

MERRILL LYNCH

Production	Cash grid	Long-term productivity
Retroactive Grid		
\$0 - \$199,999	36%	n/a
\$200,000 - \$299,999	37%	n/a
\$300,000 - \$399,999	38%	2.50%
\$400,000 - \$599,999	40%	3.00%
\$600,000 - \$799,999	41%	4.00%
\$800,000 - \$999,999	42%	4.50%
\$1 million - \$1.49 million	43%	5.00%

Step-Up Grid

\$1.5 million - \$1.99 million	46%	5.25%
\$2 million - \$2.99 million	47%	5.50%
\$3 million - \$4.99 million	48%	5.75%
\$5 million +	50%	6.00%

For FAs with production above \$1.5 million, a new "Step-Up" grid rate is applied on productivity generated above the initial hurdle. All production counts toward increased payout levels.

Additional 1% cash grid increase for achieving annuitized asset hurdle:
 - Applies to first \$1.5 million in grid and institutional production credits.
 - Retroactive payout awarded when hurdle is achieved.

20% payout on all institutional production.

The Strategic Premium Award

Strategic Premium Award eligibility is based on the percentage of households greater than \$250,000 or acquisition of Net \$250,000 + households. Award is 50% cash and 50% deferred.

Production for length of service

Payout

6 yrs + (up to \$199,999)	20%
6 yrs + (\$200,000 - \$299,000)	25%
10 yrs + (\$300,000 - \$399,000)	35%

Annuitized Bonus Hurdles

% of Assets Annuitized

\$0 - \$499,000	75%
\$500,000 - \$999,999	70%
\$1 million +	65%

Service Award

Merrill Lynch Length of Service +	Production	Rate
5 yrs +	\$500,000	1%
7 yrs +	\$750,000	1.25%
10 yrs +	\$1 million	1.50%
15 yrs +	\$1.75 million	2%

Qualification Criteria

% of \$250,000 + households	Net new \$250,000 households	Qualifying Award	Net new annuitized asset payout
70%	3	\$5,000	Over \$2,500,000 are paid 20 basis points up to \$11,000,000
80%	4	\$7,500	3 bps are paid on NNA over \$11,000,000
90%	5	\$10,000	

To qualify for an award, FA must be flat/positive in Net New \$250,000 + households.