

# Mutual Fund Investing at Merrill Lynch

A Client Disclosure Pamphlet February 2015

Merrill Lynch, Pierce, Fenner & Smith  
Incorporated

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## Table of Contents

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Introduction	2
Mutual Fund Share Classes	2-5
Asset-Based Fee Programs	5
Retirement & Benefit Plan Services	5
Merrill Edge® Self-Directed Investing	6
Compensation of Merrill Lynch Financial Advisors and Their Managers	6-7
Additional Merrill Lynch Services and Compensation	7-8
Related Funds and Products	8
Money Market Mutual Funds	8-9
Purchases, Sales and Transfers	9
Other Services	9-10

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Merrill Edge is the marketing name for two businesses: Merrill Edge Advisory Center™, which offers team-based advice and guidance brokerage services; and a self-directed online investing platform. Both are made available through Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S).

Investment products:

<b>Are Not FDIC Insured</b>	<b>Are Not Bank Guaranteed</b>	<b>May Lose Value</b>
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### Introduction

In selecting a mutual fund that best suits your needs, there are several key factors to consider:

- The fund's investment strategy,
- The fund's risk profile
- The fund's investment performance,
- The fund's relationship to your overall asset allocation strategy and investment time horizon.
- The fund's fees and expenses, which have an impact on its investment returns

This pamphlet offers information about fees and expenses for the mutual fund share classes available through Merrill Lynch, as well as the compensation that Merrill Lynch earns with respect to those funds.

Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), a wholly owned subsidiary of Bank of America Corporation ("BofA Corp"), offers a wide range of investment products and services, including many different U.S. open-end mutual funds. Many funds offer various sales charge discounts or waivers depending on the terms of the prospectus and/or statement of additional information. You should consult a fund's prospectus and/or statement of additional information to determine whether you may qualify for a discount or waiver. Notify your Financial Advisor if you believe you qualify for any of these discounts or waivers. Merrill Edge Advisory Center™ clients should call a Merrill Edge Financial Solutions Advisor™ at 1.888.MLINVEST (1.888.654.6837) for assistance. Merrill Edge® self-directed investing clients should call the Investment Center at 1.877.653.4732 for assistance.

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**Merrill Lynch offers its products, accounts and services through different service models, for example:**

- **Full-service- Clients who work with a financial advisor in some capacity, or**
- **Self-directed- Clients who manage their own accounts and do not have an advised relationship.**

**Based on the service model, the same or similar products, accounts and services may vary in their price or fees charged to a client.** For more information on any mutual fund, please request a prospectus and/or, if available, a summary prospectus from your Merrill Lynch Financial Advisor,

Merrill Edge Financial Solutions Advisor ("Financial Solutions Advisor") or Merrill Edge self-directed investing Investment Center representative ("Investment Center representative") and read it carefully. Before investing, carefully consider the investment objectives, risks, and charges and expenses of the fund. This and other information can be found in the fund's prospectus and/or summary prospectus.

### Mutual Fund Share Classes

In order to accommodate different investing needs, many mutual funds offer more than one "class" of shares – generally Class A, Class B and Class C shares.

Each share class represents an interest in the same mutual fund's investment portfolio, but with different fees and expenses. At Merrill Lynch, certain share classes offered by a mutual fund may be limited to specific service models. For example, certain low-load and no-load mutual fund share classes may be available through a Merrill Edge self-directed investing account, as described more fully below. However, these share classes generally are not available to clients purchasing mutual funds in a full-service account. And certain share classes that impose sales charges (which are described directly below) may be available through more than one service model, including a Merrill Edge self-directed investing account. For information about a particular mutual fund's share classes, you should review the fund's prospectus and/or summary prospectus, including the fee table.

