii) concerning the duties of its financial advisors in managing client cash in advisory accounts. The order recognized that MLPF&S took certain steps designed to consider the best interests of its clients in operating its cash sweep program and in managing client cash in advisory accounts during the relevant period. MLPF&S, without admitting or denying the findings, consented to the imposition of a cease-and-desist order, censure, and payment of a civil monetary penalty in the amount of $25,000,000.

On September 25, 2024, the SEC issued an administrative order in which it found that during the period from March 2016 to April 2018, MLPF&S failed to adequately notify certain clients with which it had a fiduciary relationship of their over-exposure to the Harvest Volatility Management LLC's Collateral Yield Enhancement Strategy, an options overlay strategy for which Harvest was the third party private investment manager and MLPF&S the custodian. In doing so, MLPF&S willfully breached its fiduciary duty under Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder to such fiduciary clients. MLPF&S, without admitting or denying the findings, consented to the imposition of a cease-and-desist order, censure, payment of disgorgement and prejudgment interest totaling $2,800,000, and payment of a civil monetary penalty in the amount of $1,000,000.

On April 3, 2023, the SEC issued an administrative order in which it found that MLPF&S had willfully violated Section 206(2) and (4) of the Advisers Act and Advisers Act Rule 206(4)-7. Specifically, the order found that from May 12, 2016 through June 29, 2020: (1) wrap fee advisory program agreements and ADV brochures contained a material misstatement because, while disclosing that MLPF&S charged a mark-up or markdown on foreign currency exchanges, the disclosure did not also state that an additional fee referred to as a production credit was also charged and (2) there was a failure to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act in connection with disclosures relating to currency transfers requiring foreign currency exchanges that it processed for its wrap fee clients. MLPF&S, without admitting or denying the findings, consented to the imposition of a cease-and-desist order, censure, payment of disgorgement, prejudgment interest and a civil penalty totaling $9,694,714.

On April 17, 2020, the SEC issued an administrative order in which it found that MLPF&S had willfully violated Section 206(2) of the Advisers Act. Specifically, the order found that from January 1, 2014 to May 31, 2018, it failed to disclose in its Form ADV or otherwise the conflicts of interest related to (1) its receipt of 12b-1 fees and/or (2) its selection of mutual fund share classes that pay such fees. During this period, MLPF&S received 12b-1 fees for advising clients to invest in or hold such mutual fund share classes. In determining to accept the offer of settlement, the SEC considered that MLPF&S self-reported to the SEC pursuant to the SEC's Share Class Selection Disclosure Initiative and had completed a number of the undertakings in the order prior to issuing the order. In the order, MLPF&S was censured and ordered to cease and desist from committing or causing any violations and any future violations of Section 206(2) of the Advisers Act. It was also ordered to make disgorgement payments of $297,394 and prejudgment interest payments of $27,982 to affected investors.

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 MLPF&S' remedial acts promptly undertaken and cooperation afforded the SEC staff. MLPF&S consented to the imposition of a cease and-desist order, a censure, and disgorgement and a financial penalty totaling approximately $8.8 million.

Other Financial Industry Activities and Affiliations

Merrill, an indirect wholly-owned subsidiary of BofA Corp., is a leading global wealth management firm and a registered broker-dealer and investment adviser. In the United States, Merrill acts as a broker (*i.e.*, agent) for its corporate, institutional and private clients. Through its own arrangements and through BofAS, it has access to a dealer market 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. Merrill 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.

MAA, an indirect wholly-owned subsidiary of BofA Corp., is a registered investment adviser that provides investment advisory services to clients that enroll in the Program and other investment advisory programs, including MGI, MGI with Advisor and MEAA. As registered investment advisers, MLPF&S and MAA complete Form ADVs which they publicly file with the SEC (available at adviserinfo.sec.gov). For purposes of Form ADV, certain MLPF&S and/or MAA management persons are registered as registered representatives or associated persons of MLPF&S. In the future, certain MLPF&S and 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 MLPF&S to the extent necessary or appropriate to perform their job responsibilities.

BofA Corp. through its subsidiaries and Affiliates, including us, 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: (1) securities brokerage, trading and underwriting; (2) investment banking, strategic advisory services (including mergers and acquisitions) and other corporate finance activities; (3) wealth management products and services including financial, retirement and generational planning, asset management and investment advisory and related record-keeping services; (4) origination, brokerage, dealer and related activities in swaps, options, forwards, exchange-traded futures, other derivatives, commodities and foreign exchange products; (5) securities clearance, settlement financing services and prime brokerage; (6) private equity and other principal investing activities; (7) proprietary trading of securities, derivatives and loans; (8) banking, trust and lending services, including deposit-taking, consumer and commercial lending, including mortgage loans, and related services; (9) insurance and annuities sales; and (10) providing research including, global equity strategy and economics, global fixed income and equity-linked research, global fundamental equity research, and global wealth management strategy. BofA Corp. is subject to the reporting requirements of the Exchange Act and information can be found in its publicly available filings with the SEC.

Conflicts of Interest and Information Walls

Merrill, MAA and their parent company, BofA Corp., engage in a wide range of activities and businesses across a broad spectrum of clients. As a result, we recognize that actual, potential and perceived conflicts of interest develop in the normal course of operations in various parts of the BofA Corp. organization. To address these conflicts, information walls are in place which are designed to allow multiple businesses to engage with the same or related clients at the same time, while mitigating any conflicts arising 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 the BofA Corp. organization possess material nonpublic information. Additionally, BofA Corp. maintains a Code of Conduct which outlines the business practices and professional and personal conduct all associates and board members are expected to adopt and uphold.

Managing conflicts of interest is an integral part of BofA Corp.'s risk management process. We believe that no organization can totally eliminate conflicts that exist explicitly or implicitly. Each of BofA Corp., BofAS, Merrill and MAA 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 or manage the conflict.

Code of Ethics

Each of Merrill and MAA has adopted an Investment Adviser Code of Ethics (Code of Ethics) covering its personnel who are involved in the operation and offering of investment advisory services under the various investment advisory programs for which they are a registered investment adviser. 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 Merrill and MAA follows in conducting its respective business with integrity and professionalism. Each Code of Ethics covers requirements relating to employees complying 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 the obligation to report possible violations of the Code of Ethics to management or other appropriate personnel. Covered personnel must certify to the receipt of the Code of Ethics. The Merrill Investment Adviser Code of Ethics is available at mymerrill.com/ADV/materials or we will provide a copy of each Code of Ethics to you upon request.

Merrill 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 securities transactions and have implemented procedures for monitoring these transactions, as well as those of all our employees. Our requirements impose certain responsibilities on financial advisors and their trading. They are permitted to participate in block trades along with their clients and/or other Program clients.

Compensation, Conflicts of Interest and Material Relationships

Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel

Merrill Benefits. Merrill earns revenue from the Merrill Lynch Fee paid to us under the Program for our and our financial advisors' providing Program Services, as well as from commissions, mark-ups and mark-downs, up-front sales charges and other sales charges or fees (Sales Charges) paid in connection with brokerage transactions. Merrill also earns revenue from other fees and payments you may make and from what it receives from Affiliates and from third-party investment managers, fund managers (including for Alternative Investments), product distributors and sponsors, insurance companies and other product providers (Third-Party Firms) related to transactions in your Account. Merrill may also receive revenue from Third-Party Firms depending on the investment products in which you invest, which is not part of financial advisor compensation.

The amount of revenue we receive and compensation your financial advisor earns varies depending on the type of financial advisor you work with (*i.e.*, an Advisor or an MFSA), the type of account relationship you have with us, whether your account is enrolled in the Program or is a brokerage account and investment products in which you invest and the services you use. The revenue we receive from your enrollment in the Program may also be more or less than the revenue that would be received if you had instead participated in other of our investment advisory programs or if you had engaged in the investment activities in a brokerage account. The more assets there are in your Account, the more you will pay in fees, creating a financial incentive for us and your financial advisor to recommend that you increase the assets in your Account. In the Program, we make more revenue based on the level of assets in the Account as well as the level of the Merrill Lynch Fee Rate that you agree to or are charged.

There is a conflict of interest when your Advisor recommends an account or program type, a security transaction or investment strategy where it is expected that Merrill will earn greater revenue over another account or program type, security transaction or investment strategy and therefore will earn more compensation.

Advisor Compensation and Awards. The financial advisor compensation structure results in conflicts of interest between clients and financial advisors. Financial advisors earn compensation based on the revenue that Merrill earns from the Merrill Lynch Fee paid by you in the Program and other revenue derived from certain, but not all, of the other fees and costs you incur that are not covered by the Merrill Lynch Fee. They also earn compensation based on the revenue that Merrill earns from Sales Charges related to securities transactions in any brokerage account you may have as well as from the revenue derived from the referrals to Affiliates (including referrals to an Affiliate for banking products or services). You could pay higher fees in a brokerage account than from one enrolled in the Program depending on the level of trade activity, products invested in and other factors, which incentivizes your Advisor to recommend a brokerage account. By contrast, if the trading activity in your brokerage account is limited, your Advisor has a financial incentive to recommend that you enroll in the Program because we and your Advisor could earn greater compensation from the annual asset-based fee. For more information about these conflicts, please review the section "Account and Program Choice."

As Merrill revenue increases, the financial advisors' compensation will increase or will be positively impacted. This means that a financial advisor will have a financial interest in recommending transactions that generate higher amounts of revenue for Merrill and compensation for them, rather than those transactions that generate lower amounts of revenue. They also have the incentive to charge the maximum Merrill Lynch Fee Rate rather than agreeing to a lesser fee rate or offering a discount or waiver of Sales Charges for brokerage transactions where they have the discretion to do so.

We pay Advisors a salary and incentive compensation that is based on the revenues Merrill receives for making available and/or providing Program Services as well as for the brokerage services provided to clients with brokerage accounts. In general, an Advisor is credited in the form of "production credits" with a portion of the Merrill Lynch Fee paid and, for brokerage accounts, the Sales Charges received from securities transactions. In addition, Advisors also receive production credits based on clients' use of margin lending, in respect of cash swept to Bank Affiliates and for referrals of clients to BANA and other Merrill Affiliates for banking, lending and other financial services, including trade execution. The calculation of production credits generated takes into account the Merrill Lynch Fee charge you pay for the Program Services, the Sales Charges received for the investment products purchased or sold in any brokerage account and other factors which may change from time to time. Because different investment products and services have varying Sales Charges, there are different associated production credits related to brokerage transactions in those products.

