

Merrill Edge Advisory Account

WRAP FEE PROGRAM BROCHURE

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This wrap fee program brochure provides information about the qualifications and business practices of Managed Account Advisors LLC ("MAA") and Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") relating to the Merrill Edge Advisory Account program. If you have any questions about the contents of this brochure, please contact us at 800-MERRILL (800-637-7455). 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.

The advisory services described in this brochure are not insured or otherwise protected by the Federal Deposit Insurance Corporation or any other government agency; are not an obligation of any bank or any affiliate of MAA or MLPF&S; are not endorsed or guaranteed by Bank of America, N.A., MAA, MLPF&S, or any bank or any affiliate of MAA or MLPF&S; and involve investment risk, including possible loss of principal.

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

August 31, 2015



MATERIAL CHANGES

On March 16, 2015, Merrill Lynch filed its last annual update for its Merrill Edge Advisory Account program brochure ("Brochure" or "Disclosure Statement"). Set forth below is a summary of the material changes to this Brochure since that date. This summary of material changes is designed to make clients aware of information that has changed since the Brochure's last annual update and that may be important to them. The material changes summarized below were also incorporated within this Brochure. Capitalized terms that are not defined in this Brochure have the meanings provided in the Glossary.

No material changes have been made since the last annual update was filed for this Brochure.



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SERVICES, FEES AND COMPENSATION

Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”) and Managed Account Advisors LLC (“MAA”) are indirect wholly-owned subsidiaries of Bank of America. Capitalized terms that are not defined in this Brochure have the meanings provided in the Glossary. For purposes of this Brochure, “Merrill Lynch” means either MAA or MLPF&S or both, depending on the service provided. As used in this Brochure, “you” and “your” refer to the client. “We” and “us” refer to Merrill Lynch.

This Brochure relates to the Merrill Edge Advisory Account program (“MEAP” or the “Program”), an investment advisory program offered by Merrill Lynch through which the Merrill Edge Select Portfolios are available for client selection. MEAP is designed to help clients meet their investment objectives. To participate in MEAP, you enter into the Client Agreement with MAA and MLPF&S. Each of your Accounts covered under the same MEAP relationship will be reflected in your Client Summary section of the Client Agreement or in a separate document provided or made available to you. The information you provide and elections you make in the online application process are incorporated by reference in the Client Summary and the Client Agreement. You may have one or more Accounts with different features and services, all covered by a single MEAP relationship. Each Account will consist of a single Portfolio; your assets will be invested in a combination of Funds and other securities and investment products made available through MEAP now or in the future. Each of MAA and MLPF&S will provide different services with respect to MEAP, as described below.

The scope of any investment advisory relationship we have with you is defined in the Client Agreement you sign for MEAP. When you are enrolled in MEAP, we act as your investment adviser only for your Account and not any other assets or accounts, unless otherwise separately agreed to by us in writing. Our MEAP advisory relationship begins when we enter into a Client Agreement with you, which occurs at the later of the date of acceptance of the signed Client Agreement by MLPF&S and MAA or the date on which you have contributed the required minimum level of assets to your Account for the Portfolio you select. Preliminary discussions or recommendations before we enter into a Client Agreement with you are not intended as investment advice and should not be relied on as such.

DESCRIPTION OF MEAP

INVESTMENT SELECTIONS

You may select a Portfolio consisting of a combination of Funds that is constructed based on MLPF&S’ recommendations. You will generally be provided with a Portfolio Summary for each Portfolio that you select, and a prospectus or other disclosure document (as applicable) for each underlying Fund in the Portfolio, which you should read carefully to understand the relevant objectives, styles and risks and, in the case of the Portfolio Summary, the role of MAA and any related Account requirements with respect to the Portfolio. You should confirm that the Client Summary, or other documents that we and our affiliates provide or make available to you, accurately represents each of the Portfolios that you have selected for your Account.

MLPF&S will generally determine the manner and extent to which Portfolios, Funds, Fund managers, asset classes and investment products will be made available to MEAP, including when a Portfolio or Fund will no longer be offered or will be restricted or restructured in its offering under MEAP. Portfolios may include Related Funds.

The overall investment activities in which we and our affiliates engage may limit the investment opportunities for your Account in certain markets in which limitations are imposed by regulators upon the



amount of investment by affiliated investors, in the aggregate or in individual issuers. Please see the section *Description of MEAP – Risk and Tax Disclosure*.

In addition to MEAP, MLPF&S offers a wide variety of advisory services. These include, but are not limited to, the following: Merrill Lynch Investment Advisory Program, Merrill Lynch Unified Managed Account, Merrill Lynch Consults[®], Merrill Lynch Consulting Services, Merrill Lynch Mutual Fund Advisor[®] Program, Merrill Lynch Personal Investment Advisory[®] program, Merrill Lynch Strategic Portfolio Advisor[®] Service and Merrill Lynch Personal Advisor[®] Program. Other advisory services are offered by Merrill Lynch affiliates. Impersonal investment advice (general advice not tailored to the specific needs of the individual) in the form of publications and research may also be available. In addition, MLPF&S offers financial planning services, including Merrill Lynch Financial Foundation[®] Report and Merrill Lynch Private Planning ServicesSM. More information about these programs and services is contained in the applicable MLPF&S or MAA brochure (or MLPF&S or MAA Form ADV, Part 2A) and is available upon request or through the SEC's website at www.adviserinfo.sec.gov. MEAP is available only to clients of the Merrill Edge Advisory Center. The other advisory services listed above are not available through the Merrill Edge Advisory Center. To obtain any of the other advisory services listed above, you will need to work with a Merrill Lynch Financial Advisor. Any securities issued by Merrill Lynch or its Related Companies (other than Related Funds) will generally not be eligible for investment through the Program. For more information about these or other services that are available, please contact a Financial Solutions Advisor.

REASONABLE INVESTMENT RESTRICTIONS

You may impose reasonable investment restrictions on the management of your Accounts, which will be reflected in the Client Summary. MAA will review any restrictions to determine whether they are reasonable. MAA will implement restrictions in a manner it determines in its sole discretion from time to time. If such restrictions are deemed reasonable, MAA will generally allocate the assets that would have been invested in the restricted security to cash. From time to time, MAA may also allocate pro rata across other investments held in the Portfolio or to one or more substitute securities, which may include ETFs. If one or more restrictions are determined to be unreasonable, the Account will not be opened and you should consider other more appropriate Portfolios in MEAP, or other more appropriate products or services. We reserve the right to modify our practices regarding client-imposed restrictions in our sole discretion at any time without notice.

If you impose reasonable investment restrictions on the management of your Account, including restrictions on investments, you accept any effect such restrictions may have on the investment performance and diversification of the securities in your Account. Restrictions of individual securities will not apply to any portion of your Account invested in Funds that may hold such securities. Consequently, to the extent there are Funds in an Account that you select, your ability to restrict investments in the Account will be limited.

REBALANCING SERVICE

The Portfolios currently offered are dynamically managed and are not subject to rebalancing as indicated in the Portfolio Summary. Changes to Portfolios, including changing the allocations of the underlying Funds that the Portfolios comprise, can be made at any time, as described in the Portfolio Summary. Additional Portfolios may be offered over time, which may include rebalancing services.

INVESTOR PROFILE

You will be required to respond to a questionnaire that will identify your investor profile, as reflected on the Client Summary, based upon your investment goals and risk tolerance. We have identified five investor



profiles that generally coincide with the ways in which investors characterize themselves. Each investor profile has an associated asset allocation based on your overall risk tolerance. The asset allocation of Portfolios you select generally should be consistent with the asset allocation of your investor profile. If you select Portfolios that, together with your other assets, result in an overall risk tolerance different from the target allocations reflected in “Your Investor Profile” in the Client Summary, then you acknowledge that you have considered this difference and understand the additional risks that may arise from your selection including that your selection may affect the achievement of your investment objective, and you fully assume this risk. You should discuss any questions with a Financial Solutions Advisor.

RISK AND TAX DISCLOSURE

You should understand that all investments involve risk (the amount of which may vary significantly), that investment performance can never be predicted or guaranteed and that the value of your Account will fluctuate due to market conditions and other factors. We make no representations or warranties with respect to the present or future level of risk or volatility in your Account, or any Fund’s future performance or activities. You are assuming the risks involved with investing in securities and other investment products, and you could lose all or a portion of the amount held in your Account. You should read the prospectus or disclosure document, as applicable, for each asset purchased for your Account. Any target asset allocations or benchmarks, as applicable, referred to in connection with your Account are not intended to be an assurance or guarantee of the performance of any investments in or of your Account. There is no assurance that the performance results of any benchmark or index used in connection with the Portfolio, including those shown in a Portfolio Summary, if applicable, can be attained. Market movements and other factors may result in significant differences between the performance of your Account and any investment objectives set forth in the Investor Profile Questionnaire. Investments made, and the actions taken, for your Account will be subject to various market, liquidity, currency, economic and political risks, and will not necessarily be profitable.

The overall investment activities in which we and our affiliates engage may limit the investment opportunities for your Account in certain markets in which limitations are imposed by regulators upon the amount of investment by affiliated investors, in the aggregate or in individual issuers. From time to time, your Account’s activities also may be restricted because of regulatory restrictions applicable to us and our affiliates, and/or our internal policies. Because of the regulatory restrictions we and our affiliates impose, it is possible that purchases and sales of certain securities may be prohibited for an extended period of time. This may have several consequences for your Account:

- For Portfolios to which rebalancing may apply, rebalancing may be precluded, which may result in the actual allocation of your Account differing significantly from your selected Portfolio.
- Any contributions made during the period of restriction would not be invested in the restricted security, resulting in an allocation of Account assets that would differ from the Portfolio selected.
- MAA may be unable to buy or sell any portion of the specific security included in the Portfolio.
- MAA may have to select a substitute security with different characteristics than the restricted security for the investment of contributions and for new Accounts that select an affected Portfolio. This may impact your Account’s performance.

We may sell all or a portion of the securities in your Account, either initially or during the course of your participation in MEAP. You are responsible for all tax liabilities arising from these transactions. In addition, if you are not a resident of the United States, you assume the adverse tax consequences and other risks involved in investing in U.S. securities or any other securities. Furthermore, you acknowledge that ordinary income dividends, including distributions of short-term capital gain, that Registered Funds pay to you will



be subject to a United States withholding tax under existing provisions of the Internal Revenue Service Code of 1986 applicable to foreign individuals and entities, unless a withholding exemption is provided under applicable treaty law.

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

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

- MAA will seek to comply with your instructions on a best efforts basis;
- MAA, in its discretion, may limit the amount of losses or gains that can be realized from the Account at any time;
- Account performance may be adversely affected and may result in increased volatility;
- New taxable gains or losses could be generated and/or the same or similar securities may be repurchased through your normal trading activity;
- Sales of securities to realize capital losses will be subject to the Internal Revenue Service wash sale rules; and
- Tax loss sales may result in your Account having a higher-than-normal cash position for a period of time.

We do not provide tax, accounting or legal advice, and you are encouraged to seek the advice of your own tax advisors regarding your tax-selling requests.

FUNDING AND OPERATION OF MEAP ACCOUNTS

OVERVIEW OF MEAP SERVICES

Each of MAA and MLPF&S will provide different services in MEAP, which are covered by the Account fee. MLPF&S will be responsible for custody, client profiling, initial and ongoing Portfolio due diligence, identification of Portfolios and Funds available for your selection, performance reporting, services of Financial Solutions Advisors, and trade execution for your Account (except as otherwise discussed in the sections *Funding and Operation of MEAP Accounts – Transactions in MEAP Accounts* and *Account Fees*). MAA will be responsible for the discretionary management of the Portfolios, which will include:

- Investing the initial cash and securities deposited in the Account;
- Monitoring available cash, contributions and distributions in the Account;
- Processing all contributions, withdrawal requests and Account terminations;
- Periodically reviewing the Account for rebalancing, if applicable;
- Preventing the purchase of securities that you have restricted from the Account, if any; and
- Implementing your tax-selling instructions, if applicable.



