

Table S1. Composition of the minimum mineral growth medium for plants

| Media composition | Concentration |
|--|----------------------|
| MgSO ₄ ·7H ₂ O | 730 mg/L |
| KNO ₃ | 80 mg/L |
| KCl | 65 mg/L |
| KH ₂ PO ₄ ·3H ₂ O | 4.8 mg/L |
| Ca(NO ₃) ₂ ·4H ₂ O | 288 mg/L |
| KI | 0.75 mg/L |
| NaFe(III) EDTA sodium salt | 8 mg/L |
| MnSO ₄ ·H ₂ O | 4.66 mg/L |
| ZnSO ₄ ·7H ₂ O | 2.65 mg/L |
| H ₃ BO ₃ | 1.5 mg/L |
| CuSO ₄ ·5H ₂ O | 0.13 mg/L |
| Na ₂ MoO ₄ ·2H ₂ O | 2.4 ug/L |
| Sucrose | 100 mg/L |
| Gelzan | 4 g/L |
| Gamborg's Vitamin Solution [86] | 1X |

Table S2. Primers used for PCR-amplification of the nuclear ribosomal ITS

| Primers | Sequence |
|----------------|-----------------------------|
| BMBC-F | 5'-GTACACACCGCCCGTCG-3' |
| ITS4-R | 5'-TTCCWCCGCTTATTGATATGC-3' |

Table S3. Experimentally confirmed fungal genes promoting plant growth

| Gene function | Fungal species | Accession | References |
|---|---------------------------------------|--------------|------------|
| Nitrogen nutrition | | | |
| Ammonium transporter | <i>Rhizophagus irregularis</i> | XP_025183237 | [66] |
| Amino-acid-permease | <i>Glomus mosseae</i> | AAX81451 | [87] |
| Nitrate/nitrite transporter | <i>Rhizophagus irregularis</i> | EXX76102 | [67] |
| Phosphate nutrition | | | |
| Acid phosphatase | <i>Rhizophagus irregularis</i> | EXX57538 | [88] |
| Alkaline phosphatase | <i>Glomus mosseae</i> | AGC74338 | [87] |
| Phytase | <i>Aspergillus niger</i> | P34752 | [89] |
| Phosphate transporter | <i>Rhizophagus intraradices</i> | AAL37552 | [90] |
| Potassium nutrition^a | | | |
| Potassium uptake system | | | |
| TRK (Transporter of K ⁺) | <i>Neurospora crassa</i> | XP_957340 | [69] |
| HAK (High-Affinity K) | <i>Neurospora crassa</i> | XP_964946 | [91] |
| ACU (Alkali Cation Uptake transporters) | <i>Ustilago maydis</i> | XP_011392714 | |
| PAT (P-type ATPase) | <i>Blastocladiella emersonii</i> | CAA04499 | [92] |
| Potassium efflux systems | | | |
| TOK (Tandem-pore Outward-rectifying K ⁺) | <i>Saccharomyces cerevisiae</i> | NP_012442 | [93] |
| ENA (Exit Natrium) | <i>Saccharomyces cerevisiae</i> | NP_010325 | [94] |
| Indole Acetic Acid – biosynthetic genes | | | |
| TAM1 (Tryptophan AMinotransferase 1) | <i>Tricholoma vaccinum</i> | AJP77090 | [71] |
| IPD1 (Indole-3-Pyruvic acid Decarboxylase 1) | <i>Tricholoma vaccinum</i> | AJP77091 | [71] |
| IAH1(Isoamyl Acetate-Hydrolyzing esterase 1) | <i>Tricholoma vaccinum</i> | AJP77092 | [71] |
| Gibberellin biosynthetic genes | | | |
| CPS/KS (ent-copalyl/ ent-kaurene synthase) | <i>Fusarium fujikuroi</i> | XP_023431478 | [72] |
| P450-1 (cytochrome P450 monooxygenase 1) | <i>Fusarium fujikuroi</i> | QGI65211 | [72] |
| P450-2 (cytochrome P450 monooxygenase 2) | <i>Fusarium fujikuroi</i> | XP_023431253 | [72] |
| P450-3 (cytochrome P450 monooxygenase 3) | <i>Fusarium fujikuroi</i> | XP_023431251 | [72] |
| P450-4 (cytochrome P450 monooxygenase 4) | <i>Fusarium fujikuroi</i> | O94142 | [72] |
| DES (GA4 desaturase) | <i>Fusarium fujikuroi</i> | XP_023431254 | [72] |
| GG2 (Geranyl Geranyl diphosphate Synthase) | <i>Fusarium fujikuroi</i> | XP_023431252 | [72] |
| Cytokinin biosynthetic genes | | | |
| FCK1 (Bifunctional CytoKinin biosynthesis protein) | <i>Fusarium pseudograminearum</i> | XP_009257765 | [73] |
| FCK2 (cytochrome P450 monooxygenase) | <i>Fusarium pseudograminearum</i> | P0DPA4 | [73] |
| FCK3 (probable glycosyltransferase) | <i>Fusarium pseudograminearum</i> | XP_009257764 | [73] |
| FCK4 (probable alcohol acetyltransferase) | <i>Fusarium pseudograminearum</i> | P0DPA5 | [73] |