Merrill compensates your Advisor on an ongoing basis derived from the Merrill Lynch Fee Rate that applies to your Account. The Merrill Lynch Fee Rate is negotiable and when considering whether to offer or agree to charge a lower Merrill Lynch Fee Rate, an Advisor typically will consider a number of factors, including the type and size of your Account, the breadth of our relationship with you, your engagement with the Advisor, the Program Strategy type you selected for your Account, competitive considerations and how Merrill compensates the Advisor. Because the amount of compensation paid to your Advisor is based on the Merrill Lynch Fee Rate for your Account, your Advisor has a financial interest in that rate. In general, Advisors receive "production credits" toward their compensation formula based on the amount of the Merrill Lynch Fee that you pay for your Account. Merrill's policies result in Advisors receiving fewer production credits (by 10% or more) if the weighted average Merrill Lynch Fee Rates for a client's Accounts and for the Accounts that are part of the Household is lower than the rate levels for specific wealth asset tiers that Merrill establishes. Merrill and Advisors have a conflict of interest based on this structure because the Advisor is incentivized not to offer a Merrill Lynch Rate below such rate levels since that would reduce their compensation. In addition, as part of Merrill's practice management guidance, Merrill provides statistical information about the Merrill Lynch Fee Rates negotiated by Advisors and their clients. This information can encourage Advisors to not agree to a lower Merrill Lynch Fee Rate.

In the Program, an Advisor's financial incentive to obtain the highest Merrill Lynch Fee Rate in the fee discussions with you can influence the recommendations for an Account related to Program Strategy type and as to Style Manager Strategies and PAS Style Manager Strategies (both of which can have their own separate Manager Fee). The higher the Merrill Lynch Fee Rate you agree to, the more your Advisor earns in production credits. The more overall production credits that an Advisor generates, the higher the Advisor's incentive compensation. This creates a conflict of interest for the Advisor to recommend a Program Strategy type, a Style Manager Strategy and/or a PAS Style Manager Strategy that results in more earned production credits. Certain of our Program Strategy types will result in your only paying a Merrill Lynch Fee while the Program Strategy types where you select a Style Manager Strategy or PAS Style Manager Strategy could result in your also paying a Manager Fee as part of your Program Fee. Recommending a Program Strategy type, a Style Manager Strategy and/or a PAS Style Manager Strategy where the Program Fee for the Account consists solely of the Merrill Lynch Fee or includes a low Manager Fee presents the Advisor with an opportunity to negotiate a higher Merrill Lynch Fee Rate than might otherwise be the case. This opportunity provides the Advisor with an incentive to recommend Program Strategy types with only a Merrill Lynch Fee or to include a Style Manager Strategy or a PAS Style Manager Strategy with no or a lower Manager Fee. The ability to negotiate a Merrill Lynch Fee Rate benefits Merrill as well as the Advisor since Merrill retains a certain percentage of the Merrill Lynch Fee.

Advisors are eligible to receive a compensation award, payable over a defined period of time, from an incentive program that is currently based on meeting growth targets from the prior year in new households and in assets and liabilities. The growth in assets and liabilities component of the award is based on the movement of client assets into accounts enrolled in the Program and other of our investment advisory programs; investment activity in specified investment products (*e.g.*, money market funds, Alternative Investments, 529 Plan accounts, annuities and/or life insurance); the opening of new BANA trust accounts; the establishment of 401(k) Plan accounts; and clients' participation in banking and lending services (*i.e.*, brokerage sweep deposit accounts and brokerage sweep money market funds, checking and savings accounts, the Preferred Deposit product available in brokerage accounts, loans, mortgages and margin lending) offered by Merrill, BANA and our other Bank Affiliates. Advisors do not receive additional compensation as a result of advisory client assets held in the Cash Sweep Program. An Advisor is subject to a reduction in their incentive compensation grid if they fail to achieve growth for two consecutive years in the assets and liabilities component of the award. Merrill considers and approves its compensation program from year to year and its compensation criteria can change that will impact compensation paid to financial advisors. Having a compensation award based on meeting criteria based on client investment activity and engaging with Merrill or Affiliate financial and banking-related services presents a conflict of interest between the Advisor and you because it could lead to such activity being promoted by your Advisor to qualify for the compensation award or to avoid the reduction in their incentive compensation.

Advisor Recruitment Payments. Advisors who join Merrill from other firms generally receive payments in connection with that move. These payments may take various forms, including salary guarantees, upfront awards and various forms of compensation contingent on continued employment (*e.g.*, deferred payments, recruitment loans). The amount paid to Advisors under these arrangements is generally based to a large extent on the size of the business at their prior firm. As part of the recruiting arrangements, the future payments based on assets that transfer, including from their prior firm, create a conflict of interest since the Advisor has an incentive to recommend that you transfer your assets to us. The future payments are conditioned on the total assets in accounts that they service at Merrill. These bonuses are in addition to the incentive compensation to which they are otherwise entitled as Advisors.

MFSA Compensation and Awards. We compensate MFSAs differently than Advisors. MFSAs receive a base salary and incentive compensation based on production credits attributable to their clients' enrollment in the Program and investment activity in their client's brokerage accounts. Separately, MFSAs are also eligible to receive referral fees under our defined referral programs. Having a compensation award based on meeting criteria based on client investment activity and engaging with certain financial and banking-related services presents a conflict of interest between your MFSA and you because it could lead to such activity being promoted by your MFSA to qualify for the compensation award or to avoid the reduction in their incentive compensation. Upon meeting certain performance goals (consisting of completing training requirements, attaining a level of experience and achieving client growth metrics including having a designated number of accounts enrolled in the Program and engaging with certain financial and banking-related services), MFSAs are eligible for promotion to the status of an Advisor where they are eligible to offer (i) a broader listing of investment products and services for their clients in brokerage accounts and (ii) the full range of Program Services and investment solutions and be compensated accordingly. The promotion criteria creates a conflict of interest for MFSAs to recommend the above products and services to qualify for promotion.

Rollover Recommendations and Compensation. Advisors and MFSAs have a financial incentive to recommend rolling over assets (a rollover) from an employer-sponsored retirement plan (such as a 401(k) plan) or a retirement account at another firm into an Individual Retirement Account (IRA). This is because transactions in the rollover IRA will generate either investment advisory fees if that account is enrolled in the Program, Sales Charges if a brokerage account, and other compensation that benefits Merrill and the financial advisor. While MFSAs recommending a rollover do not receive compensation based on the amount of assets transferred, they have financial incentive to recommend a rollover because the subsequent or related enrollment into the Program will increase the number of accounts serviced by them and help them achieve certain performance goals.

Referral Program and Compensation. Our financial advisors may recommend that you utilize the banking products and lending services of BANA or purchase products or services of our Affiliates. In addition, they may refer clients to BANA, BofAS and other Affiliates for financial services that they provide, including transaction execution and investment banking services and products (including banking products). They may introduce fund and other investment product distributors, sponsors, service providers or their affiliates to other services that we, BofA Corp. and our Affiliates provide. Similarly, employees of BANA, BofAS and other Affiliates may refer clients to us for brokerage and investment advisory services. These referrals may involve the payment of referral fees between us and BANA or its Affiliates. If a financial advisor refers a client to BANA or other Bank Affiliates to establish a bank account directly with the bank, Merrill receives a payment directly from each Bank Affiliate based on the daily deposit balance held by the Bank Affiliate. The amount of the payment made to Merrill varies from time to time and varies based on the Bank Affiliate. We may waive all or part of this payment. Our referral payment program results in a conflict of interest because Merrill and our financial advisors are incentivized to introduce products or financial, banking and lending services that provide us or our Affiliates additional compensation and/or the financial advisor with associated production credits.

Field Management and Merrill Management Compensation and Awards. Elements of our field management compensation are based on revenues to Merrill and based on the financial advisors whom they manage meeting strategic goals set for the year, including the growth in assets and liabilities component of the award as described in the subsection "Advisor Compensation and Awards." Management personnel of Merrill and other employees of Merrill, MAA and their Affiliates receive incentive compensation based on a number of factors including the profitability of Merrill and BofA Corp. Their profitability is impacted by a number of factors including the growth of the business, management of expenses, the amount of Bank Affiliate cash sweep assets and the rate that is paid on those assets. We have a conflict of interest as a result of the management compensation approach that we follow. There is an incentive for our field management team to encourage Advisors and MFSAs to recommend products and services that result in more revenue to Merrill, BANA and other Bank Affiliates and to meet their strategic growth compensation targets under the financial advisor compensation plan. There is a financial incentive for Merrill management to structure the scope and approach of the compensation award program to result in revenue for Merrill and BofA Corp.

We address the compensation conflicts described in this "Compensation and Benefits to Merrill, Financial Advisors and Merrill Management Personnel" section and in other sections of the Brochure, in a variety of ways, including the disclosure of the conflicts in this Brochure, by requiring clients to affirm their interest for products in signed agreements, oversight and supervision of particular account type relationships and specific investment product choices, account and product disclosures and documentation provided to clients prior to or at time of sale. Moreover, our Advisors and MFSAs are required to recommend investment advisory programs, investment securities and services that are suitable for, and in the best interest of, each client based upon the client's investment objectives, risk tolerance and financial situation and needs and considering cost. We engage in oversight and supervision of particular account type relationships and specific investment product choices and we provide account and product disclosures. We maintain policies and procedures and supervisory and review processes that are reasonably designed to ensure that financial advisors meet the standard of conduct applicable to each client and that compensation plans and referral compensation and criteria have been designed and implemented to mitigate any incentive or conflict to favor any one security type or investment product or service. Our field management compensation criteria and our Merrill management compensation criteria have each been designed and implemented to mitigate incentives or conflicts to favor any one security or account type or investment, banking or lending product or service.

Account and Program Choice

Merrill can help fulfill your wealth management needs in our capacity as an investment adviser, as a broker-dealer, or as both. You have the ability to enroll accounts in the Program holding some or all of your investment assets and to have brokerage accounts for some or all of your assets. The various programs we offer and ways to interact with Merrill are outlined in the Form CRS, this Brochure and in the Summary of Programs and Services. Investment advisory and brokerage services are separate and distinct and each is governed by different laws and separate contractual arrangements that we may have with you. There are differences among the programs and account relationships. You may be able to obtain the same or similar Program Services or types of investments you obtain in the Program through a brokerage account or other investment advisory programs and services offered by Merrill. These may be available at lower or higher fees than the Program Fee you pay. You may also be able to obtain some or all of the Program Services from other firms and at fees that may be lower or higher than the Program Fee we charge. A recommendation of the type of account relationship creates a conflict of interest for us and your financial advisor. The amount of compensation we and our Advisors receive depends on the type of account and relationship you choose.

In the Program, you will pay the Program Fee at the rate you agree with your Advisor or as required under the Program. The Program Services provided include ongoing investment advice and guidance for your Portfolio, access to investment strategies and ongoing monitoring as described in this Brochure, as well as the services of trade execution, clearance and settlement of transactions and custody of assets. In the Program, the amount of compensation paid to us and to your Advisor depends on the level of assets in your Account and the Merrill Lynch Fee Rate applicable to your Account, as well as certain indirect compensation outlined in this Brochure. In a brokerage account, you will pay per trade Sales Charges to purchase and sell securities and a portion

of those charges and fees will be paid to your Advisor. In a brokerage account, the amount of revenues we receive and the compensation that our Advisor receives depends on the level of trading activity in the Account, the applicable Sales Charges and the associated production credits as well as other indirect compensation. You could pay higher fees in a brokerage account than from an account enrolled in the Program depending on the Sales Charges, frequency of trading and the investment products for investment and other factors. By contrast, if the trading activity in your brokerage account is limited, your Advisor has a financial incentive or conflict of interest to recommend that you enroll in the Program because we and your Advisor could earn greater compensation from the Program's annual asset-based fee. Your Advisor has a financial incentive to recommend that you terminate your Account or move mutual fund shares, AI Advisory Units or Annuities from your Account to a brokerage account if there is higher compensation that the Advisor would receive from holding such positions in a brokerage account. Moreover, an investor who holds a more expensive share class of a mutual fund or an Alternative Investment Fund will pay higher fees over time—and earn lower investment returns—than an investor who holds a less expensive share class of the security.