FUNDING, WITHDRAWALS AND ADDITIONS OF ASSETS IN MEAP ACCOUNTS

You may fund your Account by depositing cash and/or securities acceptable to us. If any of the securities deposited to fund your Account cannot be held as part of the Portfolio that you have selected or are otherwise ineligible to be held in MEAP, then your Account will not be invested according to such Portfolio until such time as the securities can be liquidated and the proceeds so invested. You authorize and direct MLPF&S to liquidate all such securities on your behalf as promptly as practicable, including by redeeming any Fund shares, if applicable. MLPF&S will not act as a fiduciary or an investment adviser in connection with any such transactions, but is entitled to charge a commission for the sale of such securities and/or execute a principal trade for such sale, and, in doing so, may retain any related compensation.

Depending on the type of security involved, these liquidations may cause you to incur taxable gains or losses or to pay applicable fees or charges. You should review the potential tax consequences of these liquidations with your tax advisor before funding an Account with securities.

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

The discussion in this section regarding funding applies to both initial and any subsequent contributions of securities and/or Fund shares to your Account.

Under the terms of the Client Agreement, you have agreed to notify MLPF&S at least five business days prior to withdrawing funds or securities from an Account. In connection with withdrawal requests, you understand that:

- You must withdraw Funds from the Account as soon as practicable after settlement date, and if you do not withdraw requested funds from the Account within fifteen (15) calendar days after settlement, the funds may be subject to reinvestment without notification to you by Merrill Lynch;
- Taxable gains and losses may be realized as a result of your withdrawal instructions;
- Withdrawal requests must not be used as vehicles to increase the cash allocation in the Account, liquidate the entire Account, or effect tax-selling requests;
- Frequent withdrawals from your Account may affect the achievement of investment objectives with respect to the applicable Portfolio you select; and
- We reserve the right to terminate any Account that falls below the required minimum asset size as reflected in the applicable Portfolio Summary.

Additions of funds and securities to your Account do not require advance notice, except as specifically provided in the section *Custodial Arrangements*. At the discretion of MAA, there may be a delay between the date that funds or securities are contributed to an Account and the date that MAA invests such funds (or liquidates securities added to the Account) according to the Portfolio Summary. Neither MLPF&S nor MAA will be liable for any lost opportunity profits that may result from a delay in investing your funds or securities.

When first enrolled in MEAP, Accounts are generally fully invested within three business days from the date the enrollment is accepted by Merrill Lynch or the date funds are contributed into the Account, whichever is longer. The time to fully invest may take longer for a given portion of your Portfolio depending upon the particular investment as well as the types of assets you contribute to fund your Account. Merrill Lynch administers each Account and is responsible for its ongoing management. Client accounts will be allocated among the investments at the discretion of Merrill Lynch. For contributions to your Account after



enrollment, the manner in which those funds are invested will depend upon a number of factors, including the size of the variance the contribution creates between the actual cash allocation of the Account and the current target cash allocation. It is possible that a contribution may remain in the cash portion of the Account until other events occur, such as additional contributions or trading activity initiated to maintain the Account's risk characteristics consistent with your Investor Profile. Account contributions and withdrawals will generally follow allocations in effect at the time of the transactions. Merrill Lynch will implement tax-motivated instructions to the extent possible. The proceeds from any tax-motivated transactions may be temporarily invested in cash alternatives or ETFs for up to thirty days and then reinvested in the Portfolio.

Clients should understand that upon their account enrollment in MEAP, the following services will not be available for that account: Checks, Visa® debit cards, web bill pay, online client orders, margin, and systematic withdrawal services such as Move Money®/funds transfer disbursements. Similarly, the enrollment of an Account in AIPS will be suspended during your participation in MEAP, except to the extent that you have authorized the automatic transfer of cash into the Account. Additional assets contributed through AIPS will be invested at our discretion, but generally on a pro rata basis among the investments in the Account.

CUSTODIAL ARRANGEMENTS

Generally, MLPF&S or one of its affiliates will act as the custodian for the assets held in an Account. Your assets will be maintained in one or more central asset accounts established at MLPF&S through the applicable securities account. Pursuant to the Client Agreement, you have agreed to open any necessary securities accounts and execute the applicable MLPF&S securities account agreements. If you already have an existing MLPF&S securities account and instruct MLPF&S to open a similar type of account for MEAP, the agreement and related documentation for your existing account will apply with full force and effect to your new account.

Any assets held in your Account must be free from any lien, charge or other encumbrance (other than a lien, charge or other encumbrance in favor of us or our affiliates). Such assets must remain so, unless you notify us and we agree. You must notify MLPF&S in writing prior to effecting loans (including loans by our affiliates) secured by securities in your Account (commonly referred to as "collateralizing"). You understand that we will not provide advice on, or oversee, any of your collateral arrangements. In the event of any conflict between the terms of the Client Agreement and your collateral arrangements, the terms of the Client Agreement will prevail. You must also disclose to any lender the terms of the Client Agreement. Specific securities in your Account may not be held as collateral to secure your loan. You should be aware of the adverse effects of collateralizing Accounts, including, but not limited to, the fact that the lending institution may require additional collateral or liquidation of securities held in your Account to meet a call, as well as the related tax consequences. You must promptly notify MLPF&S of any default or similar event under your collateral arrangements as defined in the respective collateral arrangements.

ALLOCATION TO CASH; INVESTMENT OF CASH BALANCES

The allocation to cash in the applicable Portfolios includes cash and cash alternatives (which may include money market funds, bank deposits, short-term government bonds, treasury bills, or other similar investments) and may increase or decrease over time. In addition, the allocation to cash and cash alternatives will be included in the overall Account assets used for calculating your Account fee. Depending on prevailing interest rates, there may be a negative impact on the performance of your Account, in addition to any market volatility and other factors that may affect returns of the Portfolios.



Cash allocations, cash balances, and funds pending investment will automatically be invested or “swept” temporarily, or invested as part of an asset allocation, according to the cash sweep option that you selected in the underlying MLPF&S securities account agreement for the Account; provided, however, that for newly opened MLPF&S securities accounts, no sweep option will take effect (i.e., your cash will not be deposited/invested in such sweep option) until Merrill Lynch receives your signed securities account agreement. Your failure to return your signed underlying MLPF&S securities account agreement may result in your Account’s termination from MEAP, among other things. Depending upon the type of securities account you establish, cash allocations or cash balances will be swept to one or more Merrill Lynch Banks, Related or Unrelated Money Market Funds or to another available cash option. With certain account types, a sweep option may not be available. In that case, you will not be invested in one of the above sweep options as part of the Program.

For certain types of securities accounts, as provided in the applicable account agreements with MLPF&S, you can choose the particular sweep option and/or direct the investment of cash outside of the sweep. A Financial Solutions Advisor can help you identify the sweep or other cash options, if any, available to you, but none of MAA, MLPF&S or Financial Solutions Advisors has the discretion to make the selection for you. Additionally, you may elect a “no sweep” option for the cash balances held in your MEAP Account. If you select the no sweep option, your cash balances will remain in your Account until they are needed to satisfy any debits (due to securities purchases or other transactions) in your Account and will not earn interest or dividends. If you elect the no sweep option for your Account, you should understand that Merrill Lynch will continue to charge the MEAP Account fee on the cash held in your Account even though you are not earning any interest or dividends on that cash and that may create a conflict between you and us. You should carefully consider whether the no sweep option is right for you.

Unless otherwise agreed, your Account will be credited with any dividends, interest and principal paid on assets held in your Account.

TRANSACTIONS IN MEAP ACCOUNTS

The Account fee covers execution services for all transactions effected for an Account, except as indicated in the section *Account Fees*.

Under the terms of the Client Agreement, you have authorized and directed that all transactions in the Account, except as provided below, be effected by or through MLPF&S and its affiliates, acting as agent or, to the extent permitted by law, as principal. Notwithstanding this direction, if MLPF&S and its affiliates cannot effect a transaction on your behalf, you authorize and direct MAA to effect the transaction through an Unaffiliated Investment Firm. Your direction to use MLPF&S and its affiliates to effect transactions in an Account may result in less advantageous execution, including greater spreads (the difference between the bid and the offer price) or less favorable net prices, than if an Unaffiliated Investment Firm were to execute the transaction.

By signing the Client Agreement, you appoint MAA to act as your agent and attorney-in-fact with such discretionary power and authority, as described above, to buy, sell or otherwise effect transactions in stocks, options, bonds and any other securities or other property, in whole or in part, on margin if contemplated by your Portfolio, for your Account and in your name. Under the terms of the Client Agreement, you have authorized MAA to establish accounts with Unaffiliated Investment Firms, as necessary, for the purpose of effecting transactions in your Account, according to applicable law.

When MAA selects an Unaffiliated Investment Firm to execute transactions because MLPF&S and its affiliates cannot effect a transaction, MAA will take into account various factors, such as:

- The nature and quantity of the securities involved;



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

Markups or markdowns that are not treated as commissions and that are payable to Unaffiliated Investment Firms (including on fixed-income or over-the-counter transactions in which MLPF&S and its affiliates act as agent) are not covered by Account fees and you, rather than us, will bear the cost.

In effecting transactions for your Account, MLPF&S and its affiliates will be acting exclusively as a broker-dealer.

MAA may, but is not required to, aggregate orders for the sale or purchase of securities for your Account with orders for the same security for its other clients, proprietary accounts or the accounts of its employees and/or related persons, without your prior authorization. In such cases, each account in the aggregated transaction will be charged or credited with the average price and, when applicable, its pro rata share of any fees.

As required by law, you will be sent a copy of the prospectus or disclosure document for each applicable asset purchased for your Account.

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 the client. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the client. In general, in instances where we are responsible for effecting the transaction, we may: (i) reimburse clients for any losses directly resulting from trade errors; (ii) credit to the client any profits directly resulting from such trade errors that are corrected after the settlement of the transaction; or (iii) retain any profits directly resulting from such trade errors that are corrected prior to the settlement of the transaction.

CLIENT'S SELECTION CHANGES OR ADDITIONS

You may change or add a Portfolio, subject to our approval, by contacting a Financial Solutions Advisor. MAA will implement any approved change or addition to the Portfolio that you select as soon as reasonably practicable.

The replacement Portfolio, or replacement Fund within a Portfolio that we may select, may be subject to a higher Fund expense than the previously selected Portfolio or Fund. You will be responsible for paying this higher Fund expense as part of the Account fee. The Account fee, however, will generally not change as a result of a change in the Portfolio or Fund within a Portfolio. There is no guarantee that any replacement Portfolio or Fund will be available for a Fund expense similar to the Fund expense applicable to the original Portfolio or Fund selected, or that we will select or be able to offer you replacement choices that are substantially similar to the Portfolio or Fund that is no longer being offered.