**The Financial Industry Regulatory Authority (FINRA) maintains a Mutual Fund Expense Analyzer tool on its website at [finra.org](http://finra.org) that may help you in making a decision on the right share class for you.**

**Class A Shares.** Class A shares, often referred to as "front-end load" shares, typically impose a front-end sales charge, also known as a "load", at the time of purchase. However, they typically have lower annual operating expenses than Class B and Class C shares, so they can be more economical for investors who have an intermediate to longer-term investment time horizon and have greater than \$100,000 in aggregated assets to invest in a fund family's equity funds or greater than \$50,000 in aggregated assets to invest in a fund family's fixed income funds.

**How it works:** When buying Class A shares, a front-end sales charge that typically does not exceed 5.75% is deducted from your initial investment at the time of purchase. Most of this front-end sales charge is paid to Merrill Lynch as a “dealer concession” or “dealer commission” and a portion of that amount is paid to your Merrill Lynch Financial Advisor (see discussion below).

You may be eligible for discounts and waivers on a front-end sales charge depending on the terms set forth in the fund’s prospectus and/or statement of additional information. Additionally, less expensive share classes may be available to you depending on the eligibility terms set forth in the fund’s prospectus and statement of additional information. For example, some fund families provide discounts on front-end sales charges and waivers for:

- Participants in certain qualified or non-qualified employee benefit or retirement plans
- Current officers, directors or employees of the fund company and its affiliates or their family members
- Section 501(c)(3) tax exempt organizations

The above list is not exhaustive. The conditions under which these discounts, waivers or beneficial share classes are available vary among fund families. These discounts, waivers or beneficial share classes may be available only if you purchase directly from the mutual fund company or its distributor, or through other financial intermediaries, and not through Merrill Lynch. The availability of discounts, waivers of front-end sales charges or beneficial share classes may also vary depending on the Merrill Lynch service model you select.

Consult the fund’s prospectus or statement of additional information for information on available front-end sales charge discounts, waivers and eligibility for beneficial share classes. Notify your Merrill Lynch Financial Advisor, Financial Solutions Advisor or Investment Center representative if you believe you qualify for a discount, waiver, or a more beneficial share class.

**Breakpoints and Rights of Accumulation:** Mutual funds issuing Class A shares generally offer discounts, called “breakpoints,” on the front-end sales charge for larger investments or additional investments within the same fund family. For example, a mutual fund might impose a front-end sales charge of 5.75% for all investments less than

\$50,000, but reduce the charge to 5.25% for investments between \$50,000 and \$99,999, and further reduce or eliminate the front-end sales charge for even larger investments. Mutual fund investors are typically permitted to aggregate holdings in related accounts (such as your own or those of certain family members) to calculate the appropriate breakpoint (called “rights of accumulation”). A Merrill Lynch Financial Advisor, Financial Solutions Advisor or Investment Center representative can help you determine whether you are eligible for any breakpoint discounts. Check the fund’s prospectus, summary prospectus, statement of additional information, and website to obtain fund-specific information on breakpoint discounts. It is your responsibility to notify your Financial Advisor, Financial Solutions Advisor or Investment Center representative of any holdings of a specific fund family held by your related accounts, whether at Merrill Lynch, another firm, or directly at the fund in order to assure that the most advantageous breakpoint is applied.

**Letter of Intent:** A Letter of Intent (or “LOI”) is a written statement that you sign to express your intent to invest a specific amount in a given period of time, which entitles you to an applicable breakpoint discount. Keep in mind that if you do not purchase the amount committed to, within the specified time period, a sufficient amount of your fund shares can be sold to collect the difference between the full sales charge and the reduced sales charge that was originally charged to you. Merrill Lynch offers an LOI feature with participating fund companies; however the terms of Merrill Lynch’s LOI may differ from those of the fund company as set forth in the prospectus. Notify your Financial Advisor, Financial Solutions Advisor or Investment Center representative if you intend to make additional future purchases within the same fund family in order to benefit from an LOI, to obtain more information on the Merrill Lynch LOI, or to request a copy of the Merrill Lynch LOI form.