Certain security types and investment strategies are available to you outside of the Program for more or less than you would pay in the Program. We offer other investment advisory programs that offer certain of the Style Manager Strategies that are the same as or similar to those available in the Program. There are important differences between this Program and our other available investment advisory programs in terms of the services, structure and the applicable fees. Depending on the Merrill Lynch Fee Rate you pay for Program Services, you may obtain these Style Manager Strategies for a lower cost than you pay in the Program but you will receive different services from the Program Services you receive or have access to, including (1) having direct access to and advice and guidance from your dedicated Advisor or your MFSA whom you have personally selected and chosen to work with in connection with your investment activity; (2) the investment options available; and (3) and the fee rates you pay. See "Item 4 Ability to Obtain Certain Services Separately and for Different Fees."

When you compare the account types and investment advisory programs and their relative costs with what is available in the Program, you should consider the various factors outlined in "Item 4 Ability to Obtain Certain Services Separately and for Different Fees." Certain of these factors relate to your preferences regarding the relationship, whether you are seeking ongoing monitoring provided for in the Program, the types of investment services you are interested in, how you want to pay for your investing activity, the Merrill Lynch Fee Rate you agree to with your Advisor, how much trading activity you expect to take place in your Account and the types of investment solutions you are interested in investing in.

We address these conflicts through the disclosure in this Brochure and the Agreement, by providing clients with upfront information about our available programs and through Program enrollment confirmations in light of your investment objectives, preferences and financial circumstances. In addition, we have certain internal requirements, guidelines, policies and procedures that review for whether a particular program selection is appropriate for the client and to address actual or perceived conflicts of interest. Moreover, our Advisors and MFSAs are required to recommend investment advisory programs, investment securities and services that are suitable for, and in the best interest of, each client based upon the client's investment objectives, preferences, risk tolerance, financial situation and needs and considering cost.

Style Manager or PAS Manager's Use of Affiliated Investments

There are certain Style Manager Strategies that do not charge a Style Manager Fee. As a general matter, for such Strategies, the Style Managers intend to allocate a significant percentage of their portfolio to investment strategies and Funds for which they and/or their Affiliates serve as investment manager and as to which they receive fees (Style Manager-Related Investments). These compensation arrangements create a conflict of interest for the Style Manager relating to the Style Manager's selection of investments (including from among the Style Manager-Related Investments) for the Strategy and the receipt of potentially higher compensation based on the selection. The Style Manager has an incentive to select Style Manager-Related Investments for the Strategy (including Style Manager-Related Investments with higher expenses) over other investments with lower expenses. This is because the fees that the Style Manager and/or its Affiliates receive for client account assets in the Style Manager-Related Investments are their compensation with respect to the Strategy. This selection could result less favorable performance for the Style Manager Strategy than otherwise would be the case if the Style Manager had not allocated to a Style Manager-Related Investment.

In addition, certain Style Manager Strategies and PAS Style Manager Strategies include Manager-Related Funds. The use of Manager-Related Funds creates a conflict of interest for the Style Manager relating to the Style Manager's or PAS Manager's selection of Funds for the investment strategy and the receipt of potentially higher compensation or benefit based on the selection. The Style Manager or PAS Manager has an incentive to select Manager-Related Funds over other Funds with lower expenses because the fees received for client Account assets in the Manager-Related Funds are their compensation.

We address these conflicts through disclosure in this Brochure and the Strategy Profile and by selecting investment products, Style Manager Strategies and Funds based on the investment merits of the particular investment products. Style Managers and PAS Managers utilizing Style Manager-Related Investments and/or Manager-Related Funds have an obligation under their fiduciary duties to select investments that are based on the investment merits of the particular investment products. As to the use of Manager-Related Funds, we obtain the agreement of the manager that any fees or expenses with respect to a Manager-Related Investment, other than certain costs incurred within such product and reflected in its returns, will be borne by the manager. In addition, where a Style Manager or PAS Manager uses a Manager-Related Fund that is charged fund management fees by the manager or its Affiliates, Merrill will work with the manager to provide a rebate of the fund management fees paid in respect of the Manager-Related Fund holdings as against the Style Manager or PAS Manager Fee. For more information about these conflicts, please review the Style Manager or PAS Manager's Form ADV, which can be accessed at mymerrill.com/ADV/materials.

Offering of Investments or Programs Managed by Us or Our Affiliates and Use of a Related Strategy in Your Account

We or our Affiliates offer certain Related Style Manager Strategies and Related PAS Style Manager Strategies for which a Manager Fee is charged. Except as to TMA and Retirement Accounts, we or the Related Entity retain the Manager Fee attributable to the portion of assets in your Account attributable to the Related Style Manager Strategy or Related PAS Style Manager Strategy. We also retain the Merrill Lynch Fee.

Your Advisor or MFSA can recommend a Related Style Manager Strategy or a Related PAS Style Manager Strategy with a Manager Fee for your Account. Furthermore, your Advisor can also recommend that you include this type of Strategy in a Custom Managed Strategy for your Account. An MFSA can recommend a Related Style Manager Strategy with a Manager Fee.

In addition, in constructing a CIO Style Manager Strategy, the CIO as the Style Manager may include in its strategy model or recommendations to MAA a Related Style Manager Strategy with a Style Manager Fee. Likewise, a Merrill Affiliate in constructing a PAS Style Manager Strategy can include a Related Style Manager Strategy with a Style Manager Fee in the PAS Style Manager Strategy it constructs.

We do not currently offer any Related Funds; however, we may include a Related Fund as an investment product available in the Program in the future. If a Related Fund is offered as an eligible investment in the Program, the Related Entity could receive compensation for providing such investment strategies or investment advisory, administrative or other services.

A conflict of interest exists when we or your Advisor or MFSA selects or assists you in the selection of a Related Style Manager Strategy that charges a Manager Fee. We address this conflict through disclosure in this Brochure. We also determine the compensation paid to our financial advisors on the same basis for all Program assets without regard to the amount of compensation we or our Affiliates receive. Our financial advisors do not have an incentive to recommend certain Style Manager Strategies or PAS Style Manager Strategies over others because they do not receive additional compensation from the presence of a Manager Fee for a Style Manager or PAS Style Manager Strategy.

Investment Product Availability and Revenue Received from Third Party Firms

Not every investment solution is available in the Program. We select the investment types and investment solutions that are available in the Program and that are available in a brokerage account based on qualitative and quantitative evaluation of such factors as performance, risk management policies and procedures and consistency of the execution of their strategy within the respective arrangement. The revenues we receive from a securities transaction vary based on the type of security or investment product and its terms.

For certain securities or investment products, Third-Party Firms make payments to us as compensation for various services and support. These payments also vary depending on the type of security or investment product. While financial advisors do not receive this compensation, the variable nature of third-party payments create a conflict of interest because we may earn greater revenues from the sale of one type of security or investment product over another. Not all securities and investment products make payments to us or our Affiliates.

The ways that we generate revenue result in conflicts of interest. The variable nature of third-party payments creates a conflict of interest because it provides an incentive to recommend products for which Merrill receives third-party payments or is more highly compensated by the product provider over those where we do not receive such payments or such higher compensation. The amount of revenue varies based on a number of factors, including our or our Affiliate's role in the transaction, any payments made by a Third-Party Firm, the type of products or services selected, the method of distribution, the type of securities market where the transaction occurs (*e.g.*, new issue, primary or secondary market), where a trade order is routed for execution, and whether we or your Advisor receive a referral fee, revenue sharing or other compensation from our Affiliate or a Third-Party Firm. We have a financial interest in Advisors recommending the types of products and services that generate more revenue for us and/or our Affiliates.

We address this conflict through the disclosure in this Brochure and by selecting investment products, Style Manager Strategies, PAS Style Manager Strategies and Funds based on the investment merits of the particular investment products and not based on the compensation we receive from Third-Party Firms. We also determine the compensation paid to our financial advisors for a Program Account on the same basis for all Program assets without regard to the amount of revenue we or our Affiliates receive. In addition, we select investment products and solutions that are available and offered through the Program as well as in our brokerage accounts and other investment advisory programs based on qualitative and quantitative evaluation of such factors as performance, risk management policies and procedures and on the consistency of the execution of their strategy. We maintain policies and procedures and supervisory processes designed to ensure that we and our financial advisors meet the standard of conduct applicable to each client. Except as noted, Advisors do not receive any portion of, or credit for, the compensation paid to us or our Affiliates. For additional information, please review the sections "Compensation Received by Us for Sub-accounting Services," "Mutual Fund Arrangements and Compensation," "Certain Alternative Investment Fund Arrangements and Compensation," "Cash Sweep Program Compensation Received by Us and Our Affiliates" and "Other Compensation Received by Us and Our Affiliates" below.

Compensation Received by Us for Sub-accounting Services

We only make available mutual funds, including money market funds, and Offshore Funds, and share classes that retain and pay us to provide the required associated sub-accounting and other services. These sub-accounting and other services include aggregating and processing purchases, redemptions, exchanges dividend reinvestment, consolidated account statements, tax reporting and other related processing and recordkeeping services (sub-accounting services). Under agreements with each of these types of mutual funds (or their respective principal underwriter or other agent), we provide daily sub-accounting services to the holders of these types of mutual funds maintaining shares in an Account as well as in other Merrill securities accounts and receive the agreed-upon sub-accounting services fee. This cost is either borne by the mutual fund (like other fund expenses) as part of its operating costs or by its adviser, principal underwriter or other agent. These service arrangements and the amount of the compensation vary by type of mutual funds, the mutual fund itself and by share class. These fees and fee rates are subject to change from time to time and may be received individually or as part of a "bundled" arrangement that includes other types of fees, such as administration and distribution payments. Due to applicable regulation, we do not retain compensation for sub-accounting services for funds held in Retirement Accounts or TMA accounts.

For U.S. mutual funds, depending on the specific arrangements, the sub- accounting services fees are paid from or on behalf of the mutual fund. These fees are either an asset-based fee of up to 0.10% per annum or up to $16 annually per client position in the mutual fund. For U.S. money market mutual funds, the sub-accounting services asset-based fee is generally 0.005% per annum. Money market funds available to TMAs and certain retirement accounts as an automatic cash sweep option also include a 0.40% asset-based administration fee per annum that is paid to Merrill. Merrill rebates the amount of the asset-based administration fee it receives from the fund manager to clients with this sweep option. The amount of such rebate may be less than this 0.40% fee in certain rate environments where the fund manager waives or reduces the amount of such fee in order to avoid a negative return on the money market fund. For Offshore Funds, we and our Affiliates perform similar distribution, marketing, shareholder servicing, sub-accounting and related services for which the Offshore Fund's distributor or other service provider pays asset-based compensation in the form of a bundled fee of up to 0.38% per annum for no-load shares and up to 0.80% per annum for load-waived front load shares of offshore mutual funds and up to 0.115% per annum for offshore money market funds.