PROXY VOTING AND OTHER LEGAL MATTERS

We will not vote or advise you about the voting of proxies for the securities held in your Account. Similarly, we will not act for or advise you regarding legal proceedings, including bankruptcies or class actions, involving securities held in your Account. Any information or documents received for distribution to you with regard to the above will be sent to you. We also will promptly send to you all proxies and related shareholder communications for the securities held in your Account. With respect to corporate actions not requiring a proxy vote, you direct MAA to respond to such corporate actions, including reorganizations, with respect to securities held in your Account. If your Account is subject to the provisions of ERISA, you represent that plan documents and applicable law authorize voting authority to be reserved to the trustee(s) either in the discretion of the trustee(s) or pursuant to the discretion of a named fiduciary. To the extent that instructions regarding the voting of proxies are not received and as permitted by law, we will comply with the rules of the SEC and any applicable self-regulatory organizations relating to such matters.

ACCOUNT FEES

For the services provided under the Client Agreement, you agree to pay an annual asset-based Account fee to MLPF&S at a flat rate of 1.00%. The Account fee is payable quarterly in advance on the value of all of the assets (including any allocations to cash and cash alternatives) in your Account covered in the MEAP relationship, calculated as discussed in the section *Calculation of Account Fees*.

The Account fee is for the services of MLPF&S and MAA. Because the Account fee paid in advance will be based on an estimate as discussed below, there will be a quarterly adjustment that could result in you paying a higher amount or receiving a credit because of changes in your Account during the relevant quarter due to market movements, contributions, or withdrawals. If you are a Retirement Account client, you may be entitled to certain credits with respect to any Funds held in the Retirement Account, as discussed in the section *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading— Retirement Accounts*.

You should note that any security purchased prior to enrolling in MEAP and subsequently transferred into a MEAP Account may be subject to the Account fee immediately upon its transfer to MEAP. This means that you may pay both an up-front commission (when the security was purchased prior to enrolling in MEAP) as well as the Account fee (once enrolled in MEAP) in connection with the purchase of the same security.

MLPF&S and MAA may, from time to time, enter into specialized agreements to provide particular or unique services to certain clients, subject to negotiated fees. The fees for certain of the services described in this Brochure may be reduced for our employees or our affiliates or such employees or affiliates may be subject to prior fee schedules. For more information regarding the above programs or any other services offered by MLPF&S or MAA, please contact a Financial Solutions Advisor.

CALCULATION OF ACCOUNT FEES

The Account fee is payable quarterly in advance and is calculated as follows. An estimated fee (referred to as the “Estimated Fee”) will be calculated based on the market value of your Account as of the last Friday of the quarter, as determined by and payable to MLPF&S. The Estimated Fee is typically charged on the Tuesday following such Friday calculation. Please note, the last Friday of a quarter, and the following Tuesday, may or may not occur during the same calendar quarter, thereby creating a year-end billing event which may be charged either before or after the end of the calendar year. Throughout the quarter, a weekly fee will be calculated based on the market value of your Account, as determined by MLPF&S (as described more fully below). On the last Friday of the quarter, the actual fee (referred to as the “Actual



Fee”) for such quarter will be calculated based on the sum of the accrual of the weekly fees calculated for such quarter. If the Actual Fee is less than the Estimated Fee that was paid for the respective quarter, your Account will be credited the applicable amount; if the Actual Fee is greater than the Estimated Fee that was paid for respective quarter, your Account will be charged the applicable amount. The difference between the Actual Fee and the Estimated Fee for a quarter is typically charged or credited to your Account at the same time that the Estimated Fee is charged for the next quarter.

In connection with the opening of each Account, an initial Estimated Fee will be assessed on the first Friday after the effective date of the Client Agreement for the Account and will be prorated based on the number of days remaining in the quarter. The initial Estimated Fee is typically charged on the Tuesday following the enrollment of the respective Account. Throughout the remainder of the quarter, a weekly fee will be calculated based on the market value of your Account, as determined by MLPF&S. On the last Friday of the quarter, the Actual Fee for the initial quarter will be calculated based on the sum of the accrual of the weekly fees calculated for the quarter from the date of the opening of the Account. If the Actual Fee is less than the initial Estimated Fee paid for the initial quarter, your Account will be credited the applicable amount; if the Actual Fee is greater than the initial Estimated Fee paid for the initial quarter, your Account will be charged the applicable amount.

The account value used for the calculation of fees may differ from that shown on your monthly securities account statement and the performance measurement report due to a variety of factors including: trade date or settlement date accounting, the treatment of accrued income, round lot valuation and other considerations. Further, it should be noted that the valuation of client securities reported in the performance measurement report may also be subject to occasional repricing in reasonable and appropriate circumstances, but such re-pricing will not affect, or result in the adjustment of, previously calculated MEAP fees.

At such time as you terminate an Account, your Actual Fee for that quarter will be calculated by accruing the weekly fees from the beginning of the quarter through the day the Account was terminated. You will be charged or rebated the difference between the Estimated Fee you pay for that quarter and the Actual Fee.

Each of the Estimated Fee and the Actual Fee will be based on the value of assets in your Account, including the full value of any assets purchased on margin or other extensions of credit by MLPF&S and its affiliates at such time as the fee is calculated. The assets will be valued in a manner determined by MLPF&S, in its sole discretion, and, in some cases, may be based on estimates, which are obtained from various sources. Values may vary from prices achieved in actual transactions, especially for thinly traded securities, and are not firm bids or offers or guarantees of any type with respect to the value of assets in your Account.

The Account fee will be applied to cash and cash alternatives held within your Program Account, including assets in your bank deposit accounts and money market fund shares. Information regarding cash or cash alternatives exposures for Portfolios will generally be found in the Portfolio Summary. The Account fee is in addition to other compensation that MLPF&S and its affiliates will earn in connection with these assets. The Account fee would not generally be charged on these assets if they were held outside MEAP.

DEDUCTION OF ACCOUNT FEES

You have agreed in the Client Agreement as follows:

- Unless otherwise agreed to between you and MLPF&S, we will deduct the Account fee (and any other fees payable under the Client Agreement) from your Account;



- MLPF&S is authorized to deduct the Account fee from the assets held in your Account, to the extent permitted by law, if full payment of the Account fee has not been timely received or, if earlier, at the time the Client Agreement is terminated;
- The Account fee for your Account will be payable, unless otherwise indicated, first from the liquidation or withdrawal by MLPF&S of your shares of any money market funds or balances in any money market or bank deposit account, as you authorize in the Client Agreement, and second from free credit balances, if any, in your Account, and to the extent that such assets are insufficient to satisfy payment of such fees, you will be billed by MLPF&S;
- You will make timely payment of all amounts due to MLPF&S under the Client Agreement; and
- To the extent permitted by law, all assets in your Account or otherwise held by MLPF&S or its affiliates for you will be subject to a lien for the discharge of your obligation to make timely payment to MLPF&S of the Account fee (and any other fees you pay under the Client Agreement), and MLPF&S may sell assets in your Account to satisfy this lien.

You may be able to pay the Account fees from assets held outside of your MEAP Account. You should contact a Financial Solutions Advisor for additional information.

ABILITY TO OBTAIN MEAP SERVICES SEPARATELY

You may be able to obtain some or all of the types of services available through MEAP from us and our affiliates, on a separate or combined basis. Depending upon the circumstances, the aggregate of any separately paid fees may be lower or higher than the applicable Account fees. You may also be able to obtain some or all of the types of services available through MEAP from other firms and Account fees may be higher or lower than the fees charged by other firms for comparable services, assuming such services are available. It is your responsibility to review the other services or investments available through MLPF&S and its affiliates with a Financial Solutions Advisor to determine whether they may be more appropriate for you than MEAP.

In comparing the account types and programs and their relative costs, you should consider various factors, including, but not limited to:

- Your preference for an advisory or brokerage relationship;
- Your preference for a discretionary or a nondiscretionary relationship;
- Your preference for a fee-based or commission-based relationship;
- Whether a particular investment strategy offered in one program or service is available through another Merrill Lynch program or service;
- The types of investment products that are available in each program or service;
- How much trading activity you expect to take place in your Account;
- How much of your assets you expect to be allocated to cash;
- Which mutual funds (if any) are available in particular programs;
- The frequency and type of client profiling reports, performance reporting and account reviews that are available in each program or service; and
- The scope of ancillary services that may be available to you in a brokerage account, but which are not available in an advisory program.



OTHER FEES AND EXPENSES

You are responsible for paying the full amount of the Account fee, regardless of whether you use all of the services provided under the Client Agreement. The Account fee includes execution services for all transactions effected in your Account, except:

- Markups or markdowns by executing broker-dealers (including those on fixed-income securities, foreign ordinary securities, ADRs or other over-the-counter transactions in which MLPF&S and its affiliates act as agent) or spreads, underwriting fees or selling concessions for any principal transaction effected by MLPF&S and its affiliates;
- Transfer taxes;
- Exchange or similar fees (such as for ADRs) charged by third parties, including issuers, and fees required by the SEC;
- Electronic fund, wire and other account transfer fees;
- Fees and expenses incurred by any Fund purchased for your Account, including commissions and other transaction related charges incurred by a Fund, even if MLPF&S or a Related Company effects these transactions for the Fund;
- Fund redemption fees and CDSC; and
- Any other charges imposed by law or otherwise agreed to by you and us with regard to your Account.

Markups or markdowns that are not treated as commissions and that are payable to Unaffiliated Investment Firms (including on fixed-income or over-the-counter transactions in which MLPF&S and its affiliates act as agent) are not covered by Account fees and you, rather than us, will bear the cost.

You will pay the public offering price on securities purchased for your Account from an underwriter or dealer involved in a distribution. Please see the section *Funding and Operation of MEAP Accounts – Transactions in MEAP Accounts* for information about additional compensation or benefits that may be received by us or our affiliates in connection with agency or principal transactions effected for your Account.

FUNDS AND RELATED INVESTING

You understand and agree that your Account may invest in shares of, or interests in, Funds, including Related Funds. As a Fund shareholder, you, along with other shareholders of the Fund, will bear a proportionate share of the Fund's expenses, including, as permitted by applicable law, certain management and other fees, which may be payable to us, a Related Company or one of their respective affiliates. The Fund's prospectus or other disclosure document contains a description of its fees and expenses. If your Account invests in a Fund, unless fees and expenses borne by the Fund are credited against the Account fees, you will indirectly pay, through the Fund's net asset value, a proportionate share of the Fund's costs for services that may be similar to, or duplicative of, services rendered as part of MEAP and paid for directly through the Account fees.

To the extent that Funds are held in your Account, the fees and expenses incurred by any Fund purchased for your Account may be in addition to certain of the expenses covered by the Account fee. Among other services provided, MLPF&S and its Related Companies may effect transactions for any of these Funds, and



any compensation paid to MLPF&S or its Related Companies by the Funds, or their affiliates, is in addition to the Account fee. Due to the additional economic benefit to MLPF&S or its Related Companies when your Account is invested in a Fund, a conflict of interest exists. For more information about other compensation MLPF&S or its Related Companies may receive in connection with MEAP and from Funds participating in MEAP, see the sections *Code of Ethics*, *Participation or Interest in Client Transactions and Personal Trading* and *Client Referrals and Other Compensation*.

You can purchase shares of some (but not all) of the Funds included in a Portfolio directly from the Funds, their agents, or through MLPF&S without enrolling in MEAP. If you do so, you would not pay Account fees with respect to such assets. However, you may not be eligible to purchase the same share class for each of the Funds available through MEAP and the purchase of a different share class may be subject to applicable sales charges.

INVESTMENT OF CASH BALANCES

If cash allocations or cash balances are invested in a money market fund, assets held in such money market fund are subject to the Fund's management, distribution, transfer agent, and other expenses. If cash allocations or cash balances are invested in a Related Money Market Fund, certain of these fees and expenses are payable to MLPF&S or a Related Company, which may act in a variety of capacities. These fees and expenses are described in the applicable money market fund prospectus and are paid by the money market fund but are ultimately borne proportionately by each investor. These fees and expenses are in addition to, and will not reduce, Account fees, except as required by law.