Breakpoints, rights of accumulation, or LOIs can help reduce sales charges for investments within the same fund family. Investors may choose to invest across multiple fund families for many reasons, including potential diversification, as well as having the ability to invest in fund strategies that may not all be available within the same fund family. It is important to consider that investing across multiple fund families reduces the opportunity to qualify for breakpoint, rights of accumulation, or LOI discounts or benefits.

Also, keep in mind that mutual funds issuing Class A shares with a breakpoint that eliminates the front-end

sales charge typically impose a “contingent deferred sales charge” (CDSC) on purchases meeting that breakpoint if you sell the shares -- typically up to 1.00% of the redemption amount during the first year or longer, with no CDSC thereafter. A CDSC reduces the amount of proceeds you receive when you sell all or a portion of your investment. While a front-end sales charge will not be imposed, Merrill Lynch will typically receive up-front compensation of a maximum of 1.00% of the invested amount, paid by the fund’s distributor or other service provider at the time of sale, and a portion of this amount is paid to your Financial Advisor (see discussion below).

Class A shares’ annual operating expenses typically include an annual asset-based service fee (often referred to as a “service” or “12b-1” fee) of up to 0.35% of the net assets of the Class A shares. This annual asset-based fee is used to compensate the fund’s distributor and/or firms like Merrill Lynch for ongoing personal shareholder services, maintenance of shareholder accounts, and/or related services if applicable. A portion of this amount is paid to your Merrill Lynch Financial Advisor (see discussion below).

The dollar amount at which you should consider purchasing Class A shares of a fund can be evaluated using the Mutual Fund Expense Analyzer tool mentioned above. The tool will help analyze the fund’s one-time front-end sales charge and annual operating expenses compared to the sales charges and the annual operating expenses of other share classes of the same fund.

**Class B Shares.** Class B shares, often referred to as “back-end load” shares, typically do not impose a front-end sales charge. Class B shares do, however, typically impose a CDSC, which may be charged to shareholders who redeem Class B shares within a certain number of years. This charge declines over time and eventually is eliminated. For example, the CDSC might start at 5% for shares redeemed during the first year and then be reduced over time until it is eliminated, generally after six years.

Generally, Class B shares are more economical for investors who have an intermediate to longer-term investment time horizon and have less than \$100,000 in aggregated assets to invest in a fund family’s equity funds, or less than \$50,000 in aggregated assets to invest in a fund family’s fixed income funds. Many fund families are no longer offering Class B shares of their funds.

A fund’s distributor compensates Merrill Lynch for your purchase of Class B shares. Merrill Lynch

typically receives up-front compensation of 4% of the amount invested at the time Class B shares are purchased, and a portion of this amount is paid to your Merrill Lynch Financial Advisor (see discussion below).

CDSCs are typically paid to the fund’s distributor for amounts it paid to Merrill Lynch when you purchased your Class B shares. Neither Merrill Lynch nor your Financial Advisor typically receives the CDSC. Although Class B shares usually do not impose a front-end sales charge, they do include an annual asset-based service fee and sales charge (typically paid to the fund’s distributor or other service provider) that is equal to a maximum of 1.00%, which is higher than the asset-based sales charge and/or service fees for the fund’s Class A shares. As with Class A shares, Merrill Lynch is compensated by the fund’s distributor or other service provider for providing ongoing personal shareholder services, typically at an annual rate of 0.25% of the net assets of the Class B shares, and a portion of this amount is paid to your Merrill Lynch Financial Advisor (see discussion below). The remainder of the Class B asset-based sales charge (e.g., 0.75%) is typically retained by the fund’s distributor or other service provider.

Class B shares, however, often convert after a period of time (typically 8 to 10 years) to Class A shares, which effectively lowers the asset-based service fees and/or sales charges.

**Class C Shares.** Class C shares, often referred to as “level-load” shares, typically do not levy a front-end sales charge when you buy shares.