We have a conflict of interest in selecting certain mutual fund products (or share classes) for inclusion as part of our product offering available to you. Certain mutual funds or share classes that would otherwise meet our criteria for inclusion as part of our product menu but whose principal underwriters, agents or sponsors do not agree to pay the sub-accounting services fees that we charge will not be selected, thereby limiting the available universe of funds (and share classes) available to you. In addition, the amount of the sub-accounting services fees varies among mutual funds and, in certain instances, between share classes of individual mutual funds. This results in a conflict of interest because it creates an incentive for us to recommend that you invest in mutual funds and share classes that pay higher fees. We receive higher sub-accounting payments from mutual fund families that have higher assets levels

held in our clients' accounts because the service fee calculation can be based off of the level of the asset holdings. Additionally, there is a benefit to us because the aggregate amount of the sub-accounting fees exceeds the costs to provide these services.

We address these conflicts of interest in the following ways. We disclose the nature of our sub-accounting service arrangements. We also determine the compensation paid to our financial advisors on the same basis for all Program assets without regard to the amount of compensation we or our Affiliates receive. Our financial advisors do not have an incentive to recommend certain funds over others because they do not receive additional compensation as a result of these types of arrangements. In addition, we and our Affiliates select mutual funds that are available and offered through the Program as well as in our brokerage accounts and other investment advisory programs based primarily on the CIO Review Process and business reviews.

Mutual Funds Arrangements and Compensation

Your assets are generally invested in the lowest cost mutual fund share class eligible for the Program. The Program-eligible share classes vary depending on the mutual fund, its roster of share classes and our agreements with the mutual funds. In general, the share classes that are eligible for the Program allow for the payment to us of the sub-accounting services fee and do not have annual asset-based fees like Rule 12b-1 fees (although there are some mutual funds available in the Program that have such fees due to legacy positions that are pending conversion or exchange to an eligible share class).

Accordingly, you should not assume that you will be invested in the share class with the lowest possible expense ratio that the mutual fund provider makes available to the investing public. In addition, the share class of money market funds available as part of the cash sweep option for certain types of accounts will not necessarily be the lowest cost share class available from the money market fund. It is generally in your best interest to purchase lower-fee share classes because your returns are not reduced by additional fees and expenses. For clients in the Program, our financial advisors do not have an incentive to recommend or select share classes that have higher expense ratios because their compensation is not affected by the share class selected.

From time to time a mutual fund may authorize us to make available to clients participating in the Program a class of shares 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 exchange is available, under the authority provided to us under the Agreement, we will effectuate such an exchange to the other class of shares of the same mutual fund with the lower fee structure as promptly as practicable. For additional information on mutual funds, money market funds and Offshore Funds, you can review our disclosure documents Mutual Fund Investing at Merrill Lynch and Offshore Mutual Fund Investing at Merrill Lynch, accessible at ml.com/funds and available from your financial advisor upon request.

Certain Alternative Investment Fund Arrangements and Compensation

Merrill and its Affiliates have negotiated fee sharing arrangements with managers of certain Alternative Investment Funds available through the Program and also in brokerage accounts. Pursuant to these arrangements, except as restricted by law or regulation, we receive additional compensation (Additional AI Compensation) for our efforts related to distribution of interests in the Alternative Investment Funds. Any Additional AI Compensation that we or our Affiliates receive in connection with your investments in an Alternative Investment Fund will be in addition to the Program Fee.

We offer and recommend Alternative Investment Funds where we receive on-going fees from the fund and/or the fund administrator, manager, distributor or their Affiliates. For Alternative Investment Funds that are feeder funds which are available for purchase only by clients of Merrill or its Affiliates (feeder funds), the administrator of such feeder funds pays us selling agent compensation in the amount of up to 0.85% per annum of the net asset value of units or shares of such feeder funds, which is paid out of the administrator's administration fee. In addition, the administrator of certain hedge feeder funds receives from the underlying manager payments of retrocessions equal to a percentage of the management fees paid by the feeder fund to the underlying manager. Such retrocessions generally equal an amount of up to 1.00% of the value of the feeder fund's investment in the underlying fund and are paid to us as selling agent compensation. For Alternative Investment Funds that are not feeder funds, we generally receive a payment from the fund's manager, distributor or their Affiliates of up to 1.00% of the total amount invested or committed to be invested in the fund by Merrill clients. Retirement Accounts investing in Alternative Investment Funds do so through AI Advisory Units which do not provide for fee sharing with or the payment of placement or selling agent fees to Merrill or its Affiliates.

Merrill also receives additional compensation from certain hedge fund and private equity fund managers available to brokerage as well as Program-enrolled accounts in the form of one time up-front payments or periodic flat fee payments (which generally do not exceed $350,000). Certain Alternative Investment Funds pay and/or reimburse their investment advisors or managers for organizational and offering costs incurred prior to the commencement of their operations and certain ongoing expenses, including due diligence expenses of participating broker-dealers, such as Merrill, supported by detailed and itemized invoices. The investment advisor or manager of the Alternative Investment Fund or the Fund itself has agreed to pay (or reimburse) Merrill for reasonable bona fide due diligence expenses that it incurs in connection with the offering.

Among other things, our receipt of Additional AI Compensation and other payments/reimbursements as described in this Brochure (1) offsets or reduces the expenses associated with onboarding Alternative Investment Funds to our platform and (2) defrays costs incurred in connection with, and compensates us for, our efforts related to, the distribution of interests in these funds. These arrangements, which vary among the Alternative Investment Funds on our platform, give rise to a conflict of interest in determining which Alternative Investment Funds to make available to our clients and recommending investments in certain Alternative Investment Funds over others. Certain Alternative Investment Funds that may otherwise meet our criteria may not be selected due to an unwillingness by the Alternative Investment Funds, their managers or Affiliates to pay sufficient compensation to Merrill, thereby limiting the available universe of Alternative Investment Funds which we offer to you. The presence of this compensation also may cause us to forego opportunities to negotiate more favorable terms for client investments in the Alternative Investment Funds. You will find additional information about conflicts related to Alternative Investment Funds, including the exact percentage and method of calculation of distribution fees, retrocessions and other compensation that we receive, in the relevant offering documents and subscription documents.

Under the Precious Metals Program available to you in the Program, Merrill shares in certain fees charged by the program provider which creates certain conflicts of interest. The program provider has agreed to share an amount equal to 0.05% of the service fee with us as compensation for ongoing sub-accounting, reconciliation, transaction and related services. Such relationships and fee-sharing result in a conflict of interest in Merrill's retaining the program provider and/or recommending investments in Precious Metals. The presence of these compensation arrangements creates an incentive for us to recommend the Precious Metals Program to our Program clients over other alternative means of investing in Precious Metals.

We address the conflicts of interests associated with our receipt of the Additional AI Compensation and other payments/reimbursements described in this section by calculating the compensation paid to our Advisors on the same basis for all Program assets and without regard to the amount of any Additional

AI Compensation Merrill or our Affiliates receive in connection with the Investments. Additionally, we and our Affiliates select the Alternative Investment Funds and managers that are available on our brokerage and advisory platforms and offered through the Program based primarily on the CIO Review Process. We have adopted various policies and procedures reasonably designed to prevent the receipt of the Additional AI Compensation and our other business arrangements from affecting the nature of the advice we provide.

Cash Sweep Program Compensation Received by Us and Our Affiliates

Merrill benefits financially when you hold cash balances in the bank deposit accounts affiliated with the Cash Sweep Program. Merrill receives payments from our Bank Affiliates on a per account basis for each account that sweeps to one of our Bank Affiliates relating to offering and supporting the Cash Sweep Program. The fees we receive from the Bank Affiliates is one of many factors that affect the interest rate paid by the Bank Affiliates on your swept cash balances under the Cash Sweep Program. For Accounts that are eligible for and that elect a money market fund as its cash sweep option, we receive compensation for providing infrastructure, marketing support, sub-accounting or other services. If you choose the "No Sweep" option, we also benefit from the custody or use of uninvested cash balances also known as free credit balances in Merrill accounts, subject to restrictions imposed by Rule 15c3-3 under Exchange Act. For the ISA cash sweep option available to certain account types, we receive a fee directly from each Participating Bank based on the daily deposit balance held by the Participating Banks. The amount of the fee varies from time to time and by Participating Bank. For referrals made by a financial advisor resulting in a bank deposit account with a Bank Affiliate, we are entitled to receive a fee directly from each Bank Affiliate based on the daily deposit balance, which fee can be waived in whole or in part.

For Program Accounts, Advisors are compensated based on the Merrill Lynch Fee charged on the Account which is based on the agreed-upon Merrill Lynch Fee Rate and the value of the assets in the Account, including cash balances and cash alternatives swept under the Cash Sweep Program. This creates a conflict of interest and an incentive for your Advisor to recommend that you hold your securities investments and cash assets in your Account so that it would be included in the fee calculation. In addition, Merrill Advisors and MFSAs receive increased compensation based on achieving a number of strategic objectives, including, among other activities, the growth in their clients' participation in banking services and Lending Programs offered by Merrill, BANA and our other Bank Affiliates, like the brokerage account bank sweep deposits and brokerage account sweep money market funds, checking and savings accounts, the Preferred Deposit product available in brokerage accounts, loans, mortgages and margin lending. Advisors do not receive additional compensation as a result of advisory client assets held in the Cash Sweep Program.

The Bank Affiliates benefit financially from the Cash Sweep Program. Through the Cash Sweep Program, they receive a stable, cost-effective source of funding. They use the cash funds deposited in the bank deposits to fund their current and future lending, investment and other business activities. The participation of the Bank Affiliates in the Cash Sweep Program increases their respective deposits and accordingly overall profits. Bank profitability is determined, in large part, by the "spread" they earn on the deposits—the difference between the interest paid on the bank deposits and other amounts paid to Merrill related to these deposits, on the one hand, and the interest or other income earned on loans, investments and other assets which may be funded in part by bank deposits, on the other hand. The greater the amount of cash balances maintained in your Account (which could be as a result of a recommendation from your Advisor, us or a Related Style Manager) that is swept into a bank deposit account affiliated with the Cash Sweep Program and the lower the interest rate paid on the related bank deposit, the more our Bank Affiliates benefit.

Cash balances swept to a bank deposit account of our Bank Affiliates under the Cash Sweep Program will bear a rate of interest that has been established for, and in light of the features of, the Cash Sweep Program. The rate of interest for such deposit accounts is periodically set and reset by the Bank Affiliates in their discretion. Interest rates for the MLBD Program and RASP are tiered based upon your relationship with Merrill and Accounts that enroll in the Program and in specified Merrill investment advisory programs receive the highest tier rate available under these programs. There is no interest rate tiering offered under the IBVRD Facility. The interest rate under this Facility will likely be lower than the highest rate available under the MLBD Program or RASP. In any event, the interest rate you earn in the bank deposit account affiliated with the Cash Sweep Program will likely be lower than yields on certain money market funds and other cash alternatives.