^aPotassium nutrition genes information available from non-symbiotic fungi and proposed to have a role in plant growth promotion.

Table S4. Data used in the phylogenetic analysis

| Accession number | Strain information - 28S rRNA gene sequence from TYPE material |
|------------------|---|
| NG_079565.1 | <i>Tainosphaeriella thailandensis</i> MFLUCC 18-1282 |
| NG_079564.1 | <i>Tainosphaeriella aquatica</i> MFLUCC 17-2370 |
| NG_067903.1 | <i>Codinaea terminalis</i> MFLU 19-0214 |
| NG_067563.1 | <i>Stilbochaeta aquatica</i> MFLU 15-2691 |
| NG_067902.1 | <i>Phialoturbella aseptata</i> MFLU 19-0208 |
| NG_075392.1 | <i>Stanjehughesia kaohsiungensis</i> BCRC FU31337 |
| NG_058756.1 | <i>Paragaeumannomyces albidus</i> PDD 92537 |
| NG_070470.1 | <i>Menisporopsis dushanensis</i> MFLU 19-0213 |
| NG_070469.1 | <i>Menisporopsis breviseta</i> MFLU 19-0212 |
| NG_068569.1 | <i>Phialosporostilbe scutiformis</i> MFLUCC 17-0227 |
| NG_068242.1 | <i>Brunneodinemasporium jonesii</i> GZCC 16-0050 |
| NG_067904.1 | <i>Dictyochaeta brevis</i> MFLU 19-0216 |
| NG_067899.1 | <i>Multiguttulispora sympodialis</i> MFLU 19-0218 |
| NG_067562.1 | <i>Chloridium aseptatum</i> MFLU 11-1051 |
| NG_059700.1 | <i>Sporoschisma longicatenatum</i> MFLU 16-1325 |
| NG_058757.1 | <i>Chaetosphaeria metallicans</i> PDD 92539 |
| NG_081350.1 | <i>Paradinemasporium junci</i> CBS 148317 |
| NG_081301.1 | <i>Codinaeella mimusopis</i> |
| NG_068635.1 | <i>Stilbochaeta submersa</i> MFLU 18-2321 |
| NG_068634.1 | <i>Codinaea lignicola</i> MFLU 18-1613 |
| NG_068633.1 | <i>Codinaea ellipsoidea</i> MFLU 18-1612 |
| NG_059142.1 | <i>Codinaea siamensis</i> MFLU 15-1149 |
| NG_059053.1 | <i>Codinaeella lambertiae</i> |
| NG_058902.1 | <i>Codinaeella pini</i> |
| NG_068638.1 | <i>Catenularia catenulata</i> MFLU 18-1620 |
| NG_068637.1 | <i>Fuscocatenula submersa</i> MFLUCC 18-1342 |
| NG_067549.1 | <i>Zanclospora jonesii</i> MFLUCC 15-1015 |
| NG_073871.1 | <i>Chloridium pini</i> CPC 36627 |
| NG_073859.1 | <i>Dictyochaeta coryli</i> MFLU 19-1387 |
| NG_073858.1 | <i>Dictyochaeta lithocarpi</i> MFLUCC 17-2228 |
| NG_073788.1 | <i>Chloridium submersum</i> MFLUCC 16-1344 |
| NG_073651.1 | <i>Sporoschisma chiangraiense</i> MFLUCC 18-0703 |
| NG_059017.1 | <i>Paragaeumannomyces garethjonesii</i> MFLUCC 15-1012 |
| NG_068842.1 | <i>Thozetella pandanicola</i> MFLUCC 16-0253 |
| NG_068832.1 | <i>Polynema podocarpi</i> CPC 32761 |
| NG_068777.1 | <i>Sporoschisma aquaticum</i> DLU 628 |
| NG_068639.1 | <i>Chaetosphaeria aquatica</i> MFLUCC 18-1341 |
| NG_068636.1 | <i>Dictyochaeta cangshanensis</i> MFLUCC 17-2214 |
| NG_068632.1 | <i>Tainosphaeria obclavata</i> MFLUCC 18-0260 |
| NG_068631.1 | <i>Tainosphaeria lunata</i> MFLUCC 18-0642 |
| NG_068630.1 | <i>Codinaea yunnanensis</i> MFLUCC 17-0468 |
| NG_068512.1 | <i>Neonawawia malaysiana</i> |
| NG_067896.1 | <i>Thozetella neonivea</i> CBS 145534 |
| NG_067834.1 | <i>Thozetella lithocarpi</i> MFLU 16-1068 |
| NG_067452.1 | <i>Chaetosphaeria ciliata</i> CBS 122131 |
| NG_067351.1 | <i>Chloridium virescens</i> var. <i>chlamydosporum</i> CBS 114.41 |