If cash allocations or cash balances are deposited in the Merrill Lynch Bank Deposit Program, Insured Savings Account Program or Retirement Assets Savings Program, cash will be placed in an account bearing a reasonable rate of interest and the participating depository institution will benefit from its use of the deposits, and MLPF&S or its affiliate will receive compensation from the participating depository institution, including any Merrill Lynch Bank. Unless waived under applicable law, this compensation will be in addition to, and will not reduce, Account fees. The terms of the Merrill Lynch Bank Deposit Program, Insured Savings Account Program and Retirement Assets Savings Program or any other bank deposit program, as applicable, are described in the disclosures that you received in connection with the underlying MLPF&S securities account for your account, and are also available from a Financial Solutions Advisor.

Due to the additional economic benefit that we or a Related Company receive from cash investments, a conflict of interest exists between you and Merrill Lynch. However, at times, we or the relevant Fund manager (including, where applicable, we or a Related Fund manager) may believe that it is in your interest to maintain assets in cash, particularly for defensive purposes in volatile markets. Furthermore, there may be a conflict of interest between you and your Financial Solutions Advisor where you have elected the "no sweep" option for your cash balances. In such event, your Financial Solutions Advisor will continue to earn compensation related to the cash held in your Account even though you are not earning any interest or dividends on that cash. We or a Fund manager will not be precluded by any of these conflicts from exercising its judgment in your best interest.

COMPENSATION FOR RECOMMENDING THE WRAP FEE PROGRAM

MLPF&S, MAA, Related Companies and their affiliates and employees benefit from the fees and charges you pay for the services described in this Brochure. You may also use other products or services available from or through us and our affiliates and, in such case, pay additional compensation. Financial Solutions Advisors offering these services and providing ongoing assistance to you generally receive compensation from MLPF&S.



Financial Solutions Advisors who introduce clients to MEAP and provide ongoing services to such clients receive compensation from MLPF&S.

The amount of compensation a Financial Solutions Advisor may receive in respect of your enrollment in MEAP may, depending on the circumstances, be greater (or less) than the compensation that might be paid to a Financial Solutions Advisor if you had instead participated in other programs or services offered by MLPF&S or its affiliates or had purchased the services provided through MEAP separately. Any such differential in compensation may (or may not) create a financial incentive on the part of a Financial Solutions Advisor to assist you in your selection of MEAP over other programs or services offered by MLPF&S (or its affiliates).

In addition to providing advisory services to MEAP accounts, Financial Solutions Advisors also may service other advisory or brokerage accounts for clients who do not participate in MEAP and may offer and provide other services to clients who, in addition to participating in MEAP, have other relationships, or dealings with us or our affiliates.

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

ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

CLIENT ELIGIBILITY

Investors eligible to participate in MEAP include, but are not limited to, individuals, trust and estates (to the extent allowed by state law), Retirement Accounts, corporations, or such other participants as we determine in our discretion and in accordance with applicable law.

As indicated in the Portfolio Summary for each Portfolio, not all types of investors are eligible for each Portfolio or Fund.

ACCOUNT MINIMUMS

The minimum account sizes may vary depending on the Portfolio you select, as indicated in the Portfolio Summary.

To be covered under a single Client Agreement, all Accounts must be owned by the same person, whether individually or with another person. You may be required to sign more than one Client Agreement depending on the type of securities account (e.g., individual, IRA, trust) that you intend to include in MEAP. The effective date of the Client Agreement with respect to each Account will be the later of the date of its acceptance by MAA and MLPF&S or the date on which you have contributed the required minimum level of assets to the Account for the Portfolio selected by you.



CLOSING AN ACCOUNT AND/OR TERMINATING THE CLIENT AGREEMENT

The Client Agreement may be terminated at any time by any of MLPF&S, MAA or you, upon written notice to the other parties, which notice will be effective when received. You may also terminate your Account subject to the Client Agreement by giving us notice of such termination. Upon termination of an Account or the Client Agreement, a pro rata adjustment to your fees for the remainder of the billing period will be made, which may result in a refund or require you to pay MLPF&S and MAA any remaining fees due for the partial billing period. See the section *Account Fees – Calculation of Account Fees*. Termination of an Account will not affect the management of any other Accounts you may have that you are not also terminating. Upon termination of the Client Agreement or your Account, you (or the legal representative of your estate) will have the sole responsibility for the investment of assets in your Account.

Notwithstanding your instructions to the contrary, certain Funds and other securities held in your Account may be liquidated or redeemed, as described in the applicable prospectus or disclosure document, upon termination of your Account that holds such Funds and other securities or as described in the Client Agreement. Such liquidation or redemption will generally be effected by the close of the next business day following termination, although for certain securities, such as those traded on a when-issued basis or as odd lots, the liquidation or redemption process may take longer.

The termination of a Financial Solutions Advisor's employment with us will not automatically terminate the Client Agreement.

PORTFOLIO MANAGER SELECTION AND EVALUATION

FUNDS SELECTION

We seek to provide clients with access to professional investment advice and to make available a choice of various investment styles and corresponding risk levels. As a general matter, we identify the rationale for a particular investment management style in MEAP based on a variety of factors, including client needs, investment styles available in the market place, platform eligibility, and client demand.

Initial Review and Selection of Funds. Once Merrill Lynch identifies a need for a particular investment management style, we use a multi-factor process to review and select suitable Funds to meet this need. These factors include, but are not limited to:

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

Based on these factors and using the information we collected, we may use both quantitative and qualitative analytical methods to review and select Funds, wherein some of the analytical methods may be subjective. We may assign different weightings to each of the factors considered and generally no single factor will be determinative in whether a particular Fund is offered in MEAP. Further, we may replace one or more factors with a different factor that we reasonably believe is suitable and appropriate.



A candidate Fund deemed appropriate will be made available for selection as part of a Portfolio.

Portfolio Construction. Each Portfolio is constructed and managed by Merrill Lynch utilizing a disciplined portfolio construction methodology. Merrill Lynch leverages investment manager due diligence and research to identify and select Funds that are included in a Portfolio. We select the Funds and the allocations or allocation ranges for each Portfolio. We combine disciplined fundamental research with quantitative analysis to select Funds for these Portfolios. We typically consider each Fund's firm, resources, methodology and historical investment results to seek to determine which Funds are most likely to deliver appropriate products and services. The types of investments that will be included in the Portfolio are not pre-defined and are subject to change.

These Portfolios are constructed and managed by Merrill Lynch and organized according to a shared characteristic, such as asset class or manager style or sub-style and are designed to seek to deliver returns that exceed a benchmark consistent with a particular risk tolerance. Merrill Lynch combines rigorous, disciplined fundamental research with quantitative analysis in the initial portfolio construction process and ongoing management with the goal of taking active and controlled risks within the Portfolios. Merrill Lynch decomposes risk using a multidimensional approach that enables it to analyze risk at the mutual fund and ETF level and the Portfolio level on a periodic basis. The techniques may include macroeconomic risk factor analysis, fundamental risk factor analysis, sector, industry and geographic risk exposures, and fundamental characteristic analysis, among others. The Portfolios are constructed and managed by Merrill Lynch based on these considerations as well as other factors which may include active risk exposures, correlation of excess returns, investment manager sub styles, volatility of returns, manager sector, capitalization, style biases, benchmark adherence, as well as other considerations. The process of constructing these Portfolios includes, but is not limited to:

- Defining and evaluating the macroeconomic environment;
- Developing a candidate list of Funds, including a risk analysis of individual Funds;
- Assembling multi-manager portfolios with desired risk characteristics; and
- Continuously monitoring, managing and rebalancing, if applicable, portfolios for risk/return.

The Portfolios are subject to internal governance processes that consider certain of the factors included in the subsection *Initial Review and Selection of Funds* above. New or significant changes to Portfolios, including evaluation of the Funds, are reported to an internal governance committee, which has decision-making authority with respect to portfolio construction.

You should carefully read the Portfolio Summaries provided and understand the relevant objectives, styles and risks. The assets in your Account will initially be invested in the specified Funds selected by Merrill Lynch at the Portfolio's allocations when assets are invested, which may vary from the allocations shown on the Portfolio Summary. The allocations shown in the Portfolio Summary are as of the last day of the relevant quarter and are subject to change. Although a Portfolio Summary provides general information regarding the relevant Portfolio, any past performance shown in the Portfolio Summary is not indicative of future results. Additionally, the performance of that portion of your assets invested pursuant to a particular Portfolio may differ from the information presented in the Portfolio Summary.

Periodic Review of Funds. For each Fund in MEAP, we will:



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

If we identify material concerns relating to a Fund as a result of either our periodic evaluation or a material change, we will conduct additional qualitative and subjective reviews to determine whether the Fund's offering in MEAP continues to be appropriate.

We may also, in our discretion, conduct additional or more frequent reviews of select Funds that we believe warrant such review. We may decide to conduct additional reviews based on, for example, the level of assets of the Fund in client accounts at Merrill Lynch or an Affiliate Company, the number or percentage of Merrill Lynch or an Affiliate Company clients in the Fund or the asset class involved. Investment strategies, managers and funds made available through certain Affiliate Company programs or services will be subject to these additional reviews. An "Affiliate Company" means a company that is controlled by, in control of, or under common control with, MLPF&S; an Affiliate Company includes BANA.

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

Status Change or Termination of Funds. In the case of material concerns, we may terminate the Fund from MEAP. In the event of such termination, we will select a replacement, as described in the section *Funding and Operation of MEAP Accounts*. At times, the style of management of a particular Fund may vary or drift from the stated style, for example, due to the unavailability of investments consistent with that style or market movements affecting capitalization. We may allow a Fund's strategy or investment style to vary without removing the strategy or style from the platform if we determine that the changes to the style are reasonable in view of the circumstances.

Our review of Funds/Portfolios does not substitute for your ongoing monitoring of your Account and the performance of your investments. Please see the section *Client Information Provided to Portfolio Managers* for additional information.

PORTFOLIO SUMMARIES

You will generally be provided with a Portfolio Summary for each Portfolio you select through MEAP. You should carefully read the Portfolio Summaries provided to you and understand the relevant objectives, styles and risks, as well as other information contained therein. While the Portfolio Summary provides general information regarding the relevant Portfolio, any past performance shown on the Portfolio Summary is not indicative of future results and the performance of that portion of your assets invested pursuant to a particular Portfolio may differ from the information presented in the Portfolio Summary.

Portfolio Summaries may be prepared with information obtained from other sources believed to be reliable. We believe we take reasonable steps to verify the accuracy of this information including, as considered appropriate, reviewing representative account statements or obtaining third-party performance



measurement reports. Nonetheless, we cannot guarantee the accuracy or consistency of this information. No claim is made that the performance information contained in the Portfolio Summaries has been calculated according to any industry standards, including the Global Investment Performance Standards (GIPS) or Performance Presentation Standards established by the CFA Institute. Performance information relating to non-MEAP accounts may also include data pertaining to types of accounts such as mutual funds and tax-exempt or institutional accounts, which are different from MEAP accounts, and may include model results or results of portions of multiple style accounts (such as the equity results of a balanced, equity/fixed-income style), which may be generally described as hypothetical performance.

The performance information included in a Portfolio Summary is accompanied by important disclosures about the types of accounts included as well as other relevant topics. You should carefully consider all of this information in deciding whether to select a particular Portfolio. Portfolio Summaries are updated periodically to include performance information as of the most recent quarter end. You are encouraged to ask a Financial Solutions Advisor for the current Portfolio Summary of your selected Portfolios.