Merrill receives compensation for administrative and other services from the money market funds available as an automatic sweep option for certain Retirement Accounts which we do not retain under applicable regulation. We rebate the compensation received from the fund managers of the sweep money market funds to clients of these Retirement Accounts.

We address the conflicts of interests associated with the Cash Sweep Program and the deposit accounts in a variety of ways, including through disclosure in this Brochure, by requiring clients to affirm their interest for the Cash Sweep Program options in signed agreements, oversight and supervision of particular account type relationships and specific investment product choices, account and product disclosures and documentation provided to clients throughout their account relationship. There is no charge, fee or commission imposed with respect to your participation in the Cash Sweep Program. Merrill financial advisors do not receive any additional compensation for assets held in the Cash Sweep Program as opposed to another cash alternative product. We have adopted various policies and procedures reasonably designed to prevent the cash sweep arrangement compensation and other business arrangements from affecting the nature of the advice we and our financial advisors provide.

Other Compensation Received by Us and Our Affiliates

Separate and apart from the Program, Merrill, through its financial advisors, may suggest or recommend that you use the Merrill brokerage account and our execution and custody or other services for other of your investment activity or use the services of our Affiliates. Similarly, our financial advisors may suggest or recommend that you purchase our products or those of our Affiliates. Where you use or purchase our or our Affiliate's products and services, we and our Affiliates will receive fees and compensation. There are conflicts of interest when Merrill, BofA Corp., BANA or an Affiliate act as an issuer, placement agent, underwriter, dealer selling group member or structurer or otherwise have a financial interest in a new issue offering of securities or other investments. Due to the compensation we and our Affiliates receive, there is a financial incentive to recommend these transactions to you. We address the conflicts of interest presented by these Affiliated transactions described below by calculating the compensation paid to our Advisors without regard to the amount of the compensation that we or our Affiliates receive from those transactions. In addition, we have adopted various policies and procedures reasonably designed to prevent the receipt of compensation by Merrill and its Affiliates and other business arrangements from affecting the nature of the advice we provide.

New Issue Offerings. In the Program, certain eligible accounts can purchase certain types of securities made available in new issue offerings, including equities, debt and preferred securities, MLIs and closed-end funds. BofA Corp., BANA or one of our Affiliates may be an issuer of a security offered in a

new issue offering. When we and/or BofAS participate in a new issue offering or are otherwise been engaged by the issuer as an underwriter, selling group member, placement agent or selling agent, we and/or BofAS is compensated.

For new issue closed-end fund offerings, in addition to underwriting compensation, the closed-end fund investment manager can pay Merrill a structuring fee that ranges from 0.50% to 2.00% of the new issue proceeds for advice relating to the structure, design and organization of the fund, as well as for services related to the sale and distribution of fund shares. You may be responsible for paying these fees for certain closed-end funds, in which case the amount and structure of such payments will be disclosed to you in the prospectus for the offering. Merrill can also receive additional compensation from certain investment managers for services the investment manager can request from us, such as after-market support services or information pertaining to industry trends.

Merrill offers new issue brokered CDs of third-party banking institutions that are sourced from BofAS, our Affiliate. and from third-party broker-dealers. For distribution efforts relating to offerings of new issue brokered CDs, participating broker-dealers, including BofAS, are paid a placement fee negotiated with the CD-issuing bank that amounts to an annualized rate of between 0.02% to 0.30% of the principal amount of the brokered CD for each offering depending on tenor. For brokered CDs sourced from BofAS, the full placement fee is remitted by BofAS to us and the placement fee is then rebated in full to the Account. In such offering, neither BofAS nor Merrill retains any placement fee from the CD-issuing bank. As compensation to BofAS for its services in sourcing new issue brokered CDs to be made available for purchase in Program Accounts, Merrill pays BofAS an intercompany service fee.

The issuers of new issue MLIs can be a third-party financial institutions or an Affiliate. Issuers that are third-party financial institutions are subject to due diligence reviews by Merrill and/or its Affiliate. For new issue offerings, BofAS acts as an underwriter and/or Merrill acts as a selling group member. Merrill and/or BofAS are compensated for these roles. In addition, the public offering price (which is the price you pay) for an MLI can include compensation to BofAS and/or Merrill for structuring the MLI. It can also include an estimated profit credited to our Affiliate from hedging arrangements by the issuer of the MLI, which reduces the economic terms of the MLI to you. The presence of these compensation arrangements associated with MLIs creates a financial incentive for an Advisor to recommend MLIs over other securities.

A portion of the underwriting compensation, selling concession or placement fees that we and/or BofAS receives in new issue offerings is paid to Advisors. Certain new issue securities purchased in your Account or transferred into your Account from your brokerage account will be considered Fee Deferred Assets and as to which the Merrill Lynch Fee Rate will not be applied for a period of time. See Item 4 at "The Program Fee"—"Assets Subject to Merrill Lynch Fee Deferral."

Principal Trading and Agency Cross Transactions. Where permitted by regulation, Merrill may execute certain transactions on a principal basis through its Affiliates including BofAS. Transactions that are considered principal transactions include our new issue offerings where we or our Affiliates act as an underwriter, selling group member or placement agent. We may execute secondary transactions in fixed income securities on a principal basis where we or our Affiliates act as a dealer or as a remarketing agent. In addition, our Affiliates can act in a principal capacity under certain circumstances when we execute transactions for your Account. In a trade executed in a principal capacity, our Affiliate acts as your trade counterparty and it can act as a market maker or remarketing agent for, or have a proprietary position in, the securities that are the subject of the transaction. We and our Affiliates receive compensation in connection with principal transactions, including mark-ups, mark-downs, dealer spreads, underwriting discounts, selling concessions, a remarketing fee and other compensation. We and our Affiliates can profit from transacting as your counterparty or having proprietary positions in the subject securities. Moreover, we have an incentive to recommend a transaction in a security that our Affiliate maintains in inventory that is otherwise difficult to sell.

When executing sales of municipal securities in secondary market transactions, BofAS may seek bid prices from third-party dealers in a process known as a Bid Wanted in Competition (BWIC) and, if the third- party dealer has the highest bid price, BofAS charges a markdown in the form of a dealer spread for its services for acting as an intermediary in facilitating the transaction. It may itself submit bid prices for municipal securities in BWICs and also has the right to submit its bid last and match or improve upon the prices submitted by third-party dealers, consistent with obligations to provide best execution and fair and reasonable prices. If BofAS is the winning bidder, it will not charge the customer a dealer spread. In determining the winning bid for a municipal securities transaction, BofAS compares its own price (if it submitted a bid) against all prices received from third parties in BWICs on a net basis (*i.e.*, by subtracting its expected dealer spread from third-party bid prices only). There may be situations where the third-party dealer submitted a bid in the BWIC that was higher than BofAS' bid, but the third-party dealer did not win the BWIC because the BofAS' dealer spread was deducted from their bid price in calculating the highest bid. These situations give rise to a conflict of interest because BofAS can profit if and when it resells the securities from its inventory.

Other than transactions in a Retirement Account, Merrill may engage in agency cross transactions when it acts as agent for both buyer and seller in a transaction. If this type of trading execution occurs, since Merrill generally receives compensation from each party to an agency cross transaction, there is a conflict of interest between our obligations to you and to the other party to the transaction.

Foreign Exchange. We may execute transactions in foreign currency (such as foreign currency conversions and wires) through our Affiliate. In addition to the fees we charge, the exchange rate for your transaction includes compensation to our Affiliate in the form of a dealer spread if the transaction is executed with our Affiliate. The fees that you pay to Merrill and our Affiliate for a foreign exchange transaction will be included in the price of the transaction. Other than for incoming wires, a portion of the fee you pay to Merrill is paid to your Advisor as compensation.

VRDOs. For the VRDOs available for purchase at Merrill, generally BofAS acts as the remarketing agent and earns fees associated with this activity from the issuers, a portion of which is paid to Merrill. In addition, for certain VRDOs, one of our Bank Affiliates provides a letter of credit or other contractual source of liquidity enhancement to the issuer to cover its payment obligations under the terms of the of the VRDO. BofAS and, if applicable, our Bank Affiliate, receive fees for these services. The presence of these fee arrangements with issuers creates an incentive for Advisors to recommend VRDOs over other fixed income securities where no such fees are paid to us or our Affiliates.

Annuities. Merrill uses a set of digital tools provided by a third-party vendor to assist your Advisor in making annuity product recommendations (the Marketplace research tool), fulfilling training requirements and servicing Annuities post sale. Merrill pays the external vendor for its use of the digital tools. Insurance companies that agree to participate in the third party vendor's platform will make payments directly to the vendor based on Merrill sales of those insurance companies' Annuities. These payments reduce, eliminate, or even exceed Merrill's contractual cost for the digital tools which will create a conflict of interest, insofar as sales of participating insurance companies' Annuities benefit Merrill more than sales of non-participating insurance companies.

Merrill will not directly receive these payments nor will Merrill require insurance companies to participate and make these payments. The Annuity products of insurance companies that choose not to participate and make payments to the third-party vendor will not be made available within the Marketplace research tool. The availability of the participating insurance companies within the Marketplace research tool and the indirect financial benefits to Merrill from sales of Annuities of participating insurance companies creates a conflict of interest for Advisors to recommend Annuities from participating insurance companies over those of non-participating insurance companies that are otherwise available on our platform. The Annuities documentation you receive when purchasing an Annuity will contain a list of participating insurance companies.

Third-Party Firm Business Relationships and Support

Business Relationships. We and our Affiliates have business relationships with Third-Party Firms. We make available research, execution, custodial, pricing and other services in the ordinary course of business. Third-Party Firms can direct transactions to us or our Affiliates including effecting transactions in the ordinary course of business for funds and product vehicles managed or sponsored by them (*i.e.*, mutual funds, closed-end funds, UITs, ETFs, hedge funds, non-traded real estate funds, private equity funds and portfolio companies in which private equity funds hold an interest). We also make available brokerage services and other Merrill or Affiliate programs and services, including banking and lending services. Any compensation paid to us or our Affiliates by a Third-Party Firm is additional compensation to us for services we and our Affiliates provide.

In order to make investment products or services available on our platform, we incur certain technology and infrastructure costs. While we do not generally receive reimbursement for technology-related costs associated with the onboarding or maintenance of a platform, tool or service, we reserve the right to seek reimbursement from Third-Party Firms for particular projects. In the event that we receive support from product issuers or sponsors for such costs, it creates a conflict with our ability to use strictly objective factors when selecting product sponsors to make available on our platform.

Having business relationships with Third-Party Firms creates a conflict of interest and can affect opportunities to negotiate more favorable financial terms for client investments in the products of the Third-Party Firms. We disclose the nature of our relationship in general with Third-Party Firms. We determine the compensation paid to our financial advisors on the same basis for all Program assets without regard to the amount of compensation we or our Affiliates receive. Our financial advisors do not have an incentive to recommend certain investment products, including Style Manager Strategies, PAS Style Manager Strategies and Funds, over others because they do not receive additional compensation as a result of these types of arrangements or compensation. Additionally, we select Style Manager Strategies, PAS Style Manager Strategies and Funds that are available through the Program and other of our investment advisory programs based on qualitative and quantitative evaluation of such factors as performance, risk management policies and procedures and on the consistency of the execution of their strategy. We have adopted various policies and procedures reasonably designed to prevent the receipt of such compensation and other business arrangements from affecting the nature of the advice we and our financial advisors provide.