| | |
|-------------|--|
| NG_058594.1 | <i>Adautomilanezia caesalpiniae</i> HUEFS 216632 |
| NG_066268.1 | <i>Chaetosphaeria fuegiana</i> CBS 114553 |
| NG_064543.1 | <i>Eucalyptostroma eucalyptorum</i> CPC 31800 |
| NG_059807.1 | <i>Pseudolachnella brevifusiformis</i> HHUF 30495 |
| NG_059767.1 | <i>Thozetella fabacearum</i> MFLU 16-1021 |
| NG_059712.1 | <i>Tainosphaeria siamensis</i> MFLU 15-1142 |
| NG_059410.1 | <i>Pseudolachnella longiciliata</i> HHUF 27528 |
| NG_059409.1 | <i>Pseudolachnella complanata</i> HHUF 28282 |
| NG_059408.1 | <i>Pseudolachnella brevicoronata</i> HHUF 30119 |
| NG_059407.1 | <i>Pseudodinemasporium fabiforme</i> HHUF 29716 |
| NG_059406.1 | <i>Neopseudolachnella uniseptata</i> HHUF 29728 |
| NG_059405.1 | <i>Neopseudolachnella magnispora</i> HHUF 29977 |
| NG_059404.1 | <i>Neopseudolachnella acutispora</i> HHUF 29727 |
| NG_059257.1 | <i>Eucalyptostroma eucalypti</i> CPC 28764 |
| NG_059124.1 | <i>Dinemasporium ipomoeae</i> |
| NG_059119.1 | <i>Dinemasporium trichophoricola</i> CBS 136772 |
| NG_059110.1 | <i>Dinemasporium morbidum</i> CBS 129.66 |
| NG_059109.1 | <i>Dinemasporium polygonum</i> CBS 516.95 |
| NG_058655.1 | <i>Brunneodinemasporium brasiliense</i> CBS 112007 |
| NG_057956.1 | <i>Pseudolachnea fraxini</i> |
| NG_067901.1 | <i>Kionochaeta castaneae</i> MFLU 19-0204 |
| NG_067900.1 | <i>Kionochaeta microspora</i> MFLU 19-0206 |
| NG_069610.1 | <i>Botrytis byssoidea</i> CBS 104.23 |
| NG_075332.1 | <i>Phialocephala compacta</i> CBS 507.94 |
| NG_067780.1 | <i>Lachnellula hyalina</i> CBS 185.66 |
| NG_066455.1 | <i>Lachnum fusiforme</i> MFLU 15-0230 |
| NG_073819.1 | <i>Phialocephala amethystea</i> DAOMC 251552 |
| NG_067298.1 | <i>Pezicula microspora</i> CBS 124641 |
| NG_069888.1 | <i>Pezicula ericae</i> CBS 120290 |
| NG_068558.1 | <i>Hyaloscypha melinii</i> CBS 143705 |
| NG_069568.1 | <i>Hyaloscypha finlandica</i> CBS 444.86 |
| NG_067342.1 | <i>Botrytis fabae</i> CBS 120.29 |

