

Qualified Default Investment Alternative Notice

HBC 401(k) Retirement Savings Plan

Your plan is a valuable tool to help you invest for your future. We wanted to take this opportunity to inform you of your plan's automatic default investment and how to make changes to your account.

Your Investment

If you have not made an investment election, your contributions are invested in an age-based Vanguard Target Retirement Trust^{1,2,3} fund. This target fund has been selected for you based on your date of birth and an estimated retirement age of 65.

What is a target date fund?

A target date fund is a practical, easy-to-understand choice for retirement investing. Each fund is diversified across stocks, bonds, and cash equivalents, invested according to the fund's target date. The target date represents the year you may be considering to begin withdrawing your money. As the target date approaches, the fund slowly becomes more conservative, with less invested in stocks and more in bonds and cash equivalents. While a target date fund offers a convenient investment solution, it is important to remember that the principal value of the fund is not guaranteed at any time, including at the target date. See the table below to determine the fund associated with your date of birth.

Your money will be invested in the following fund unless you instruct otherwise:	
December 31, 1952 or earlier	Vanguard Target Retirement Income Trust I ^{1,2}
January 1, 1953 – December 31, 1957	Vanguard Target Retirement 2020 Trust I ^{1,2,3}
January 1, 1958 – December 31, 1962	Vanguard Target Retirement 2025 Trust I ^{1,2,3}
January 1, 1963 – December 31, 1967	Vanguard Target Retirement 2030 Trust I ^{1,2,3}
January 1, 1968 – December 31, 1972	Vanguard Target Retirement 2035 Trust I ^{1,2,3}
January 1, 1973 – December 31, 1977	Vanguard Target Retirement 2040 Trust I ^{1,2,3}
January 1, 1978 – December 31, 1982	Vanguard Target Retirement 2045 Trust I ^{1,2,3}
January 1, 1983 – December 31, 1987	Vanguard Target Retirement 2050 Trust I ^{1,2,3}
January 1, 1988 – December 31, 1992	Vanguard Target Retirement 2055 Trust I ^{1,2,3}
January 1, 1993 – December 31, 1997	Vanguard Target Retirement 2060 Trust I ^{1,2,3}
January 1, 1998 – December 31, 2002	Vanguard Target Retirement 2065 Trust I ^{1,2,3}
January 1, 2003 or later	Vanguard Target Retirement 2070 Trust I ^{1,2,3}

1 As "fund of funds, these funds, as shareholder of underlying funds, will indirectly bear their pro rata share of the expenses incurred by the underlying funds.

2 Although called funds, these investment options are not mutual funds registered under the Investment Company Act of 1940, but custom investment funds. A prospectus is not available and shares are not publicly traded or listed on exchanges. Only plan participants can purchase units of these "funds."

3 The target date for these funds is the approximate date when an investor plans to start withdrawing the assets from his or her retirement account. The principal value of these funds is not guaranteed at any time, including at the target date. These funds are designed to become more conservative over time as the target date approaches.

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Investing in involves risk, including the possible loss of principal. Investments in foreign securities or sector funds, including technology or real estate stocks, are subject to substantial volatility due to adverse political, economic or other developments and may carry additional risks resulting from lack of industry diversification. Funds that invest in small or mid-capitalization companies experience a greater degree of market volatility than those of large-capitalization stocks and are riskier investments. Bond funds have the same interest rate, inflation, and credit risks associated with the underlying bonds owned by the fund. Generally, the value of bond funds rises when prevailing interest rates fall and falls when interest rates rise. Investing in lower-grade debt securities (“junk” bonds) may be subject to greater market fluctuations and risk of loss of income and principal than securities in higher rated categories. There are ongoing fees and expenses associated with investing. Bear in mind that higher return potential is accompanied by higher risks.

For more information about the investment options that are not mutual funds (non-registered investments), refer to the fund description or fact sheet, if available.

How to make changes to your account

You can make changes to your account and/or investments at any time:

- You may change your contribution rate – increase, decrease, or stop contributions
- You may transfer your current balance and future contributions to different plan investment options

To obtain information about your Plan investment options, or to make changes to your current investment elections log onto Benefits Online at www.benefits.ml.com or call the Retirement and Benefits Service Center at 888-335-8218. Representatives are available Monday through Friday from 8:00 a.m. to 11:00 p.m. Eastern Time.

None of the services provided under age-based investing are intended to constitute investment, financial, tax, or legal advice. The age-based investment options have been selected by the plan sponsor (e.g., your employer), plan committee, or other plan fiduciary. Neither Merrill nor its affiliates, employees, agents, or representatives have provided investment advice or recommendations with respect to the selection of any of the age-based investment options offered in the plan. In addition, the information contained herein does not constitute “investment advice” under the Employee Retirement Income Security Act of 1974. Your access to age-based investing is subject to continued use by your plan sponsor.