Participation and Sponsorship by Third-Party Firms for Merrill Conferences, Manager Meetings and Charitable Events. Certain Third-Party Firms periodically participate in Merrill-hosted internal training and education conferences (Conferences) for invited Merrill financial professionals. These financial professionals include financial advisors and members of their team, employees who work for a Merrill branch, market or division to support the financial advisors (Field Management Employees) and employees who cover product, the CIO and home office support functions (Non-Field Employees). Merrill also holds client and prospect events (*e.g.*, seminars, trade shows, booth events) where Third-Party Firms participate (Client Events). Merrill organizes the Conferences and Client Events and approves the attendees, speakers, agenda and meeting content and sponsors. Third Party Firms reimburse Merrill for eligible costs associated with the Conferences and Client Events. Eligible reimbursable costs include venue and facilities costs (including food and beverages), certain speaker costs and travel, lodging and continuing education costs for attending financial advisors and select employees facilitating the Conferences and/or Client Events. During 2024, Merrill was reimbursed by participating Third-Party Firms for certain expenses incurred in connection with a number of Conferences and Client Events in the amount of approximately $21 million.

Certain Third-Party Firms periodically host or participate in meetings (Manager Meetings) where they provide certain financial advisors, Field Management Employees and Non-Field Employees with the opportunity to interact with their investment and sales personnel and to receive information and education on market conditions and events, investment products and services and practice management guidance. Third-Party Firms that hold any such Manager Meetings pay for all eligible costs associated with such meetings, including the cost of travel, accommodation and continuing education fees for the attending financial advisors, Field Management Employees and certain permitted Non-Field Employees (not including any CIO employee). In 2024, the total expenditures made by participating Third-Party Firms relating to Manager Meetings was $3.1 million. Third-Party Firms also provide monetary support directly to charities or in connection with charitable events and causes that Merrill or its employees support or attend. The total contributions made by Third-Party Firms in support of charitable events and causes that we requested or initiated with the Third-Party Manager in 2024 was approximately $260,000.

The participation of, and payment of costs by, a Third-Party Firm for Conferences, Client Events, Manager Meetings and charitable events present conflicts of interest. They create incentives for financial advisors to recommend products of participating Third-Party Firms. They give those financial advisors participating in Conferences, Client Meetings, Manager Meetings and charitable events with more opportunities to interact and build relationships with Third-Party Firms and their personnel which could lead them to recommend the products and services of these Third-Party Firms over others. There is also a conflict of interest for Field Management Employees to approve those recommendations and for non-Field Employees to select products of the Third-Party Firm for the Merrill platform. We address these conflicts in a number of ways. There is no requirement that Third-Party Firms reimburse Merrill for, or pay the costs of, such events in order for their investment products to be made available on the Merrill platform. Neither we nor our Affiliates incentivize our financial advisors to recommend the products or services of a Third-Party Firm that makes such contributions over those that do not. We do not incentivize Field Management Employees to approve their financial advisors' recommendations of products and services of those participating Third-Party Firms. Furthermore, we do not incentivize Non-Field Employees to approve particular products of a Third-Party Firm for the Merrill platform. Third-Party Firms are not permitted to condition their reimbursement or payment on any amount of sales of their products or services. Third-Party Firm reimbursements of costs of Conference and Client Events and the payment of Manager Meeting and charitable event costs must align to Merrill internal policies and policy limits which have been reasonably designed to review the nature of the business interactions and level of expense reimbursement from affecting the nature of the advice we provide.

Third-Party Firm Office Access and Gifts and Entertainment. Representatives of Third-Party Firms will, from time to time, meet and work with our financial advisors, Field Management Employees and Non-Field Employees, in one-on-one or in small group meetings, to provide information and support regarding their respective investment products. We have policies and procedures that limit Third-Party Firms from providing or paying for, and our financial advisors, Field Employees and Non-Field Employees from receiving, gifts and entertainment (including meals) other than as permitted by and subject to

the limits established under Merrill internal policies. In general, our financial advisors, Field Management Employees and Non-Field Employees may accept nominal gifts and occasionally attend entertainment events, including business meals, subject to certain limits and conditions. We do not permit any gifts or entertainment conditioned on achieving a sales target.

Permitting Third-Party Firm representatives access to our financial professionals and providing gifts and entertainment presents a conflict of interest. It creates incentives for them to recommend investment products of those Third-Party Firms. It can also create incentives for Field Management Employees to approve recommendations of a financial advisor, where required. Furthermore, providing gifts and entertainment to Non-Field Employees creates incentives to approve the investment products of the Third-Party Firm for the Merrill platform. 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 from affecting the nature of the advice we provide. Third-Party Firms are not permitted to condition their gifts and entertainment on any amount of sales of their investment products and they are not required to take any such action. Merrill does not incentivize any of its financial professionals to recommend or select one investment product over another. 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.

Participation or Interest in Client Transactions and Conflicts of Interest

There are various ways that we can be viewed as participating or having an interest in client transactions. These situations and any conflicts of interest arising from such activities, execution approach or other capabilities we offer in the Program are discussed in this section and throughout this Brochure.

Cash Balances and Cash Sweep Program

The Sweep Program Guide for Merrill Clients provides information on the fees that Merrill receives from the Bank Affiliates for each account, including Program Accounts that sweeps to the MLBD Program, the RASP and the ISA Program. These fees are up to $100 per year for each account received from the Bank Affiliates and a fee of up to 2% per annum of the daily balances from the ISA banks. This compensation is subject to change from time to time, and Merrill may waive all or part of it. For TMA and certain eligible retirement accounts that have selected the money market fund automatic sweep option, the available sweep money market funds include a 0.40% asset-based administration fee per annum that is paid to Merrill. Merrill rebates the amount of the asset-based administration fee it receives to these clients. The amount of such rebate may be less than this 0.40% fee in certain rate environments where the fund manager waives or reduces the amount of such fee in order to avoid a negative return on the money market fund.

Merrill may benefit from the possession or use of cash balances, also known as free credit balances, in your accounts, subject to restrictions imposed by Rule 15c3-3 under the Exchange Act. See "Compensation, Conflicts of Interest and Material Relationships—Cash Sweep Program Compensation Received by Us and Our Affiliates."

Principal Trade Execution

As a broker-dealer and a registered investment adviser, we execute certain transactions in your Account, where permitted by applicable law, on a principal basis. Transactions that we conduct on a principal basis include all new issue equity and debt securities offerings (including offerings of MLI) where we or our Affiliates act as an underwriter, selling group member or placement agent, secondary transactions in fixed income securities, and, where permitted by regulation, transactions involving fractional shares or lots. In addition, our Affiliates can act in a principal capacity under certain circumstances when we execute transactions for your Account. In a trade executed in a principal capacity, our Affiliate acts as your trade counterparty and it can act as a market maker or remarketing agent for, or have a proprietary position in, the securities that are the subject of the transaction. See "Compensation, Conflicts of Interest and Material Relationships—Other Compensation Received by Us and Our Affiliates-Principal Trading and Agency Cross Transactions."

When, under regulation, your consent is required for principal transactions to occur in your Account, we will only engage in principal transactions with you if you have signed the "Consent to Principal Transactions" form. By doing so, you will authorize and provide your initial written consent to allow us to execute transactions in your Personalized Strategy with Client Discretion Accounts on a principal basis as permitted by law. You have the right to refuse to provide this initial consent or may revoke this initial consent to principal transactions at any time, in writing, by requesting a revocation from your financial advisor. If you do not provide this consent, the inability to trade with us may limit the securities that are available to you and/or may limit your ability to sell securities that are held in the Account at competitive prices. It is important to note that when you have provided us with your consent to principal transactions, you still make all decisions concerning your Account, including whether we may effect a transaction as principal. When required, we will inform you (orally or otherwise) that we may execute a transaction on a principal basis and, at the time of the trade, you will have the opportunity to withhold your consent and may refuse to authorize your financial advisor to proceed with the transaction on a principal basis. Principal transactions may not be effected for Retirement Accounts except in accordance with applicable law.

Internal Cross, Agency Cross and Other Cross Transactions

In certain cases, if you make an unsolicited request to sell a security, we may, after agreeing on a price with the selling client, recommend the purchase of that security by another client or brokerage customer and execute both sale and purchase transactions simultaneously. Such a transaction involves conflicts of interest similar to those for principal transactions. In addition, this type of transaction involves a risk that the financial advisor has an incentive to recommend inappropriate trades in order to generate additional income or compensation or to unfairly favor one client over another. We address these additional conflicts by requiring that the initial sale be unsolicited, that the sale price be agreed upon before recommending the purchase by another client, following procedures intended to ensure that execution of the sale transaction is not unreasonably delayed, and by reducing the normal spread that Merrill would charge on the sale and purchase 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 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 Agreement generally gives us permission to engage in agency- cross transactions for your Account, except where prohibited by law. You may revoke your consent to any agency-cross transaction at any time by notifying us in writing. 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.

Treatment and Allocation of Equity Initial Public Offerings

Equity initial public offerings (excluding direct listing offerings) are not available to be purchased in the Program. We allocate investment opportunities in equity initial public offerings among eligible brokerage accounts in a manner we determine appropriate. Given the limited availability and size of these offerings and available allocations, there is a very limited opportunity for our brokerage clients to invest in such offerings and, if they do, clients generally will receive smaller allocations than they requested. Accordingly, clients should not have any expectation that they will have access to initial public offerings or that they will receive an allocation to any particular offering. There will be instances where certain accounts receive an allocation while other accounts (including similarly situated accounts) do not, and preferential allocations will be given to certain clients based on a number of different factors. In addition, financial advisors have the ability to choose not to offer participation in equity initial public offerings for any clients or they may offer participation to only a small group of clients.

Order Flow, Order Routing and Rebates

We do not receive payment for order flow from liquidity providers to which we route our customer orders in equity securities. We directly or indirectly (through our Affiliate) receive rebates from, and pay fees to, certain registered securities exchanges for providing or taking liquidity on those exchanges according to those exchanges' published fee schedules filed with the SEC. In some cases, the rebates received by us from an exchange over a period of time will exceed the fees paid to the exchange. We directly or indirectly (through our Affiliate) also participate in the options order flow programs sponsored by options exchanges such as the NYSE American Options, NYSE Arca Options, and the Cboe options and Nasdaq options exchanges. These exchange-sponsored programs offer payments for listed option orders that are directed to such options markets. The rebates and payments from these third parties vary depending on the order and the exchange to which orders are directed and create a conflict of interest because we are incentivized to recommend transactions that provide us with greater rebates or payments from these exchanges.