Table S5. Mitochondrial gene repertoire of EC4

| Gene products | Genes |
|--|--|
| ATP synthase subunits | <i>atp6, atp8, atp9</i> |
| Cytochrome c oxidase subunits | <i>cox1, cox2, cox3</i> |
| Cytochrome b subunits | <i>cob</i> |
| NADH dehydrogenase subunits | <i>nad1, nad2, nad3, nad4, nad4L, nad5, nad6</i> |
| Open Reading Frames (ORFs) of unknown function | <i>orf104, orf122, orf219, orf266, orf330, orf356, orf404, orf478</i> |
| RNase P | <i>rnpB</i> |
| Large subunit rRNA | <i>rnl</i> |
| Small subunit rRNA | <i>rns</i> |
| tRNA | <i>trnA(ugc), trnC(gca), trnD(guc), trnE(uuc), trnF(gaa), trnG(ucc), trnH(gug), trnI(gau), trnK(uuu), trnL(uaa), trnL(uag), trnM(cau), trnN(guu), trnP(ugg), trnQ(uug), trnR(acg), trnR(ucu), trnS(gcu), trnS(uga), trnT(ugu), trnV(uac), trnW(uca), trnY(gua)</i> |

Table S6. Transposable elements in the EC4 genome identified using RepeatMasker

| | Number of elements ^a | Length occupied | Percentage of sequence ^b |
|------------------------------------|---------------------------------|-----------------|-------------------------------------|
| Retroelements | 521 | 1,002,462 bp | 1.81% |
| SINEs: | 0 | 0 bp | 0.00% |
| Penelope | 0 | 0 bp | 0.00% |
| LINEs: | 112 | 330,859 bp | 0.60% |
| CRE/SLACS | 0 | 0 bp | 0.00% |
| L2/CR1/Rex | 0 | 0 bp | 0.00% |
| R1/LOA/Jockey | 0 | 0 bp | 0.00% |
| R2/R4/NeSL | 0 | 0 bp | 0.00% |
| RTE/Bov-B | 0 | 0 bp | 0.00% |
| L1/CIN4 | 0 | 0 bp | 0.00% |
| LTR elements: | 409 | 671,603 bp | 1.21% |
| BEL/Pao | 0 | 0 bp | 0.00% |
| Ty1/Copia | 141 | 126,375 bp | 0.23% |
| Gypsy/DIRS1 | 268 | 545,228 bp | 0.99% |
| Retroviral | 0 | 0 bp | 0.00% |
| DNA transposons | 75 | 14,437 bp | 0.03% |
| hobo-Activator | 29 | 5,417 bp | 0.01% |
| Tc1-IS630-Pogo | 24 | 4,478 bp | 0.01% |
| En-Spm | 0 | 0 bp | 0.00% |
| MuDR-IS905 | 22 | 4,542 bp | 0.01% |
| PiggyBac | 0 | 0 bp | 0.00% |
| Tourist/Harbinger | 0 | 0 bp | 0.00% |
| Other (Mirage, P, etc.) | 0 | 0 bp | 0.00% |
| Rolling-circles | 0 | 0 bp | 0.00% |
| Unclassified: | 1,967 | 878,231 bp | 1.59% |
| Total interspersed repeats: | | 1,895,042 bp | 3.43% |
| Small RNA: | 0 | 0 bp | 0.00% |
| Satellites: | 0 | 0 bp | 0.00% |
| Simple repeats: | 6,655 | 271,224 bp | 0.49% |
| Low complexity: | 656 | 31,330 bp | 0.06% |

^aRepeats fragmented by insertions or deletions have been counted as one element. ^bProportion of genome