RELATED FUNDS – SELECTION AND REVIEW

MLPF&S may include Related Funds in a Portfolio which are subject to the same review process as described above. MLPF&S may include such Related Funds in the Portfolios available to you as it deems appropriate and subject to any applicable legal restrictions. For certain Portfolios, MLPF&S generally does not include Related Funds in the Portfolios.

The investment adviser(s) for the BofA Funds are Related Companies. Program Accounts may be invested in these Related Funds. We potentially benefit from our economic interest in Related Companies and our relationship with Bank of America whenever such entities or their affiliates receive compensation for providing investment advisory, administrative, transfer agency, distribution or other services to their Related Funds or other investment products. The extent of this benefit may be greater than when we or our affiliates do not have an economic interest in the firm providing such services. As a result, we may benefit from increased sales of Funds and other investment products of Related Companies and Bank of America affiliates for you to a greater extent than from increased sales of funds or investment products sponsored by other firms in which we or our affiliates do not have a similar economic interest or relationship.

Merrill Lynch's parent, Bank of America, has a financial interest in certain other investment advisers. Merrill Lynch may have a conflict of interest when considering whether to recommend that clients purchase or sell shares of Related Funds and may benefit from increased sales of such Funds/products to a greater extent than from increased sales of Funds/products sponsored by other firms.

From time to time, Merrill Lynch may enter into distribution agreements with one or more Fund managers pursuant to which Merrill Lynch distributes certain products and services sponsored or advised by the Fund manager. Some of these agreements include arrangements with Fund Managers who are former Related Companies such as BlackRock and Columbia Management. A former executive officer of Merrill Lynch serves on the board of directors of BlackRock.

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

MAA has a conflict in using the services of MLPF&S in MEAP, and MAA has a conflict in using the services of Related Fund managers and using Related Funds in your Account, because this will result in more overall compensation to MLPF&S, MAA and their affiliates than if third-party managers and funds were



used. MLPF&S and MAA address these conflicts by disclosure to you in this Brochure.

MERRILL LYNCH AND CERTAIN AFFILIATES ACTING AS PORTFOLIO MANAGERS

Advisory Services Provided by Merrill Lynch and Certain Affiliates. MAA generally acts as the portfolio manager as described in the section *Funding and Operation of MEAP Accounts – Overview of MEAP Services*.

Tailored Investment Advice. As described in the section *Services, Fees and Compensation*, you are able to select one or more Portfolios and impose reasonable investment restrictions. Your Financial Solutions Advisor will help you select Portfolios based on the information you provide to us.

Wrap Fee Programs. Merrill Lynch acts as the wrap fee program sponsor and MAA acts as the portfolio manager for the Portfolios. We also act as the portfolio manager in other wrap fee programs sponsored by us. We receive the entire Account fee as described in this Brochure. We also act as a portfolio manager in certain investment advisory programs which are not wrap fee programs but are otherwise similar to the program described in this Brochure, such as the Merrill Lynch Mutual Fund Advisor Program.

Performance-Based Fees. The Program does not charge performance-based fees.

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

Voting Client Securities. As described in the section *Proxy Voting and Other Legal Matters*, we do not vote proxies with respect to securities held in your Account.

CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

As part of the Program enrollment process, we ask you to complete an Investor Profile Questionnaire that elicits information about your financial circumstances, investment objectives, risk tolerance and other relevant information relating to your Account.

The target asset allocation associated with your overall risk tolerance is designed to assist you in selecting Portfolios. If you select Portfolios that, together with your other assets, result in an overall risk tolerance different from the target allocations indicated in the investor profile, then you acknowledge and understand that your selection may affect the achievement of your investment objective and additional risks that may arise from making such investment decisions which you have fully assumed. The information in the Investor Profile Questionnaire is provided to MAA, but is not provided to the Fund manager or to the Funds.

We rely on information you provide in managing your Account, and it is your responsibility to notify promptly a Financial Solutions Advisor of any updates to such information. The answers to any questions, including those relating to investment returns, do not constitute a promise or guarantee. You have represented that the information that you provided is accurate and complete in all material respects. If you have an investment policy statement or other investment guidelines, it is your responsibility to ensure that the investment policy statement or guidelines are properly reflected in your responses to the Investor Profile Questionnaire, including any client-imposed restrictions. We do not have any responsibility to



review, monitor or adhere to any investment policy statement, investment guidelines or similar document relating to your Account and adherence to such investment policy statement, guidelines or similar document is solely your responsibility. It is your responsibility to notify promptly a Financial Solutions Advisor of any material changes to the information you furnish to us, since failure to do so could affect the suitability of the services being provided. You are notified periodically to emphasize the need for you to report such information. We will not be required to verify the accuracy of any such information. When MLPF&S receives from you any material changes to the information you furnish, MLPF&S will provide this information to MAA.

CLIENT CONTACT WITH PORTFOLIO MANAGERS

MAA has agreed to make one or more of its advisory or investment personnel reasonably available for consultations with you regarding the management of your Account, if you so request. You may contact a Financial Solutions Advisor to arrange for a consultation with MAA.

Periodically, a Financial Solutions Advisor will contact you to determine if there have been any changes in your financial circumstances that might affect the suitability of your Account in MEAP. If we are unable to verify at least annually that your Account in MEAP continues to be suitable for your financial situation, we may terminate your Account's participation in MEAP. Prior to any termination, you will receive a letter informing you of the potential termination and providing you with an opportunity to contact us so that we can verify the continuing suitability of your Account in MEAP.

ADDITIONAL INFORMATION

DISCIPLINARY INFORMATION

In the past, we have entered into certain settlements with our regulators and other third parties and have been the subject of adverse legal and disciplinary events. Below are summaries of certain events that may be material to your decision of whether to retain us for your investment advisory needs. Please note that certain disclosures discuss disciplinary events associated with Banc of America Investment Services, Inc. ("BAI") and Banc of America Securities LLC ("BAS"). BAI merged with Merrill Lynch on October 23, 2009, and BAS merged with Merrill Lynch on November 1, 2010. For purposes of the disclosures of disciplinary information set forth in this section, "Merrill Lynch" shall refer to MLPF&S. In addition to the descriptions below, you can find additional information regarding these settlements in Part 1 of Merrill Lynch's Form ADV at http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_Search.aspx.

On June 16, 2014, Merrill Lynch, without admitting or denying the findings, entered into an AWC with FINRA. The AWC related to Merrill Lynch's failure to have an adequate supervisory system to ensure that certain clients received Class A shares with sales charge waivers when purchasing certain mutual funds. As a result, those clients paid sales loads when purchasing Class A shares, or purchased Class B or C shares with higher expenses, during various periods. The clients included those having two types of retirement accounts and another type of client in brokerage accounts offered by Merrill Lynch. Merrill Lynch reported certain of these issues to FINRA and all impacted clients have been or are in the process of being reimbursed as set forth in the AWC. Merrill Lynch consented to the imposition of a censure and a fine of \$8 million, and agreed to provide additional reimbursement to impacted clients as set forth in the AWC.

On June 21, 2012, Merrill Lynch, without admitting or denying the findings, entered into an AWC with FINRA related to the following five issues: (1) Merrill Lynch failed to have an adequate supervisory system



to ensure that clients in certain investment advisory programs were billed in accordance with applicable contract and disclosure statements, and, as a result, overcharged certain client accounts unwarranted fees from April 2003 to December 2011; the client accounts impacted were less than 5% of Merrill Lynch's total advisory accounts, and the fees overcharged represented less than one-half of 1% (\$32,174,369) of the total advisory fees billed during that period; all impacted clients have been reimbursed; (2) between July 2006 and November 2010, Merrill Lynch failed to send contemporaneous and/or periodic trade confirmations to certain client accounts for ten investment advisory programs; (3) between 1992 and June 2011, Merrill Lynch did not include or accurately state whether Merrill Lynch acted as an agent or a principal on trade confirmations and account statements relating to certain mutual fund transactions; (4) between 2007 and 2010, Merrill Lynch, either directly or through third-party vendors, failed to deliver proxy materials to certain clients or to their designated investment advisers, and to have an adequate supervisory system to detect its failure to deliver proxies; the clients impacted constituted less than 1% of Merrill Lynch's clients during that period; and (5) between October 2001 and June 2010, Merrill Lynch failed to send margin risk disclosure statements and/or business continuity plans to certain clients upon the opening of their accounts; the clients impacted constituted less than 1% of Merrill Lynch's clients during that period. In determining the appropriate sanctions, FINRA considered Merrill Lynch's internal review through which it identified the violations, the remedial measures that Merrill Lynch took to correct its systems and procedures, and Merrill Lynch's efforts to provide remediation to affected clients. Merrill Lynch consented to the imposition of a censure and a fine of \$2.8 million.

On October 4, 2011, Merrill Lynch entered into a consent agreement with FINRA regarding the following events. FINRA alleged that Merrill Lynch failed to have a supervisory system to ensure that all accounts in which an employee either had a financial interest or over which the employee had control were monitored and reviewed for potential misconduct. In addition, FINRA found that Merrill Lynch failed to establish, maintain and enforce written procedures to adequately supervise a registered representative who was subsequently found to have used a business account at the firm to implement a fraudulent scheme. Without admitting or denying the findings, Merrill Lynch consented to the entry of findings, a censure, and a fine of \$1,000,000.

On June 6, 2009, the United States District Court for the Southern District of New York entered a judgment enjoining BAI and BAS from violating, directly or indirectly, Section 15(c) of the Exchange Act. The SEC had filed a complaint alleging that BAI and BAS misled customers regarding the fundamental nature and increasing risks associated with auction rate securities ("ARS") underwritten, marketed and sold by BAS and BAI and that by engaging in such conduct, BAI and BAS had violated Section 15(c) of the Exchange Act. Without admitting or denying the allegations, BAI and BAS entered into a consent, whereby they agreed to a series of undertakings designed to provide relief to "individual investors" (as defined in the consent) including: (1) through their affiliate, offering to purchase at par from individual investors certain ARS; (2) agreeing to use reasonable efforts to identify individual investors who sold certain ARS below par, and to pay such investors the difference between par and the price at which they sold the securities; (3) agreeing to participate in a special arbitration process for the purpose of arbitrating any individual investor's consequential damage claim related to its investment in ARS; (4) agreeing to refund certain refinancing securities through the firms; and (5) undertaking to make their best efforts to work with issuers and other interested parties to seek to provide liquidity solutions for institutional investors that are not considered "individual investors." Two similar regulatory actions involving the marketing and sale of ARS occurred on January 10, 2012: (1) Merrill Lynch (as successor by merger to BAS and BAI, the "Respondents") agreed to a settlement with the Illinois Securities Department (the "Department"); and (2) Merrill Lynch agreed to a settlement with the North Carolina Department of the Secretary of State, Securities Division (the



“Division”). In both actions, it was alleged that inappropriate marketing and sales of ARS occurred without adequately informing certain customers of the increased risks of illiquidity associated with ARS. Both the Department and the Division of the respective states alleged that, through the aforementioned conduct, there occurred dishonest and unethical practices in the offer and sale of securities and failure to supervise agents resulted. In the Illinois action, the Respondents agreed, among other things, to repurchase at par certain illiquid ARS held by certain clients of Merrill Lynch. Additionally, the Respondents agreed to pay a total fine of \$1,578,320.87 to the State of Illinois representing Illinois's portion of a total civil penalty of \$50,000,000 that will be distributed among the states and U.S. territories that enter into similar administrative or civil consent orders related to ARS. With respect to the North Carolina action, Merrill Lynch agreed, among other things, to repurchase at par certain illiquid ARS held by certain clients of Merrill Lynch. Additionally, Merrill Lynch agreed to pay a total fine of \$3,193,552.24 to the Division representing its portion of a total civil penalty of \$125,000,000 that will be distributed among the states and U.S. territories that enter into similar administrative or civil consent orders related to ARS.