However, they often impose a CDSC and higher annual charges, so compared to Class A shares, they generally become less economical for investors who hold their investments over a longer term. In some instances, Class C shares are more economical for investors who have a short to intermediate investment horizon and have less than \$1 million of household assets to invest in a fund family. Still, Class C shares may be more appealing to you if you prefer the flexibility to change your investments among different fund families periodically, without paying front-end sales charges or (possibly) CDSCs, or if you prefer not to pay front-end sales charges on each transaction.

Class C shares generally impose the following sales charges:

- Class C shares typically impose a CDSC of up to 1.00% of the redemption amount if you sell during the first year, with no CDSC thereafter. Like Class B shares, CDSCs are typically

paid to the fund's distributor or other service provider, not to Merrill Lynch or your Financial Advisor.

- Class C shares generally include an annual asset-based sales charge and/or service fees that equal no more than 1.00% of the net assets of the Class C shares. This is higher than comparable charges or fees for the fund's Class A shares.

Merrill Lynch will typically receive up-front compensation of no more than 1.00% of the invested amount. It is paid by the fund's distributor or other service provider at the time of sale, and a portion of this amount is paid to your Financial Advisor (see discussion below). The initial compensation paid to Merrill Lynch in connection with your purchase of Class C shares is generally lower than that paid on Class B and some Class A transactions. However, Merrill Lynch typically receives a higher annual asset-based fee in connection with your investment in Class C shares: up to 1.00% of the net assets of the Class C shares beginning the second year and thereafter, typically paid from the annual asset-based sales charge and/or service fees. A portion of these fees is paid to your Financial Advisor (see discussion below) and covers ongoing personal shareholder services provided by Merrill Lynch.

Unlike Class B shares, which convert to Class A shares after a period of time, most Class C shares do not have a conversion feature. Please see the fund's prospectus for more information.

*Institutional, Retirement, No-Load, Load-Waived and Other Share Classes.* In addition to Class A, B and C shares, other share classes that impose different fees may be available through Merrill Lynch. In some instances, only certain types of investments, investors, accounts or programs may qualify for these other classes. For example, some fund companies offer "retirement" shares through Merrill Lynch for specific retirement plans, which do not charge an up-front sales charge or CDSC, but may impose an asset-based sales charge and/or service fee of typically up to 0.50%. Some fund families offer "Institutional" shares, which do not charge an up-front sales charge, CDSC, or an asset-based sales charge and/or service fee. Also, institutional, no-load or other fund shares (along with Class A shares "load-waived") may only be available through certain Merrill Lynch asset-based fee programs and Merrill Edge self-directed investing accounts.

#### **Asset-Based Fee Programs**

You can purchase mutual funds through various asset-based fee programs available at Merrill Lynch, including discretionary and non-discretionary investment advisory programs. In these programs, you pay Merrill Lynch an annual fee based on a percentage of the value of the assets held in your Merrill Lynch account associated with these programs. These asset-based fee programs allow you to purchase institutional shares, "no-load" and low-load fund shares, or load-waived Class A shares (or another share class without a front-end sales charge or CDSC). These asset-based fee programs provide features and benefits, as well as share classes that may not be available in a traditional Merrill Lynch brokerage account that charges transaction fees and is serviced by your Merrill Lynch Financial Advisor or Financial Solutions Advisor, or through Merrill Edge self-directed investing accounts. The total cost of purchasing and holding mutual fund shares through an asset-based fee program may be more or less than investing in mutual fund shares in a traditional Merrill Lynch brokerage account that is serviced by your Financial Advisor or Financial Solutions Advisor, or through a Merrill Edge self-directed investing account, depending on the amount of the asset-based fee and the specific mutual fund shares in which you invest. You should ask your Financial Advisor or Financial Solutions Advisor for more information about these cost differences and whether an asset-based fee program might be right for you.