Table S7. GO enrichment analysis^a of EC4-specific and *Trichoderma*-specific genes

| GO ID | Count of <i>Trichoderma</i> - specific genes | Count of EC4-specific genes | Name | GO category |
|------------|--|-----------------------------------|---|--------------------|
| GO:0055085 | 0 | 60 | Transmembrane transport | Biological Process |
| GO:0006351 | 27 | 52 | Transcription, DNA- templated | Biological Process |
| GO:0016491 | 0 | 41 | Oxidoreductase activity | Molecular Function |
| GO:0016705 | 0 | 26 | Oxidoreductase activity, acting on paired donors, with incorporation or reduction of molecular oxygen | Molecular Function |
| GO:0009405 | 0 | 24 | Pathogenesis | Biological Process |
| GO:0016787 | 0 | 15 | Hydrolase activity | Molecular Function |
| GO:0004497 | 0 | 13 | Monooxygenase activity | Molecular Function |
| GO:0045493 | 0 | 13 | Xylan catabolic process | Biological Process |
| GO:0030245 | 0 | 13 | Cellulose catabolic process | Biological Process |
| GO:0008643 | 0 | 9 | Carbohydrate transport | Biological Process |
| GO:0035442 | 0 | 8 | Dipeptide transmembrane transport | Biological Process |
| GO:0015031 | 0 | 5 | Protein transport | Biological Process |
| GO:0006412 | 0 | 2 | Translation | Biological Process |

^aGO enrichment analysis was performed using orthoVenn2. See Methods.

Table S8. GO enrichment analysis^a of differentially up-regulated genes of EC4 when in contact with cranberry plant roots

| GO ID | GO Name |
|------------|---|
| GO:0006520 | amino acid metabolic process |
| GO:0019752 | carboxylic acid metabolic process |
| GO:0051641 | cellular localization |
| GO:0070727 | cellular macromolecule localization |
| GO:0051649 | establishment of localization in the cell |
| GO:0045184 | establishment of protein localization |
| GO:0006886 | intracellular protein transport |
| GO:0046907 | intracellular transport |
| GO:0033036 | macromolecule localization |
| GO:0140053 | mitochondrial gene expression |
| GO:0007005 | mitochondrion organization |
| GO:0043386 | mycotoxin biosynthetic process |
| GO:0043385 | mycotoxin metabolic process |
| GO:0071705 | nitrogen compound transport |
| GO:0006082 | organic acid metabolic process |
| GO:0071702 | organic substance transport |
| GO:1901564 | organonitrogen compound metabolic process |
| GO:0043436 | oxoacid metabolic process |
| GO:0006457 | protein folding |
| GO:0008104 | protein localization |
| GO:0015031 | protein transport |
| GO:0019748 | secondary metabolic process |
| GO:0044550 | secondary metabolite biosynthetic process |
| GO:0009403 | toxin biosynthetic process |
| GO:0009404 | toxin metabolic process |

^aGO enrichment analysis was performed using the Fisher Exact Test with FDR 0.05. See Methods.