On March 11, 2009, the SEC issued an order against Merrill Lynch alleging that from 2002 to 2004, several Merrill Lynch retail brokers permitted day traders to hear confidential information regarding Merrill Lynch institutional customers' unexecuted orders as they were transmitted over Merrill Lynch's squawk box system. According to the SEC, Merrill Lynch lacked written policies or procedures to limit access to the equity squawk box, to track which employees had access to the equity squawk box or to monitor employees' use of the equity squawk box in violation of Section 15(f) of the Exchange Act and Section 204A of the Advisers Act. Without admitting or denying the SEC's findings, Merrill Lynch consented to the entry of the order that: (1) found violations of Section 15(f) of the Exchange Act and Section 204A of the Advisers Act for allegedly failing to maintain written policies and procedures reasonably designed to prevent the misuse of customer order information; (2) required that Merrill Lynch cease and desist from committing or causing any future violations of the provisions charged; (3) censured Merrill Lynch; (4) imposed a \$7,000,000 civil money penalty; and (5) required Merrill Lynch to comply with certain undertakings regarding the enhancement of certain policies and procedures.

On January 30, 2009, the SEC issued an order against Merrill Lynch regarding the Merrill Lynch Consulting Services program and the offering of those services through a Florida branch office for a period of several years concluding in 2005. The Order found that material misrepresentations had been made and certain conflicts of interest not disclosed, and that Merrill Lynch had not maintained adequate records or reasonably supervised certain Florida investment advisory representatives. Without admitting or denying the non-jurisdictional findings thereof, Merrill Lynch consented to a censure, to cease and desist from violations of sections 204 and 206(2) of the Advisers Act and Rule 204-2(a) (14) thereunder, and a fine of \$1,000,000. In accepting the settlement, the SEC noted the voluntary and significant remedial acts promptly undertaken by Merrill Lynch.

On May 1, 2008, the SEC issued an administrative order in which it found that BAI had willfully violated Sections 17(a)(2) and 17(a)(3) of the Securities Act, Sections 206(2), 206(4) and 207 of the Advisers Act and Advisers Act Rule 206(4)-1(a)(5) for failing to disclose to clients that in selecting investments for discretionary mutual fund wrap fee accounts, it favored two mutual funds affiliated with BAI. In the Order the SEC also found that Columbia Management Advisors, LLC (“Columbia Management”), as successor in interest to Banc of America Capital Management, LLC willfully aided and abetted and caused BAI's violations of Sections 206(2) and 206(4) of the Advisers Act, and Advisers Act Rule 206(4)-1(a)(5). In the order, BAI and Columbia Management were censured and ordered to cease and desist from committing or causing such violations and future violations. In addition, BAI was ordered to pay disgorgement plus prejudgment interest in the aggregate amount of \$793,773.00 to certain entities specified in the Order,



and a civil monetary penalty of \$2,000,000; and Columbia Management was ordered to pay disgorgement plus prejudgment interest in the aggregate amount of \$516,382 to certain entities specified in the Order, and a civil monetary penalty of \$1,000,000. BAI and Columbia Management consented to the Order without admitting or denying the SEC's findings. BAI also agreed to certain undertakings contained within the Order.

On February 14, 2008, Merrill Lynch consented to an AWC issued by FINRA. FINRA alleged that from at least January 2001 until January 2006, as a result of certain operational and supervisory deficiencies Merrill Lynch failed to timely and consistently update the firm's record system relating to certain investment advisory and fee-based accounts. When clients change investment advisers or terminated enrollment in certain investment advisory or fee-based accounts, Merrill Lynch failed to consistently make changes in account proxy delivery addresses and/or remove traits that suppressed trade confirmation delivery in the firm's record systems. Additionally, Merrill Lynch failed to maintain written supervisory procedures and a reasonable system of follow-up and review with respect to such operational changes. Without admitting or denying the findings, Merrill Lynch consented to a censure and a fine of \$175,000.

On March 4, 2005, Merrill Lynch entered into a consent order with the State of New Jersey Office of the Attorney General Department of Law and Public Safety and the New Jersey Bureau of Securities ("Attorney General"). The Attorney General alleged: (1) market timing conduct by three Merrill Lynch Financial Advisors engaged in market timing on behalf of their principal client, a hedge fund and that despite warnings from supervisors that they were violating Merrill Lynch's policies, the Financial Advisors continued to market time for the client until they were fired in October 2003, using among other things, multiple accounts and undisclosed agreements to conduct and disguise their trading; (2) that Merrill Lynch failed to adequately supervise certain activities in connection with the conduct described above including failure to keep adequate books and records in violation of the Exchange Act and New Jersey law; (3) the client entered into variable annuity contracts and certain other variable life insurance contracts with certain non-proprietary insurance carriers through the Financial Advisors to engage in short term trading in the investment sub-accounts of these products and although the client's reallocation instructions were relayed through the Financial Advisors to the insurance companies, Merrill Lynch gave no specific instruction to the Financial Advisors concerning the reallocation of the underlying sub-accounts of variable products; and (4) that Merrill Lynch failed to adequately enforce its established policy prohibiting market timing. Without admitting or denying the findings in the order, Merrill Lynch agreed to pay a civil monetary penalty of \$10 million and to certain undertakings including implementation of new procedures to maintain, as a required book and record under New Jersey and federal securities laws, records of all client reallocation requests made through a Merrill Lynch employee that involve mutual funds held as sub-accounts of variable annuity products of outside insurance carriers.

On February 9, 2005, pursuant to an offer of settlement by BAS in which it neither admitted nor denied the findings, the SEC issued an administrative order. The SEC found that from July 2000 through July 2003, BAS, Banc of America Capital Management, LLC ("BACAP") and BACAP Distributors, LLC ("BACAP Distributors") facilitated market timing and late trading by some introducing broker-dealers and a hedge fund at the expense of shareholders of Nations Funds and other mutual fund families, provided account management tools and other assistance, and enabled introducing broker-dealers to conceal their client's market timing activities from mutual funds. In the order, BAS was: (1) censured; (2) ordered to cease and desist from committing or causing any present or future violations of 17(a) of the Securities Act, 10(b), 15(c) and 17(a) of the Exchange Act and Rules 10b-5, 15c1-2, and 17a-4 thereunder and Rule 22c-1, as adopted under 22(c) of the Investment Company Act, and from causing any present or future violations of 34(b) of the Investment Company Act and 206(1) and 206(2) of the Advisers Act; and (3) ordered to pay, jointly and severally with BACAP and BACAP Distributors \$250 million in disgorgement plus a civil



monetary penalty of \$125 million. BAS also agreed to comply with certain undertakings including: (1) maintaining a compliance and ethics oversight infrastructure having, among other things, a code of ethics oversight committee, an internal compliance controls committee, a senior level compliance officer for conflicts of interest and a corporate ombudsman; (2) retaining an independent compliance consultant to, among other things, review compliance, supervisory and other policies and procedures and adopt such procedures; (3) undergoing third-party compliance review every other year; and (4) retaining an independent distribution consultant.

On April 28, 2003, as part of a joint settlement with the SEC, NYSE and NASD arising from a joint investigation by the SEC, NYSE and NASD into research analysts' conflicts of interest, Merrill Lynch, without admitting or denying the allegations of the complaint filed by the SEC, consented to the entry of a final judgment ("Final Judgment"). Pursuant to the settlement, which was entered on October 31, 2003 and modified on March 15, 2010, Merrill Lynch: (1) was permanently enjoined from violating Section 15(c) of the Exchange Act and Rule 15c1-2 thereunder, NASD Conduct Rules 2110, 2210 and 3010, and NYSE Rules 342, 401, 472 and 476; (2) was ordered to pay a penalty of \$100,000,000, which was deemed satisfied by prior payments to the states in a related proceeding; (3) was ordered to pay substantial amounts for third-party research and investor education; and (4) was ordered to comply with certain additional undertakings. In a related disciplinary event, Merrill Lynch (as successor by merger to BAS) entered into an amended offer of settlement with the SEC on October 9, 2012. The settlement stems from an SEC Order dated March 14, 2007 against BAS (the "2007 BAS Order") claiming that BAS investment bankers inappropriately influenced equity research analysts, resulting in the publication of materially false and misleading research during the period of January 1999 through December 2001. The 2007 BAS Order censured BAS and ordered BAS to: (i) cease and desist from committing or causing any violations or future violations of Section 15(c) and 15(f) of the Exchange Act, and Rule 15c1-2(a); (ii) pay \$26 million in disgorgement and penalties into a fair fund for distribution to its affected customers; (iii) retain an independent consultant to conduct a comprehensive review of the firm's internal controls to prevent the misuse of material nonpublic information concerning BAS research; (iv) certify to the SEC's staff in the second year following the issue of the 2007 BAS Order that BAS had established and continued to maintain Exchange Act Section 15(f) policies, practices, and procedures consistent with the findings of the 2007 BAS Order; and (v) comply with Addendum A to the 2007 BAS Order, which implemented certain structural changes to the operations of the firm's equity research and investment banking departments. In the Merrill Lynch action, the District Court, on March 15, 2010, modified Addendum A to the October 31, 2003 Final Judgment by, among other things, removing similar provisions that remained in Addendum A to the 2007 BAS Order. The 2007 BAS Order, which remains in effect and binding on Merrill Lynch (as successor by merger to BAS), was modified on October 9, 2012, to strike Addendum A and provide that Merrill Lynch analysts, including ex-BAS analysts, must comply with the Final Judgment.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

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



lending and other extensions of credit as well as a wide variety of financial services, such as securities clearing, retirement services, and custodial services.

MAA, an indirect wholly-owned subsidiary of Bank of America, is a registered investment adviser that provides investment advisory services to clients that establish accounts under the MEAP and other investment advisory programs. As registered investment advisers, MLPF&S and MAA complete Form ADVs, which contain additional information about such entities, Bank of America and their affiliates. Information is available through publicly available filings at the SEC or at www.adviserinfo.sec.gov. For purposes of Form ADV Part 2, certain MLPF&S and MAA management persons are registered as registered representatives or associated persons of MLPF&S. In the future, additional 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.

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

We, through our Financial Solutions Advisors, may suggest or recommend that clients, including MEAP clients, use our securities account, execution and custody or other services, or such services of an affiliate. Similarly, Financial Solutions Advisors, who also handle clients' brokerage accounts, may suggest or recommend that clients purchase our products or products of an affiliate. If you use or purchase Merrill Lynch's or our affiliates' services or products, we and our affiliates will receive fees and compensation. Financial Solutions Advisors may, as permitted by applicable law, receive compensation (the amount of which may vary) in connection with these products and services.

The investment adviser(s) for the BofA Funds are Related Companies and Accounts may be invested in these Related Funds. We may receive compensation with respect to shares of these funds in which an Account may be invested.

We address these conflicts through disclosure in this Brochure. Our Financial Solutions Advisors are required to recommend investment advisory programs, investment products and securities that are suitable for you based on your investment objectives, risk tolerance and financial situation and needs. In addition, we have established a variety of restrictions, procedures and disclosures designed to address potential conflicts of interest – both those arising between and among Accounts as well as between Accounts and our business.



