

Form CRS Client Relationship Summary for Merrill Lynch Professional Clearing Corp. (CRD No. 13169)
June 2020

Item 1. Introduction

Merrill Lynch Professional Clearing Corp. (“ML Pro,” “we” or “us”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). ML Pro is an institutional broker-dealer and tailors its services to that business segment. This Form CRS provides a summary of the types of services we provide and how you pay for these services. Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. You can access free and simple tools to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers and investing.

Item 2. Relationships and Services

What investment services and advice can you provide me?

ML Pro provides clearing, custodial, margin lending, securities lending and other related services (the “Services”) for its customers’ accounts. While there are circumstances in which “retail investors” may be eligible to receive these services from ML Pro, such investors’ accounts must qualify as “institutional accounts” under FINRA Rule 4512(c)(3), namely the accounts must be for a person with total assets of at least \$50 million. ML Pro *does not* offer recommendations to retail investors. ML Pro *does not* provide any of the following for its customers (some or all of which may be available through affiliated broker-dealers, including BofA Securities, Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated):

- Trade execution services;
- Research services, including the distribution of research reports; or
- Investment advisory services.

All ML Pro customers are expected to independently handle their investments through their own executing broker dealers or on a self-directed basis with such executing brokers. ML Pro customers should consult with their financial, regulatory and tax advisors to the extent they deem appropriate in connection with their investments. ML Pro does not provide investment advisory services. Instead, it provides the brokerage and other services described below. We do not serve as your fiduciary, financial advisor, or in any other similar capacity on your behalf. The capacity in which we act will be defined by the scope, nature, and context of the Services being provided and ML Pro’s relationship with you as more fully described in your Prime Brokerage Account Agreement, Customer Account Agreement or related agreements. We will not monitor your account on an ongoing basis. The investment products that we settle, clear or finance for you may be limited. For example, we do not provide custody or financing services for (i) open-end or closed-end funds, (ii) low-priced securities (or possibly certain cannabis securities) or (iii) proprietary products. We do not offer services in jurisdictions in which we are not operating. Other broker-dealer firms may offer the same or different types of services. Because we provide services to institutional customers, we may impose account minimums, or minimum investment amounts. ML Pro may consider your capital, assets under management, other financial resources and your expertise in trading various financial products before offering certain services to you.

Item 3. Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

ML Pro negotiates its fees with customers on an individual and independent basis. Please refer to pricing data presented at the time you execute your agreement. Although certain customers are charged transaction-based fees, including fees for options exercises, we do not charge transaction-based fees based on the volume of trading or activity levels in their accounts. For this reason, ML Pro does not have an incentive to encourage a retail investor to trade often. Interest, fees and other charges are applied for margin loans, option exercises and assignments, ticket charges (generally for certain Non-US markets) and asset based financing charges for certain less liquid assets which are harder to fund.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Please refer to pricing data presented at the time you execute your agreement.

What are your legal obligations to me when providing recommendations as my broker-dealer? How else does your firm make money and what conflicts of interest do you have?

ML Pro *does not* provide recommendations. Should that change, we will amend this document to include such a discussion. At the same time, the way ML Pro makes money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the services we provide you. Here are some examples to help you understand what this means: ML Pro makes money from settlement and clearance fees and from financing customers' positions.

For additional information, please refer to your Prime Brokerage Account Agreement, Customer Account Agreement and related agreements, as applicable.

How do your financial professionals make money?

ML Pro's financial professionals are compensated based on a range of factors including, but not limited to, ongoing support of customer financing and clearing activity, achievement of strategic objectives, risk management, and overall performance of the bank, individual lines of businesses and products. Financial professionals may also be compensated based on (i) the amount of client assets they service, (ii) the time and complexity required to meet a client's needs and (iii) the revenue that ML Pro earns from the financial professional's services.

Item 4. Disciplinary History

Do you or your financial professionals have legal or disciplinary history? For what type of conduct?

Yes, this information is available at: investor.gov/CRS, a free and simple search tool to research ML Pro and your financial professionals. For additional information, please see our [BrokerCheck](#).

Item 5. Additional Information

For additional information: Please refer to your Prime Brokerage Account Agreement, Customer Account Agreement and related agreements, as applicable.

You can find additional information about our brokerage services and request a copy of this relationship summary at: http://www.bofaml.com/content/dam/boamlimages/documents/PDFs/pb_account_disclosure.pdf. Please see Section XIX. You can also call the following phone number to request up-to-date information and to request a copy of this relationship summary: 646-743-1295. You may also simply print this document.

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