Participation in Affiliate Lending Programs and Margin

There are conflicts of interest when we recommend that you use a loan secured by your Account assets as collateral. These conflicts exist with a margin loan from Merrill or with any of our Affiliate Lending Programs that may be available to you from an Affiliate lender. Specifically, in the case of a margin loan, we receive interest payments on the margin loan, and your Advisor receives compensation in the form of production credits based on a percentage of the loan revenue Merrill receives on the margin loans. Likewise, in the case of a loan from an Affiliate, including but not limited to the Loan Management Account® product (LMA® account), the Affiliate lender intends to derive a profit as lender based on interest and/or fees, if any, charged on the loan. Your Advisor receives compensation in the form of production credits based on a percentage of the loan revenue of the Affiliate lender for such loan. They receive greater compensation the more you borrow under a margin or Affiliate Lending Program and receive greater compensation if you are charged a higher interest rate.

The lender, whether it be Merrill, an Affiliate or a third-party lender, has a lien on your Account assets that are used as collateral for the loan. The lender will act to protect itself as lender in connection with the loan, and this may be contrary to your interests and/or investment objectives. Having a lien on your Account in connection with an Affiliate loan also creates a conflict of interest with respect to the recommendations we make to you. For example, your Advisor may recommend that you allocate your investments to your Account that has an Affiliate lender's lien rather than to another Account without such lien or that you purchase a less risky investment in order to minimize the risk of loss with respect to the Affiliate lender's collateral. Furthermore, since our Advisors are compensated based on a percentage of the loan revenue, this means your Advisor has a financial interest in your continuing the borrowing under the Affiliate Lending Program rather than recommending a liquidation of assets held in the Account to meet your funding needs, thus lowering the level of assets held in the Program and reducing the compensation earned. Please refer to the section "Investment Strategies and Risk of Loss" for additional information.

Certain Program Strategies and investment strategies can involve the use of margin. Merrill will receive revenue in connection with any assets purchased in an Account on margin or other extensions of credit by us, which is in addition to, and does not reduce, the Program Fee. The additional economic benefit to us from the use of margin creates a conflict of interest.

Provision of Diversified Financial Services

BofA Corp. is a diversified financial services company that generally provides, through us and our Affiliates, a wide range of services to retail and institutional clients for which it receives compensation. As a result, we, BofA Corp. and our Affiliates can be expected to pursue additional business opportunities with the entities whose investments we and our financial advisors recommend or make available to you. Consistent with industry regulations, the services that we and our Affiliates provide include 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, licensing arrangements involving indices, and effecting portfolio securities transactions for clients. In addition, from time to time, BofAS and other of our Affiliates may acquire equity stakes in market centers (*e.g.*, national securities exchanges or alternative trading systems) as part of a strategic investment and therefore stand to participate as a shareholder and investor in the profits that each market center realizes in part from the execution of securities transactions, including transactions for your Account. Additional information regarding these relationships is publicly available in Regulation NMS Rule 606 reports we file with the SEC.

Activity by Merrill, Affiliates and Personnel

As part of a global financial services firm, Merrill will be precluded from effecting or recommending transactions in certain client accounts and will restrict its investment decisions and activities on behalf of its clients due to applicable law, regulatory requirements, other conflicts of interest, information held by Merrill or any of its Affiliates, it or its Affiliates' roles in connection with other clients and in the capital markets, its internal policies, and/or potential reputational risk. As a result, client accounts managed by Merrill may be precluded from acquiring, or disposing of, certain securities or instruments at any time. This includes the securities issued by BoA Corp. From time to time in the course of our and our Affiliates' business dealings described in this Brochure, confidential information will be acquired that cannot be divulged or acted upon for advisory or other clients. See "Conflicts of Interest and Information Walls" in this Item 9.

We may give advice or take action with regard to certain clients, including clients in the Program, which differs from that given or taken with regard to other clients. This includes the advice given or actions taken for certain securities, and for Fund managers, PAS Managers and Style Managers. In some instances, the actions taken by Affiliates for similar services and programs will 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. In addition,

potential conflicts of interest also exist when Merrill maintains certain overall investment limitations on positions in securities or other financial instruments due to, among other things, investment restrictions imposed upon Merrill or its Affiliates by law, regulation, contract or internal policies. These limitations have precluded and, in the future could preclude the inclusion of particular securities or financial instruments in a client's Portfolios where Merrill or its Advisors provide discretionary management services, even if the securities or financial instruments would otherwise meet the investment objectives of such portfolio. Merrill and its Affiliates limit the overall aggregate ownership in certain Registered Funds that are mutual funds and ETFs by Merrill, its Affiliates and those of their clients that have granted discretion to Merrill, its Affiliates and/or Merrill Advisors (discretionary clients) to avoid potential restrictions on the ability of Merrill and its Affiliates to engage in principal trading and other transactions with such funds. Registered Funds identified by us for these limitations from time to time are referred to as "In-Scope Funds." A portion of the aggregate ownership limit is attributed to our Affiliates. When Merrill and its Affiliates choose to allocate a portion of an investment opportunity in an In-Scope Fund to Merrill or its Affiliates, there is a corresponding reduction under the overall aggregate ownership limit of In-Scope Fund shares available for investment by discretionary clients. As a result of these ownership limits and allocations, discretionary clients will face limits on their ability to invest in In-Scope Funds from time to time and can be precluded from investing in certain In-Scope Funds that otherwise might have been the best available investment alternatives. Because Merrill's and its Affiliates' ownership is applied to determine the aggregate ownership limits, such limits create conflicts of interest for Merrill in determining the amount of investment opportunities in In-Scope Funds that are available to discretionary clients.

From time to time, a shareholder of BofA Corp. could acquire a sufficiently large interest in BofA Corp. that the holding triggers statutory or regulatory obligations or restrictions. In such event, our ability to take certain actions or make recommendations within your Account, such as buying or selling securities issued by the shareholder or its Affiliates, will be limited.

We and our Affiliates provide some or all of the same services offered in the Program through other financial firms, either with Affiliates or with firms that are unaffiliated. Certain of these services have fee rates that differ from that charged for the Program Services.

We or one of our Affiliates have the right to hold 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 benefit from such securities positions or transactions.

Our Affiliates and related business divisions, such as BANA, offer their own managed products or wrap programs that are similar to the Program or other Merrill programs and in some cases the same investment solutions are offered in the Program and in such other 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, including as to recommendations and review determinations. 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.

The CIO releases information and analyses about CIO Covered Funds, Style Manager Strategies and PAS Style Manager Strategies covered under its CIO Review Process to Merrill, MAA, our Affiliates and financial advisors at the same time and BofA Global Research releases its research opinions and research reports to the public at the same time as Merrill, MAA and our Affiliates receive it. It is possible that our Affiliates and other investors act on that information before Merrill or MAA have had the chance to evaluate and act on those changes. Accounts that commence trading after the release of such information will 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 or other investors.

We have entered into agreements with unaffiliated third-party investment managers that compensate us for referring clients with brokerage accounts to them. Any such referral is separate from the Program. A recommendation by your financial advisor for you to participate in such a separate third- party advisory arrangement creates a conflict of interest between you and us, including your financial advisor. The costs associated with the services provided by such firm, including any management fees paid to the unaffiliated third-party advisers or commissions paid to us in connection with the transactions are executed in an account outside the Program.

We offer Style Manager Strategies and PAS Style Manager Strategies where Merrill, a Merrill Affiliate or a Related Entity construct or provide investment management and advisory services and charge a Manager Fee. If a Related Style Manager Strategy or Related PAS Style Manager Strategy is selected for your account where a Manager Fee is charged, we retain the Merrill Lynch Fee and the Related Entity will retain the Manager Fee attributable to the portion of assets in your Account attributable to the Related Style Manager Strategy (other than with respect to Retirement Accounts).

Our employees, including Advisors and MFSAs, may refer clients to BANA, BofAS and other Affiliates for financial services that they provide, including transaction execution and investment banking services and products (including banking products). Similarly, employees of BANA, BofAS and other Affiliates may refer clients to us for brokerage and investment advisory services. These referrals may involve the payment of referral fees between us and BANA or its Affiliates. As permitted by applicable law, Advisors and MFSAs receive compensation for referring clients to our Affiliates, the amount of which varies by service and product and can be significant.

Covered Entities under the Volcker Rule

We may provide certain entity clients that qualify as "family wealth management vehicles" (FWMV clients) or certain entity clients that qualify as "customer facilitation vehicles" (CFV clients) as described in the Agreement with both the Program Services as well as lending services and engage, where permitted, in principal transactions. In doing so, we rely on the exclusions for Volcker "covered funds" under the Volcker Rule implementing regulations that are available for FWMV clients and CFV clients and have provided such clients with key disclosures that relate to qualifying for these exclusions in the Agreement. For certain entity clients that are deemed "covered fund" clients under the Volcker Rule, we are not permitted to offer both Program Services and the availability of margin, lending or other extensions of credit from us or any of our Affiliates, including BANA, or engage in certain principal transactions. Certain other transactions between BANA or its Affiliates and the entity client will also be prohibited.

Account Review and Reporting

Periodic Reviews

An important part of the Program relationship involves providing you with the opportunity to engage in periodic reviews with your Advisor or a designated member of the team servicing your Portfolio or with your MFSA, as the case may be. These reviews provide updates on the progress of your Portfolio and other important information about your investments. A periodic review of your Account should typically occur on an annual basis; however, under our Program guidelines, both you and Merrill have the ability to extend or defer the timing of the review under certain circumstances and for certain periods of

time. If you do not participate in a review within the timeframes we have established in our Program guidelines, we have the right to terminate an Account from the Program in our discretion. See "Item 4 Portfolio Reviews, Program Reports and Information."

Program Reports and Updates

We will periodically communicate to you important information about your Accounts and assets in the Program. The primary means through which we will communicate with you and memorialize in writing the important terms, conditions and information about your Portfolios, Accounts and Strategies is through a Program Report. You will receive your first Program Report from us after we accept your enrollment in the Program. We will provide a Program Report update or notice where you make certain important changes to the Program Services you elect, including where (1) Accounts are added to the Program; (2) a Portfolio Group is created or Accounts are added to or removed from an existing Portfolio Group; (3) a Program Strategy type for the Account is changed; (4) a Style Manager Strategy or a PAS Style Manager Strategy is changed; (5) the Target Asset Allocation for your Portfolio is changed; (6) the Merrill Lynch Fee Rate for an Account is changed or a Manager Rate is changed, in each case, other than as a result of your qualifying for a different rate based on an applicable rate schedule; and (7) certain Account elections or services are selected or changed, such as the TEM Overlay Services and the TET Service.

You should review each Program Report we send to you carefully to ensure that the information reflected therein is accurate and you should contact your Advisor or MFSA, as the case may be, if you believe any of the information is, or becomes, inaccurate. In addition to the Program Report, 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 Program Strategies you select. These reports contain information regarding investment return, risk and selected benchmark comparisons for your assets in each Strategy you select. select. If you have selected a PAS Style Manager Strategy, you may also receive reports concerning the Portfolio directly from the PAS Manager in accordance with the terms of the agreement separately entered into between you and the selected PAS Manager.