RECEIPT OF COMPENSATION FROM INVESTMENT ADVISERS

Your Account may invest in Funds, including Related Funds. Merrill Lynch and its affiliates receive compensation from the Funds, their respective advisers and their affiliates for certain services relating to your Account and may have business relationships with the Funds, their respective advisers and their affiliates separate and apart from MEAP. Please see the section *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Funds and Related Investing* and the section *Client Referrals and Other Compensation* for related information.

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

CONFLICTS OF INTEREST AND INFORMATION WALLS

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

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

CODE OF ETHICS

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

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

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



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

MLPF&S and MAA both acknowledge that they are subject to fiduciary responsibilities under the Advisers Act when they provide investment advisory services pursuant to the Client Agreement. MAA also acknowledges that it is a fiduciary, as defined by ERISA, for a client that is an ERISA Plan, but only to the extent that MAA has the power to manage, acquire or dispose of the assets of such ERISA Plan. Notwithstanding the foregoing, in the case of an ERISA Plan that selects a Related Fund Manager or Related Fund, you acknowledge that nothing in the Client Agreement shall confer ERISA fiduciary responsibility on MAA in connection with that selection.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

PRINCIPAL, AGENCY-CROSS AND CROSS TRADES

MLPF&S will not charge a commission on agency transactions in your Account. There may be instances in which MLPF&S or its affiliate may act as principal in effecting an investment transaction for your Account, according to applicable law. If MLPF&S or its affiliate effects a principal transaction for your Account, MLPF&S will not charge a markup or markdown. However, principal transactions may be subject to a spread, underwriting fee or selling concession, which may result in additional compensation or other benefit to MLPF&S or its affiliate. You have authorized transactions for your Account to be effected by us or an affiliate on a stock exchange, as appropriate.

There may be instances in which MLPF&S or its affiliates will have the opportunity to act as agent for both buyer and seller in a transaction for your Account, according to applicable law. This is called an “agency-cross.” Since MLPF&S or its affiliate generally will receive compensation from each party to an agency-cross transaction, there is a potential conflict between the responsibilities and loyalties to you and to the other party to the transaction. Compensation received by MLPF&S or its affiliate from the other party in an agency-cross transaction would be in addition to the fees described in this Brochure. Except where prohibited by law, by signing the Client Agreement, you have given us permission to engage in agency-cross transactions for your Account to engage in agency-cross transactions for your Account. You may revoke your consent at anytime by notifying a Financial Solutions Advisor and MAA in writing.

From time to time we and our affiliates, if applicable, may cause your Account to engage in a transaction for the purchase or sale of a security with another client, subject to applicable law. We and our affiliates would do so only when we and our affiliates determine that the transaction is in the best interest of each party, and neither we nor our affiliates would receive any compensation in connection with the transaction.

FUNDS AND RELATED INVESTING

MAA will purchase Funds, which may include Related Funds, for your Account. Funds purchased in your Account will generally consist only of classes of shares with no CDSC or front-end sales charges (or with such charges waived). In addition, from time to time a Fund may authorize us to make available to clients participating in MEAP a class of shares of a Fund with a fee structure we believe is more beneficial to you than the class of shares previously made available. In such circumstances, we will effectuate the exchange to the other class of shares of the same Fund.

Each Fund, or its respective principal underwriter or other agent, has entered into an agreement with MLPF&S and its affiliates for the performance of sub-accounting and related services including recordkeeping, processing, reporting and dividend reinvestment services for shareholders of such Funds



who maintain their shares in a MLPF&S securities account including participants in MEAP. MLPF&S and its affiliates receive sub-accounting fees for the performance of these services, which are either borne by the Fund (like other mutual fund expenses) or by its adviser, principal underwriter or other agent. These sub-accounting and related services arrangements vary by Fund. Depending on the Fund's or its adviser's, principal underwriter's or other agent's arrangement with MLPF&S and its affiliates, MLPF&S or its affiliate will receive from the Fund or the Fund's service provider or its affiliate, sub-accounting fees of either up to 0.15% per annum of the amount invested in such Fund or up to \$21 annually per Merrill Lynch client position in the Fund. These sub-accounting fee rates are subject to change from time to time. Sub-accounting fee rates may be received individually, or may be part of a "bundled" arrangement with a Fund that includes other types of fees, such as distribution and marketing support payments. For more information, please refer to the document entitled "Mutual Fund Investing at Merrill Lynch" available at www.ml.com/funds and also available from your Financial Solutions Advisor upon request. The fees are not paid directly out of your Account but are either borne by the Fund, like other Fund expenses, or by the Fund's principal underwriter or other agent.

In addition to these fees, we and our affiliates receive fees paid by certain ETF or similar product sponsors or their affiliates for licensing or other arrangements. These fees, which are typically calculated as a percentage of the assets of the ETF or similar product, are not generally borne by the fund, but are instead paid directly from the sponsor or its affiliate to us or our affiliates.

Certain of the Funds that may be recommended or purchased for your Account include Related Funds, including, by not limited to BofA™ Global Capital Management. Due to the additional economic benefit to MLPF&S, its Related Companies, a Fund or their respective affiliates, as applicable, and, potentially, a Financial Solutions Advisor, from investments in Funds, a conflict of interest may exist. For Funds advised, sponsored or distributed by Merrill Lynch, a Related Company or their respective affiliates, as applicable, will receive investment management fees and, if applicable, Rule 12b-1 fees or other service fees from the Funds. For other Funds, Merrill Lynch and its affiliates also may receive Rule 12b-1 fees or other service fees from the Funds. Rule 12b-1 fees generally cover shareholder servicing and distribution services relating to the Funds. We potentially benefit from our economic interest in Related Companies and our relationship with Bank of America whenever such entity or its affiliates receive compensation for providing investment advisory, administrative, transfer agency, distribution, shareholder servicing or other services to its affiliated Funds or other investment products. The extent of this benefit may be greater than when we or our affiliates do not have an economic interest in the firm providing such services. As a result, we may benefit from increased sales of Funds and other investment products of Related Companies and Bank of America affiliates to a greater extent than from increased sales of Funds or investment products sponsored by other firms in which we or our affiliates do not have a similar economic interest or relationship.

Each of the Related Funds pays investment management fees to its investment adviser and, like unrelated Funds, incurs other expenses. The current annual rates of management fees paid by the BofA Funds to a Bank of America affiliate range from 0.15% to 0.25% of average daily net assets and are described in each Fund's prospectus. We and our affiliates may also provide other services to Related Funds, and other Funds for compensation, such as transfer agency, shareholder servicing, administrative, accounting and printing services. To the extent that the Account fee is intended to cover certain similar services when provided directly to your Account, if you select a Portfolio that invests in Funds, you may be deemed to be paying additional fees for the same services.

Any fees or compensation we and our affiliates receive from a Fund or a Fund's principal underwriter, agent or sponsor in connection with your investment in the Fund ("Fund-Related Compensation") will be in addition to the Account fee and, except to the extent required by applicable law, we and our affiliates do



not offset any fees and expenses you may owe to us (including, but not limited to, the Account fee) by the amount of such Fund-Related Compensation we receive. You should consider this Fund-Related Compensation when evaluating the amount and appropriateness of the fees we earn in connection with your Account and MEAP.

As a result of such Fund-Related Compensation, we may have a conflict of interest in selecting certain Funds for inclusion in MEAP over others. You should be aware that the amount of fees paid by the different Funds and/or Fund sponsors varies and that Funds that would otherwise meet our criteria for inclusion in MEAP but whose principal underwriters, agents or sponsors do not agree to pay such fees may not be selected, thereby limiting the available universe of Funds. The presence of Fund-Related Compensation which may vary with respect to different Funds may also create an incentive for us to recommend that you invest in Funds that pay higher fees to us or our Affiliates. The presence of these compensation arrangements may also cause us and our Affiliates to forego opportunities to negotiate more favorable financial terms for client investments in Funds or to recapture all or a portion of the amount of such Fund-Related Compensation for your benefit.

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

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

Financial Solutions Advisors may, as permitted by applicable law, receive compensation (the amount of which may vary and could be significant) in connection with these introductions and/or services. Revenue paid for, or generated by, such services may not be used by Fund distributors, sponsors or service providers to compensate Merrill Lynch, directly or indirectly, for any of the Fund fees described throughout this Brochure. Information about a particular Fund's policies regarding selection of brokers may be found in the Fund's statement of additional information, which you may request from the Fund. Please see the



section *Other Financial Industry Activities and Affiliations - Receipt of Compensation from Investment Advisers* and the section *Client Referrals and Other Compensation* for related information.

RETIREMENT ACCOUNTS

If the client's Retirement Account is invested in shares of a Related Fund that is not a Related Money Market Fund, then the client's Retirement Account's pro rata share of the advisory fees paid by such Related Fund to a Merrill Lynch affiliate will be used to offset the Account fees payable to Merrill Lynch, as required by applicable law. A Retirement Account will also be credited, on a monthly basis, with the Account's pro rata share of any Rule 12b-1 fees (calculated daily) and subaccounting fees paid by a Fund to Merrill Lynch or its affiliate. If a Retirement Account holds Fund shares, we will credit to the Retirement Account the pro rata share of any Rule 12b-1 fees under the Investment Company Act of 1940 the Fund pays us on a periodic basis, as required by applicable law. Furthermore, if cash balances in a Retirement Account or its affiliate Account are swept to one or more Related Money Market Funds, then any advisory fees paid by each Related Money Market Fund to its adviser will be credited to the Retirement Account on a periodic basis, as required by applicable law. Please note that ETFs advised or sponsored by Related Companies may be considered Related Funds. Where required by applicable law, we will rebate the operating expenses for such ETFs in certain account types enrolled in MEAP.

If you are a Retirement Account client, you:

- Acknowledge receipt of the prospectus or other required disclosure document for any Related Fund included in a Portfolio you select and for any Related Money Market Fund;
- Represent that you are independent of, and unrelated to, us and our affiliates; and
- Approve the investment management and other fees paid by any Related Fund and Related Money Market Fund held in your Retirement Account in relation to the Account fees payable pursuant to the Client Agreement.

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

ACTING AS GENERAL PARTNER

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

OTHER FINANCIAL INTERESTS

Merrill Lynch, a Related Company or their respective affiliates will receive additional economic benefits from cash investments held in your Account. This conflict may be greater when higher cash allocations or cash balances are maintained in your Account. At times, however, Merrill Lynch or the relevant Fund manager (including, where applicable, Merrill Lynch or a Related Fund manager) may believe that it is in your interest to maintain assets in cash, particularly for defensive purposes in volatile markets. Merrill



Lynch or a Fund manager will not be precluded by any of these conflicts from exercising our judgment in your best interest.

We and our affiliates may have business relationships with the officers, directors or employees of a variety of clients, including corporations, pension and retirement plans, and other entities. These business arrangements may create a conflict of interest to the extent that these individuals have any role or influence in the hiring or retention of Merrill Lynch and our Financial Solutions Advisors or with respect to their compensation.

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

INVESTMENT IN SECURITIES BY MERRILL LYNCH AND OUR PERSONNEL

MLPF&S, MAA, or a Fund manager in a Portfolio you select and their affiliates act in a variety of capacities to a wide range of clients. For example, MLPF&S, the Fund manager or their affiliates may have investment banking or other relationships with certain publicly traded companies, which relationships may, from time to time, compel MLPF&S, the Fund manager or their affiliates to forego trading in the securities of these companies. From time to time, in the course of those duties, confidential or material nonpublic information may be acquired by MLPF&S, the Fund manager or their affiliates that may prevent MLPF&S, MAA or the Fund manager, for a period of time, from purchasing, selling or recommending particular securities for your Account. MLPF&S, MAA, the Fund manager and their affiliates are not permitted to divulge or to act upon this information with respect to their advisory or brokerage activities. Similarly, MLPF&S and/or MAA may give advice or take action with regard to certain clients which may differ from that given or taken with regard to other clients.