#### **Retirement & Benefit Plan Services Programs**

You can purchase mutual funds through various retirement or benefit plans and custodial accounts for certain individually-held retirement plans or arrangements available at Merrill Lynch. For these programs, the share class availability may be determined by the plan sponsor, the size or nature of the plan, or other factors. In addition, the compensation paid to Merrill Lynch or to the Financial Advisor may differ from what is described in the sections below. For more information, please contact your Financial Advisor or the retirement or benefit plan's sponsor.

### **Merrill Edge® Self-Directed Investing**

Mutual funds, including certain load, low-load, load-waived and no-load funds, are available through a Merrill Edge self-directed investing account and may be subject to service, transaction, short-term redemption, and other fees, which are described on the Merrill Edge website:

<http://www.merrilledge.com/pricing>. Merrill Edge self-directed investing is designed for U.S.-based investors who wish to make their own investment choices in a Merrill Edge self-directed investing account. In addition to certain Class A shares offered load-waived, you may be able to purchase a less expensive share class of a fund through a Merrill Edge self-directed investing account than through your Merrill Lynch Financial Advisor or your Financial Solutions Advisor. These share classes generally are not available to clients purchasing shares in a full-service account.

The mutual funds and share classes available through a Merrill Edge self-directed investing account, and the related fees, loads or load waivers may vary and may change from time to time. You should consult the Merrill Edge website to determine which specific funds and share classes are available at any given time. You may be able to purchase these mutual funds or share classes directly from the mutual fund company or its distributor, or through other financial intermediaries, without paying a fee or sales charge to Merrill Lynch, or for lower fees or expenses than if you purchase through a Merrill Edge self-directed investing account. If you have any questions, please contact your Investment Center representative.

The fund sponsors that make share classes of their funds available through Merrill Edge self-directed investing accounts on a no-load or load-waived basis pay a fee to Merrill Lynch of up to 0.43% annually of the value of shares held through Merrill Edge. (Some mutual funds pay Merrill Lynch both a “per account” fee and a percentage fee of less than 0.43%. The aggregate of these fees may exceed 0.43% in certain cases.) This fee compensates Merrill Lynch for development, operation and maintenance of the Merrill Edge service, the servicing of Merrill Edge self-directed investing accounts that purchase shares of these mutual funds, and the sub-accounting and related services described below.

If you purchase a load fund through a Merrill Edge self-directed investing account, you will pay a sales charge in connection with that purchase. Merrill Lynch will retain the entire sales charge for purchases of load funds made through a Merrill

Edge self-directed investing account, and you will not receive the services of a Financial Advisor or Financial Solutions Advisor for that purchase or the account.

### **Compensation of Merrill Lynch Financial Advisors and Their Managers**

As explained above, Merrill Lynch’s compensation differs by share class and whether mutual fund shares are purchased through an asset-based fee program, traditional brokerage account or a self-directed investing account. The fund share-class specific compensation and asset-based fee program compensation (described above) are the basis upon which Financial Advisors are paid. The portion of Merrill Lynch’s compensation that is paid to its Financial Advisors is calculated by the same formula regardless of which funds are purchased. Some fund classes carry higher front-end sales charges or asset-based fees than others (e.g., Class A shares may have higher front-end sales charges and therefore pay higher up-front compensation than Class B shares). As a result, a Financial Advisor may receive more or less compensation depending on the fund or class you purchase.

Some funds may set higher front-end sales charges, dealer concessions, and/or asset-based sales charges and/or service fees for a particular class than do other funds for the same class. Merrill Lynch policy sets a limit as to the maximum portion of dealer concessions, asset-based sales charges and/or service fees included in the Financial Advisors’ compensation formula based on the share class and size of investment. The policy is intended to reduce potential conflicts of interest based on differential compensation among fund companies. All mutual funds available at Merrill Lynch are subject to this policy. When a fund has a dealer concession, asset-based sales charge and/or service fee that exceeds the policy limit, Merrill Lynch retains the difference and it is not paid as compensation to the Financial Advisor.