The Program Report may include your single and jointly held accounts as well as accounts that you and other persons agree to be included in the Program Report. We reserve the right to change the format, content and nature of the presentation of information in the Program Report in our sole discretion. The Program Report or other Program communications, including those prepared or delivered in a digital or electronic format, may also include information about your accounts that are not subject to the Agreement, including, in our discretion, your brokerage accounts, other investment advisory program accounts and banking relationships and accounts held at other financial institutions. Their inclusion in a Program Report or other materials is provided for your information only and does not change the nature of our obligations to you under agreements related to those accounts and relationships. The Program Fee will not apply to these accounts or relationships, and we will not provide fiduciary advice and services with respect to the assets in such accounts solely by virtue of their inclusion in a Program Report or other materials we provide. Any such included accounts will continue to be subject to the terms and conditions of the applicable securities or other account agreements. Any advice that we may provide to you with respect to the assets in such accounts, including asset allocation advice, will be incidental to the services that we provide to you under the other applicable securities or other account agreements.

Referral Arrangements

Our financial advisors are not permitted to give to you or accept from you any fee, kickback, or other thing of value, including a Merrill Lynch Fee Rate reduction, gifts, meals, or entertainment pursuant to any agreement or understanding, oral or otherwise, for receiving or referring business.

We have entered into solicitation arrangements with certain third-party entities to refer prospective clients to us for the Program (Solicitors). Generally, the fees paid to Solicitors will be a percentage of the investment advisory fee ordinarily credited to your financial advisor for the applicable Account. We will pay this fee to the Solicitor from the date you establish an Account in the Program for as long as your Account remains enrolled in the Program and the agreement between us and the Solicitor is effective. If we terminate the agreement with the Solicitor for certain reasons, we continue to pay the Solicitor for a period of time after termination. We will not increase the fees you pay as a result of our payments to the Solicitor.

Our employees may refer advisory clients to BANA, BofAS and our other Affiliates for products and services and, similarly, employees of BANA, BofAS and our other Affiliates may refer clients to us for brokerage and investment advisory services. See "Participation or Interest in Client Transactions and Conflicts of Interest—Activity by Merrill, Affiliates and Personnel." We may enter into marketing arrangements with third parties who, for compensation, provide consulting or other services to us in connection with the marketing of our various advisory programs. Any such marketing arrangement will be governed by a written agreement between us and the applicable third-party and disclosed to you as required by law.

Financial Information

Not applicable because (1) Merrill is a qualified custodian as defined in Rule 206(4)-2 under the Advisers Act (2) Merrill and MAA do not require or solicit the prepayment of more than $1,200 per client six or more months in advance; (3) there is no financial condition of which we are aware that is reasonably likely to impair Merrill or MAA's ability to meet contractual commitments to its clients; and (4) Merrill or MAA each has not been the subject of a bankruptcy petition at any time during the past 10 years.

Glossary

Account means each of the securities accounts to which the Agreement applies and that are enrolled in the Program as set forth in the Program Report.

Advisers Act means the Investment Advisers Act of 1940, as amended. Advisor means a Merrill financial advisor who offers the full complement of Program Services subject to meeting certain training and experience requirements.

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

Affiliated Custodian means a custodian that is an Affiliate of Merrill.

AI Advisory Units means a class, tranche or series of interests, units or shares in an Alternative Investment Fund that is available for purchase by persons investing through an Account or interests in a separate Alternative Investment Fund that has been structured specifically for clients purchasing through an Account.

Alternative Investment means an investment so designated by us from time to time in our sole discretion with risk and return characteristics not generally correlated with more traditional investments (i.e., equities, fixed income and cash).

Alternative Investment Fund means a Fund (other than an NTF) that we designate as in the Alternative Investment asset category, including a hedge fund, private equity fund, managed futures fund, non-traded business development company, non-traded real estate fund, real asset fund, commodity pool, interval fund, and any other Fund that invests in alternative asset classes or other Funds that invest in whole or in part in any of the foregoing types of Funds.

Annual asset-based fees with respect to mutual funds means any service fees or Rule 12b-1 fees paid to Merrill for the distribution of mutual funds pursuant to a plan made under Rule 12b-1 under the Investment Company Act of 1940.

Annuity means an insurance product, including a variable annuity, a variable indexed annuity and a fixed income annuity, that through a legal contract with an Annuity Issuer can offer owners guaranteed lifetime income, tax-deferred accumulation potential and downside protection for owners or their beneficiaries.

Authority means the authority to make certain investment and/or trading decisions relating to the assets in an Account.

BANA means the Bank of America, N.A.

BofA Corp. means Bank of America Corporation, the parent company of MLPF&S, MAA and other Affiliates.

BofAS means BofA Securities, Inc., a Merrill Affiliate.

Bank Affiliate means BANA or other banks that are affiliated with us.

Cash Sweep Program means the program provided as part of your brokerage account agreement whereby cash balances in your Account are automatically swept into a cash sweep option available for your Account type.

CIO means the Chief Investment Office of MLPF&S. For certain managed strategies, CIO refers to the Chief Investment Office of BANA.

dealer spread charges means mark-ups, mark-downs and/or dealer spread charges imposed by an Unaffiliated Trade Counterparty or a trade counterparty that is an Affiliate.

Direct Indexing/TEM Style Manager Strategy means a managed strategy offered by a Style Manager or a PAS Manager that incudes as part of its portfolio management approach investing in a selected market index and engaging in opportunistic selling of securities with a loss and investing proceeds in strategy-aligned replacement securities.

Discretionary Manager means a Style Manager that has investment discretion and full or partial discretion to trade for your Account with us, our Affiliates or an Unaffiliated Trade Counterparty.

FDIC means the Federal Deposit Insurance Corporation.

financial advisor means an Advisor and an MFSA.

Fund means a registered and unregistered investment company, including a mutual fund, ETF, money market fund, Offshore Fund, closed-end fund, Alternative Investment Fund, NTF and any other pooled investment vehicle.

Household means you and/or certain eligible persons in your designated household at Merrill and its Affiliates as determined by us by us in accordance with our polices.

Household value means the value of certain assets and liabilities determined by us in accordance with our policies that are held by you and/or your Household.

Manager Fee means either the Style Manager Fee and/or the PAS Manager Fee.

Manager-Related Fund means a Fund that is sponsored or advised by a Style Manager or PAS Manager (or their respective Affiliates).

MLBD Program means the Merrill Lynch Bank Deposit Program.

MFSA means a financial advisor with the designation of Merrill Financial Solutions Advisor who, under our internal polices, offers clients access to a subset of Style Manager Strategies.

NTFs means non-traditional mutual funds and ETFs registered with the SEC that are classified as by us as Alternative Investments.

Offshore Fund means a Fund that is not organized within the U.S., is not registered under the Investment Company Act of 1940 and the securities of which are not SEC-registered.

PAS Manager means an investment manager who provides discretionary managed strategies and related investment advisory and trading services under a dual contract arrangement.

PAS Manager Fee means the fee charged by the PAS Manager for a PAS Style Manager Strategy.

PAS Manager Rate means a specified flat rate or a rate determined by an agreed-upon fee rate schedule between you and a PAS Manager.

PAS Style Manager Strategy means the investment strategies offered by a PAS Manager under a separate agreement entered into directly by the client with the PAS Manager.

Program means the Merrill Lynch Investment Advisory Program.

Program Fee means for each Account. the sum of (1) the Merrill Lynch Fee and (2 as applicable, the Style Manager Fee or PAS Manager Fee for the Style Manager Strategy or PAS Style Manager Strategy selected for your Account.

Program Services means the range of investment advisory and financial services and investment solutions described in this Brochure that are available and/or provided under the Program.

Program Report means a periodic communication sent to you that contains important terms, conditions and information about your Portfolios, Accounts and Strategies.

Program Strategy means one or more investment styles or disciplines available in the Program, which include Managed Strategy, Custom Managed Strategy, Premium Access Strategy, Defined Strategy, Personalized Strategy with Advisor Discretion and Personalized Strategy with Client Discretion.

RASP means the Retirement Asset Savings Program.

Registered Fund means any Fund registered under the Investment Company Act of 1940.

Related Entity means an Affiliate of Bank of America Corporation (BofA Corp.) or an entity in which BofA Corp. or an Affiliate has a material ownership interest.

Related Style Manager Strategy and **Related PAS Style Manager Strategy** means any investment strategy sponsored, managed, or constructed by Merrill, MAA, any of our Affiliates or a Related Entity.

Related Style Manager means any investment manager that is Merrill, MAA, an Affiliate of Merrill or a Related Entity.

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 Code.

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 of 1940.

SII means sustainable or impact investing

Style Manager means an investment manager of a Style Manager Strategy and which can be Merrill, its Affiliate, a Related Entity or a third-party manager,

Style Manager Fee means the fee charged by a Style Manager for the investment in a Style Manager Strategy it constructs and/or manages based on the Style Manager Rate.

Style Manager Rate means the percentage rate applied to applicable Account assets that is set by the Style Manager either as a specified rate or by reference to a schedule.

Style Manager Strategy means an investment strategy that is constructed and/or managed by a Style Manager that includes specific asset classes or asset types such as securities, Funds, and other Style Manager Strategies or a combination thereof.

Target Asset Allocation means a recommended allocation of assets in a Portfolio across one or more asset classes in the following categories: (1) *Conservative* (where the primary focus is on Portfolio stability and preservation of capital with the achievement of low or negative investment returns in exchange for reduced risk of loss of principal and liquidity); (2) *Moderately Conservative* (where the primary focus is to achieve a modest level of Portfolio appreciation with minimal principal loss and volatility); (3) *Moderate* (where the primary emphasis is to strike a balance between Portfolio stability and Portfolio appreciation with the assumption of a moderate level of risk and level of volatility and principal loss); (4) *Moderately Aggressive* (where the primary emphasis is on achieving Portfolio appreciation over time with the assumption of a fair amount of risk, and high level of volatility and risk of principal loss; (5) *Aggressive* (where the primary emphasis is on achieving above-average Portfolio appreciation over time with the assumption of substantial risk and a significant level of Portfolio volatility); (6) *Equity-Focused* (where the primary focus is to hold equity securities with the assumption of a significant amount of Portfolio volatility and risk of principal loss); (7) *Fixed Income-Focused* (where the primary focus is to hold fixed income securities with the assumption of investment returns that are low or, in some years, negative, in exchange for reduced risk of principal loss) (8) *Alternative Investment-Focused* (where the primary focus is to hold Alternative Investments with the assumption by a client of a significant amount of Portfolio volatility and risk of principal loss; and (9) *Custom* (where the allocations are agreed with the client as applicable to their Portfolio.

Third-Party Firms means third-party investment managers, fund managers (including for Alternative Investments), product distributors and sponsors, insurance companies and other product providers.

Unaffiliated Trade Counterparty means a bank, broker or dealer other than Merrill or a Merrill Affiliate.

Unrelated Custodian means a custodian other than Merrill or a Merrill Affiliate.

L-01-26

Unless otherwise noted, registered service marks and service marks are the property of Bank of America Corporation.

©2026 Merrill Lynch, Pierce, Fenner & Smith Incorporated. Printed in the U.S.A.