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

MLPF&S, MAA and their respective affiliates may provide some or all of the same services offered in MEAP through other financial firms, affiliated or unaffiliated with us, which offer programs similar to MEAP at fee rates that may differ from the Account fees charged in MEAP.

MLPF&S or one of its affiliates may have a position in or enter into "proprietary" transactions in securities purchased or sold for clients, including clients participating in MEAP. MLPF&S or its affiliates may benefit from such securities positions or transactions.

We address these conflicts through disclosure in this Brochure. Moreover, our Financial Solutions Advisors are required to recommend investment advisory programs, investment products and securities that are suitable for each client based upon your investment objectives, risk tolerance and financial situation and needs. In addition, we have established a variety of restrictions, procedures and disclosures designed to address potential conflicts of interest – both those arising between and among MEAP Accounts as well as between MEAP Accounts and our business. For example, our personnel also are subject to personal trading restrictions as detailed in its policies and procedures and Code of Ethics. These policies and procedures and the Code of Ethics require our Financial Solutions Advisors to obtain pre-approval for



certain securities transactions, disclose their investment accounts, provide an annual holdings report, and provide a quarterly transaction report.

REVIEW OF ACCOUNTS

ACCOUNT REVIEWS

An important part of MEAP relationship involves providing you with the opportunity to engage in semi-annual Account reviews in which a Financial Solutions Advisor reviews your Account's progress towards goals. Because these reviews provide you with important and necessary information relating to your Account, you are strongly encouraged to take advantage of these opportunities to participate in these Account reviews with a Financial Solutions Advisor.

If we are unable to verify at least annually that your Account in MEAP continues to be suitable for your financial situation, we may terminate your Account's participation in MEAP. Prior to any termination, you will receive a letter informing you of the potential termination and providing you with an opportunity to contact us so that we can verify the continuing suitability of your Account in MEAP.

In addition, on a periodic basis, you are instructed, in writing, to provide us with current information regarding the management of your Account. This would include changes in your financial situation or investment objectives, or if you would like to impose any reasonable restrictions, or reasonably modify any existing restrictions. If the changes provided are material in nature, a review of your Account may be in order.

CLIENT REPORTS

As part of MEAP, MLPF&S provides periodic performance reports to help you monitor and assess the performance of your Account. These reports contain information regarding investment return, risk and selected benchmark comparisons for your Account. The first report will be sent to you after your Account has been managed for one full calendar quarter. You should review all such materials carefully and promptly report any discrepancies to a Financial Solutions Advisor.

TRADE CONFIRMATIONS

As you direct in the Client Summary or other written document, you may elect not to receive confirmation of transactions for an Account on a trade-by-trade basis, except as required by applicable rules or regulations, and, in lieu thereof, receive a periodic statement that will be furnished to you not less frequently than quarterly and that will contain the same information that would be included in the trade-by-trade confirmation for each transaction. Your initial direction in the Client Summary regarding receipt of trade-by-trade confirmations will apply to your Account in MEAP, including any changes you make and additional Portfolios you select, until such direction is changed. Your election to receive periodic statements in lieu of trade-by-trade confirmations is entirely optional and:

- Will not affect the calculation or amount of your Account fee;
- Is not a condition to entering into or continuing participation in MEAP; and
- May be rescinded any time by written notice to us with respect to your Account.

MLPF&S will send confirmations for transactions effected in your Account (or information contained therein) to you or MAA, and according to applicable law.



You may request, and we will provide to you at no additional cost, an interim update and further details concerning any transaction effected between periodic statements either by calling a Financial Solutions Advisor or, where you are enrolled in MyMerrill by checking your Account on MyMerrill. If you elect to receive periodic statements in lieu of trade-by-trade confirmations, you may later choose to receive, and MLPF&S will provide to you at no additional cost, any confirmations for transactions effected for up to a one-year period preceding your last periodic statement and trade-by-trade confirmations for all subsequent transactions.

CLIENT REFERRALS AND OTHER COMPENSATION

OTHER COMPENSATION

Merrill Lynch and its affiliates have business relationships with many investment managers, including those participating in MEAP, separate and apart from MEAP. For example, these investment managers may direct clients' transactions to MLPF&S and receive research, execution, custodial, pricing and other services offered by MLPF&S in the normal course of its business. MLPF&S and its Financial Solutions Advisors may receive compensation in connection with such transactions and other services. You are encouraged to speak with a Financial Solutions Advisor to discuss any questions that you may have about existing or potential conflicts of interest relating to your selected Portfolios, including any business relationships that the relevant Funds may have with Merrill Lynch, Bank of America, their affiliates or Financial Solutions Advisors.

Fund managers may pay for, or reimburse MLPF&S and its affiliates for, various costs arising from client and prospective client meetings, sales and marketing materials, and educational, training and sales meetings held with Financial Solutions Advisors and other personnel of MLPF&S, MAA and their affiliates relating to MEAP and asset management generally. The Fund managers may also make charitable donations or cover the costs of reasonable entertainment in connection with events sponsored by MLPF&S and its affiliates or related to clients. Certain Funds are Related Funds, as indicated on the respective Portfolio Summary.

We address these conflicts through disclosure in this Brochure. Our Financial Solutions Advisors are required to recommend investment advisory programs, investment products and securities that are suitable for you based on your investment objectives, risk tolerance and financial situation and needs. In addition, we have established a variety of restrictions, procedures and disclosures designed to address potential conflicts of interest – both those arising between and among Accounts as well as between Accounts and our business.

Please see the section *Other Financial Industry Activities and Affiliations - Receipt of Compensation from Investment Advisers* and the section *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Funds and Related Investing* for related information.

COMPENSATION FOR CLIENT REFERRALS

MLPF&S and MAA have entered or may enter into marketing arrangements with third parties who, for compensation, will provide consulting or other services to MLPF&S and MAA in connection with the marketing of MLPF&S' and MAA's various advisory programs or otherwise refer prospective clients to MLPF&S and MAA. Each such marketing arrangement is or will be governed by a written agreement between MLPF&S or MAA, as applicable, and the third-party, and will be disclosed to clients, as required by law. Third parties are paid a percentage of your MEAP Account fee.

We have entered into solicitation arrangements with certain third-party entities to refer prospective clients to us ("Solicitors"). Generally, the fees paid to Solicitors will be paid from investment advisory fees received



and retained by us relating to your Account. This fee will generally be a percentage of the investment advisory fee ordinarily credited to your Financial Solutions Advisor for the applicable account. We will pay this fee to the Solicitor from the date you establish an account in the applicable program for as long as your account remains enrolled in MEAP and the agreement between us and the Solicitor is effective. If we terminate the agreement with the Solicitor for certain reasons, we may 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. The fees we charge will not be higher than our usual fees because of the payments to the Solicitor.

Our employees may refer advisory clients to BANA, including its private bank, U.S. Trust, Bank of America Private Wealth Management, and other affiliates for products and services. Similarly, employees of BANA and its affiliates may refer clients to us for brokerage or advisory services. These referrals may involve the payment of referral fees between Merrill Lynch and BANA or its affiliates.

FINANCIAL INFORMATION

Not applicable.

ADDITIONAL INFORMATION

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



GLOSSARY

“Account” means each of the client’s securities accounts to which the Client Agreement applies for a single Portfolio that the client selects. To be covered under one single Client Agreement, all securities accounts must be owned by the same person, whether individually or with another person.

“Actual Fee” means the actual fee for the calendar quarter calculated based on the accrual of the weekly fees calculated for such quarter.

“ADR” means American Depositary Receipt, which is a receipt for shares of a foreign company held by a U.S. financial institution that entitles you to rights and obligations of the underlying shares, including dividends and capital gains and losses.

“Advisers Act” means the Investment Advisers Act of 1940, as amended.

“Affiliate Company” means a company that is controlled by, in control of, or under common control with, Merrill Lynch; an Affiliate Company includes BANA.

“AIPS” means the Merrill Lynch Automated Investment Program.

“AWC” means a FINRA letter of acceptance, waiver and consent.

“Bank of America” means Bank of America Corporation.

“BAI” means Banc of America Investment Services, Inc.

“BANA” means Bank of America, N.A.

“BAS” means Banc of America Securities LLC.

“BlackRock” means BlackRock, Inc, and its affiliates.

“BlackRock Funds” means Funds sponsored, managed and/or distributed by BlackRock and its affiliates.

“BofA Funds” means certain Funds sponsored, managed and/or distributed by BofA™ Global Capital Management Group, LLC

“Brochure” or “Disclosure Statement” means the wrap program brochure (including any amendments or supplements) of MLPF&S and MAA relating to MEAP, as updated from time to time.

“Client Agreement” means the agreement relating to MEAP among the client, MAA and MLPF&S, as it may be amended from time to time.

“Client Summary” means Section 1 of the Client Agreement, as it may be updated from time to time.

“Codes of Ethics” means the Investment Adviser Codes of Ethics of MLPF&S and MAA.

“Consent” means a letter of acceptance, waiver and consent issued by FINRA.

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

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

“Estimated Fee” means an estimated fee calculated and paid to MLPF&S at the beginning of each calendar quarter based on the market value of the client’s Account on settlement date as of the last Friday of the previous calendar quarter, as determined by MLPF&S.

“ETF” means a Registered Fund that is an exchange-traded fund.



“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Financial Solutions Advisor” means a MLPF&S Financial Solutions Advisor.

“FINRA” means the Financial Industry Regulatory Authority, Inc.

“Funds” means registered and unregistered investment companies, including mutual funds, closed-end funds, exchange-traded funds (ETFs) and hedge funds, real estate investment trusts and other pooled investment vehicles.

“Investor Profile Questionnaire” means the questionnaire completed by the client at the time of the client’s enrollment into the MEAP, as may be amended from time to time.

“MAA” means Managed Account Advisors LLC.

“MEAP” means the Merrill Edge Advisory Account program offered by MAA and MLPF&S.

“Merrill Edge Advisory Center” means a part of MLPF&S that offers team-based advice and guidance brokerage services.

“Merrill Lynch,” “us,” “we” or “our” means either MAA or MLPF&S or both, depending on the service provided.

“Merrill Lynch Bank” means a bank depository institution affiliated with Merrill Lynch.

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

“NASD” means the National Association of Securities Dealers.

“NYSE” means the New York Stock Exchange LLC.

“Order” means an order issued by the SEC.

“Portfolio” means one or more Funds within a single Account.

“Portfolio Summaries” means a written document that contains a description of a Portfolio offered in MEAP and may contain other information relating to the Portfolio.

“Program” means the Merrill Edge Advisory Account Program.

“Registered Fund” means any Fund that is registered under the Investment Company Act of 1940, including mutual funds, closed-end funds, ETFs and Registered Money Market Funds.

“Related Company” means a company that is an affiliate of Merrill Lynch or in which Merrill Lynch or an affiliate of Merrill Lynch has a material ownership interest.

“Related Fund” means a Fund sponsored or advised by Merrill Lynch or a Related Company.

“Related Money Market Fund” means a registered money market fund managed by a Related Company

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

“Rule 12b-1 fees” means fees paid for distribution of mutual funds pursuant to a plan made under Rule 12b-1 under the Investment Company Act of 1940.

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended.

“SIPC” means Securities Investor Protection Corporation.



“UITs” means unit investment trusts.

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

“Unrelated Custodian” means a custodian that is not Merrill Lynch or a Related Company.

“Unrelated Money Market Fund” means a registered money market fund that is not managed by Merrill Lynch or a Related Company.

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