Financial Advisors’ managers are compensated differently than the Financial Advisors, reflecting their different responsibilities and accountabilities. However, the portion of total compensation earned by Merrill Lynch with respect to mutual fund sales that is paid to managers is calculated pursuant to the same formula for all funds.

Representatives of fund companies, often referred to as “wholesalers,” work with Merrill Lynch Financial Advisors and their managers to promote those fund companies’ mutual funds. Consistent

with the rules of FINRA, fund distributors and/or their affiliates may pay for or make contributions to Merrill Lynch for training and education seminars for Merrill Lynch Financial Advisors, employees, clients and potential clients, due diligence meetings regarding their funds, recreational activities, or other non-cash items. From time to time, Merrill Lynch may recognize certain Financial Advisors through promotional programs that include mutual funds. These programs may reward Financial Advisors with compensation, including attendance at off-site locations and/or various employee training sessions that may be sponsored or co-sponsored by mutual fund companies whose funds Merrill Lynch makes available.

Financial Solutions Advisors are compensated based on a flat percentage of the mutual fund purchase amount, no matter which fund or class you purchase.

#### **Additional Merrill Lynch Services and Compensation**

In addition to receiving dealer concessions and asset-based sales charges and/or service fees in connection with clients' purchasing and holding mutual fund shares, Merrill Lynch and its affiliates provide other services for which they may receive additional compensation from funds or their affiliates. This compensation is often but not always disclosed in detail in a fund's prospectus, summary prospectus, statement of additional information or website.

Merrill Lynch makes available to its clients shares of those mutual funds whose affiliates have entered into contractual arrangements with Merrill Lynch that generally include the payment of one or more of the fees described below. Funds that do not enter into these arrangements with Merrill Lynch are generally not offered to clients. The following fees do not purchase placement on any preferred lists or any special positioning or coverage of certain funds by Merrill Lynch. These fees are used to cover the types of services outlined below and are not passed on to Financial Advisors or their managers as compensation.

*Sub-Accounting Related Services.* Merrill Lynch provides various sub-accounting and other related administrative services with respect to each mutual fund position held in an account at Merrill Lynch. These services include, for example, aggregating and processing purchases, redemptions, and exchanges, dividend distribution and reinvestment, consolidated account statements, tax reporting, and other recordkeeping and reporting services. As compensation for these services, Merrill Lynch

receives from all the fund families whose funds charge sales charges either up to \$21 annually for each position or up to 0.15% annually of the value of fund shares held in a client's account at Merrill Lynch, depending on the fund company's election. In the case of the no-load fund shares the sub-accounting, administrative services, distribution and marketing services and support fees payable by no-load fund companies are typically bundled into one asset-based fee of generally up to 0.38% annually of the value of shares held in a client's account at Merrill Lynch.

*Marketing Services and Support.* Merrill Lynch provides a variety of distribution, marketing services and other support to sponsors of mutual funds that are available through Merrill Lynch. These services include, but are not limited to the provision of: a mutual fund specialist support desk for Financial Advisors, Financial Solutions Advisors or Investment Center representatives to answer questions regarding their funds; work stations that include information, announcements, data, and tools relating to their funds; ongoing review and implementation of features and restrictions imposed by their funds (e.g., if a fund imposes a redemption fee, Merrill Lynch will, among other things, alter its systems and train employees to effectively impose the fee); strategic planning support that is intended to assist fund sponsors with strategies that are aligned with Merrill Lynch's investment themes and goals; making Financial Advisors or other employees available for education regarding their funds; sales related reports and other information; and branch office support, including phones, computers, conference rooms, as well as facilities and personnel support for prospectuses, summary prospectuses, and promotional and other materials relating to their funds.

In addition to the front-end and asset-based sales charges and service fees discussed in the "Mutual Fund Share Classes" section, Merrill Lynch receives compensation from fund sponsors for its distribution, marketing services and other support of generally up to 0.25% on a portion of mutual fund purchases and generally up to 0.10% annually on a portion of mutual fund assets, including those held through certain Merrill Lynch asset-based fee programs. Merrill Lynch does not receive these marketing service and support fees with respect to the underlying investment options that serve as funding vehicles for variable insurance and variable annuity products and for Merrill Lynch retirement or benefit plan clients (except as described below).



*Certain Retirement/Benefit Program Administration Fees.* Merrill Lynch receives fees from fund sponsors whose funds are made available to Merrill Lynch retirement or benefit plan clients. These fees compensate Merrill Lynch for providing sub-accounting services and/or administrative services to the retirement or benefit plan's sponsor, in connection with these funds. For those mutual funds available through Merrill Lynch as investment options for retirement or benefit plans, Merrill Lynch receives a service fee of generally up to 0.20% annually of fund assets. For more information, please contact the retirement or benefit plan's sponsor, or refer to the fund's prospectus and statement of additional information, which you may request from the fund.

#### **Related Funds and Products**

Merrill Lynch makes available to its clients mutual funds and other investment products sponsored, managed and/or distributed by affiliates of: Bank of America Corporation ("BofA Corp"), including BofA™ Advisors, LLC, and BofA™ Distributors, Inc. (collectively, "BofA® Global Capital Management"). BofA™ Advisors, LLC, and BofA™ Distributors, Inc. are indirect wholly owned subsidiaries BofA Corp. These related funds and products may be branded as BofA Corp, or such other brand names as may be used by the related provider companies from time to time.

Merrill Lynch and BofA Corp potentially benefit from economic interests in the related provider companies whenever a related provider company receives compensation for providing investment advisory, administrative, transfer agency, distribution or other services to the related funds and products. The extent of this benefit may be greater than when Merrill Lynch or BofA Corp does not have an economic interest in the firm providing such services. As a result, Merrill Lynch and BofA Corp may benefit from increased sales of related funds and products to a greater extent than from increased sales of funds and other investment products provided by other firms in which they do not have a similar economic interest.

Merrill Lynch distributes certain products and services sponsored or advised by BlackRock, Inc. (including its subsidiaries) ("BlackRock") under a global distribution agreement.

Consistent with applicable laws, management and employees of BofA® Global Capital Management and BlackRock may be provided a broad level of access and exposure to Merrill Lynch, its management, Financial Advisors, Financial Solutions

Advisors and other personnel, marketing events and materials, and client-related and other information. Such broad access and exposure is not available to other asset managers and may enhance BofA® Global Capital Management's and BlackRock's ability to distribute their mutual funds and other investment products through Merrill Lynch.

#### **Money Market Mutual Funds**

Generally, all of the money market mutual funds offered for purchase in a Merrill Lynch account are managed by an investment advisory subsidiary of BlackRock, Inc. or BofA™ Global Capital Management. These may be branded as either BlackRock funds or BofA funds, (collectively, the "Money Funds").

Similar to the information provided in the "Mutual Fund Share Classes" section above, the Money Funds available at Merrill Lynch may offer more than one "class" of shares. Each share class represents an interest in the same investment portfolio, but may have or be subject to different fees and expenses. The availability and eligibility requirements of share classes offered by a Money Fund are typically outlined in the prospectus and statement of additional information of the fund and may vary from class to class.

The Money Funds available at Merrill Lynch are generally not subject to sales charges, but they may include an annual asset-based sales charge and/or service fee (often referred to as a "distribution" or "service" or "12b-1" fee as discussed earlier in this document) that is equal up to a maximum of 1.00%. A portion of this amount is paid to your Merrill Lynch Financial Advisor (as discussed above in the "Compensation of Merrill Lynch Financial Advisors and their Managers" section).

Merrill Lynch provides the platform infrastructure related to the use of certain Money Funds as the investment choice ("sweep vehicle") for cash balances in accounts at Merrill Lynch as well as distribution, marketing support and other services with respect to the Money Funds. In consideration of the provision of the infrastructure, marketing support and/or other services, Merrill Lynch receives compensation of up to 0.44% annually of the value of Money Fund shares held in Merrill Lynch accounts.

Merrill Lynch also provides various sub-accounting and other related administrative services with respect to each Money Fund position held in an account at Merrill Lynch (see *Sub -Accounting Related Services* section above). As compensation for these services, Merrill Lynch receives either up to \$15 annually for

each position or up to 0.10% annually of the value of Money Fund shares held in a client's account at Merrill Lynch.

Because only the Money Funds are generally available for purchase as a money market fund option in a Merrill Lynch account, if you would like the ability to exchange into another fund family's money market fund, you may need to open an account directly with that fund family's transfer agent or other service provider.

*An investment in a money market fund is not a bank deposit, and is not insured or guaranteed by Bank of America, N.A., Merrill Lynch or any bank or affiliate of Merrill Lynch, the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.*

#### **Purchases, Sales and Transfers**

Merrill Lynch maintains policies prohibiting late trading in, and the excessive trading of, mutual fund shares. Merrill Lynch's excessive trading policies may not be consistent with fund companies' excessive trading policies, and is in addition to any monitoring for excessive trading conducted by the fund companies. Merrill Lynch personnel may not open accounts or enter client transactions for the purpose of late trading, excessive trading or market timing, nor may they facilitate late trading, excessive trading or market timing in accounts at the funds' transfer agents, or assist clients in making other arrangements to late trade, excessively trade or market time mutual funds. The Merrill Edge self-directed investing account also may not be used for any of the above-described purposes. There is no guarantee that all instances of excessive trading will be prevented.

In certain cases, the funds you hold through Merrill Lynch may not be transferable to another financial intermediary. This may occur for a number of reasons, including situations where the other financial intermediary does not have appropriate agreements with those funds. The same may be true if you hold your mutual fund shares at another financial intermediary and attempt to transfer those shares to your Merrill Lynch account. In these instances you will need to determine what you would like to do with the fund shares: (i) liquidate them (which may result in redemption or other fees, sales charges or a taxable event), (ii) transfer them from the financial intermediary to the fund (or its transfer agent), (iii)

request share certificates to be issued to you (typically not available for mutual fund shares), or (iv) retain them at the financial intermediary through which you currently hold them. Please refer to the applicable fund prospectus or contact your Merrill Lynch Financial Advisor, Financial Solutions Advisor or Investment Center representative for further information.

#### **Other Services**

Bank of America Corporation is a diversified financial services company that together with its affiliates generally seeks to provide a wide range of services to retail and institutional clients for which it receives compensation. As a result, BofA Corp and Merrill Lynch can be expected to pursue additional business opportunities with the firms whose mutual funds

Merrill Lynch makes available to its clients. Consistent with industry regulations, these services could include (but are not limited to): banking and lending services, sponsorship of deferred compensation and retirement plans, investment banking, securities research, institutional trading services, investment advisory services, and effecting portfolio securities transactions for funds and other clients. Merrill Lynch professionals (including your Merrill Lynch Financial Advisor, Financial Solutions Advisor or Investment Center representative) involved with the offering of mutual funds to individual investor clients may introduce mutual fund distributors, sponsors or service providers to other services that BofA Corp and its affiliates provide. Financial Advisors may, as permitted by law, receive compensation (the amount of which may vary) in connection with these products and services. Revenue paid for, or generated by, such services may not be used by the mutual fund distributors, sponsors or service providers to compensate Merrill Lynch, directly or indirectly, for any of the fees described throughout this pamphlet.

Information about a particular mutual 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. For additional information on mutual funds in general, you can visit educational websites of the Securities and Exchange Commission ([sec.gov](http://sec.gov)), FINRA ([finra.org](http://finra.org)), the Securities Industry and Financial Markets Association ([sifma.org](http://sifma.org)), and the Investment Company Institute ([ici.org](http://ici.org)).