Table S9. Plant growth-promoting genes of EC4 and their expression

| Gene class | Nr. of genes | | | | | |
|---|--------------|------------------------|--|-------------|----|------|
| | Total | Expressed ^a | Expressed in contact with plant roots ^b | | | |
| | | | Yeast-Glycerol medium | Plant Roots | Up | Down |
| Nitrogen nutrition (79 genes) | | | | | | |
| Ammonium transporter | 6 | 3 | 3 | 1 | 1 | 1 |
| Amino-acid-permease | 37 | 16 | 17 | 3 | 3 | 11 |
| Nitrate/nitrite transporter | 36 | 17 | 15 | 2 | 5 | 9 |
| Phosphate nutrition (87 genes) | | | | | | |
| Acid phosphatase | 1 | 1 | 1 | 0 | 0 | 1 |
| Alkaline phosphatase | 2 | 2 | 2 | 0 | 0 | 2 |
| Phytase | 5 | 3 | 3 | 1 | 0 | 2 |
| Phosphate transporter | 79 | 52 | 43 | 10 | 7 | 29 |
| Potassium nutrition (27 genes) | | | | | | |
| Potassium uptake system | | | | | | |
| TRK (Transporter of K+) | 3 | 2 | 2 | 0 | 0 | 2 |
| HAK (High-Affinity K) | 1 | 1 | 1 | 0 | 0 | 1 |
| ACU (Alkali Cation Uptake transporters) | 10 | 8 | 8 | 1 | 2 | 5 |
| PAT (P-type ATPase) | 1 | 1 | 1 | 0 | 1 | 0 |
| Potassium efflux systems | | | | | | |
| TOK (Tandem-pore Outward-rectifying K+) | 2 | 2 | 2 | 0 | 0 | 2 |
| ENA (Exit Natrium) | 10 | 9 | 9 | 1 | 1 | 7 |
| Indole Acetic Acid - biosynthetic genes (59 genes) | | | | | | |
| TAM1 (Tryptophan AMinotransferase 1) | 11 | 6 | 6 | 0 | 0 | 6 |
| IPD1 (Indole-3-Pyruvic acid Decarboxylase 1) | 6 | 4 | 3 | 2 | 1 | 1 |
| IAH1(Isoamyl Acetate-Hydrolyzing esterase 1) | 42 | 19 | 18 | 0 | 1 | 17 |
| Gibberellin biosynthetic genes (121 genes) | | | | | | |
| P450-1 (cytochrome P450 monooxygenase 1) | 16 | 7 | 5 | 0 | 2 | 4 |
| P450-2 (cytochrome P450 monooxygenase 2) | 8 | 2 | 1 | 0 | 2 | 0 |
| P450-3 (cytochrome P450 monooxygenase 3) | 1 | 0 | 0 | 0 | 0 | 0 |
| P450-4 (cytochrome P450 monooxygenase 4) | 82 | 33 | 25 | 2 | 5 | 22 |
| DES (GA4 desaturase) | 8 | 6 | 5 | 1 | 0 | 4 |
| GG52 (Geranyl Geranyl diphosphate Synthase) | 6 | 3 | 3 | 0 | 0 | 3 |
| Cytokinin biosynthetic genes (160 genes) | | | | | | |
| FCK1 (bifunctional CytoKinin biosynthesis protein) | 2 | 1 | 1 | 0 | 0 | 1 |
| FCK2 (cytochrome P450 monooxygenase) | 143 | 50 | 44 | 5 | 3 | 38 |
| FCK3 (probable glycosyltransferase) | 8 | 0 | 3 | 0 | 0 | 3 |
| FCK4 (probable alcohol acetyltransferase) | 7 | 3 | 0 | 1 | 1 | 0 |

^aCultured in liquid Yeast-Glycerol medium (control) and in contact with plant roots (test). Genes with TPM values of more than two were considered expressed. ^b Differentially expressed with Fold Change (FC) \geq +/- 1 and P<0.05. ^cGenes that are expressed in contact with plant roots (4th column) but not differentially expressed were considered unchanged.

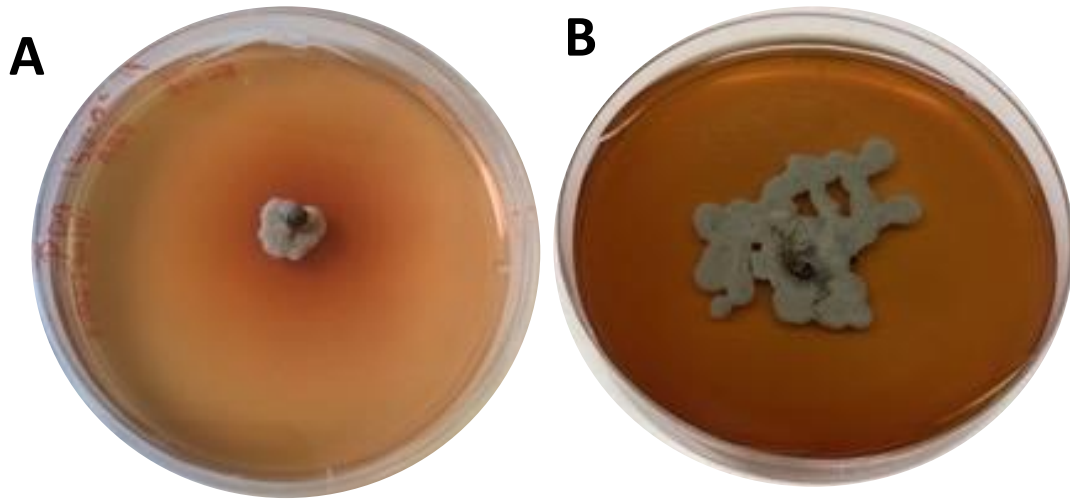


Figure S1. Endophyte re-isolated from EC4-infected cranberry roots. Colony morphology on potato dextrose agar. (A), EC4; (B) endophyte isolated from the roots of a cranberry plant inoculated with EC4. Both colonies have the same morphological features, only that on (B) is larger, and the agar has a darker coloration because of the longer growth time.

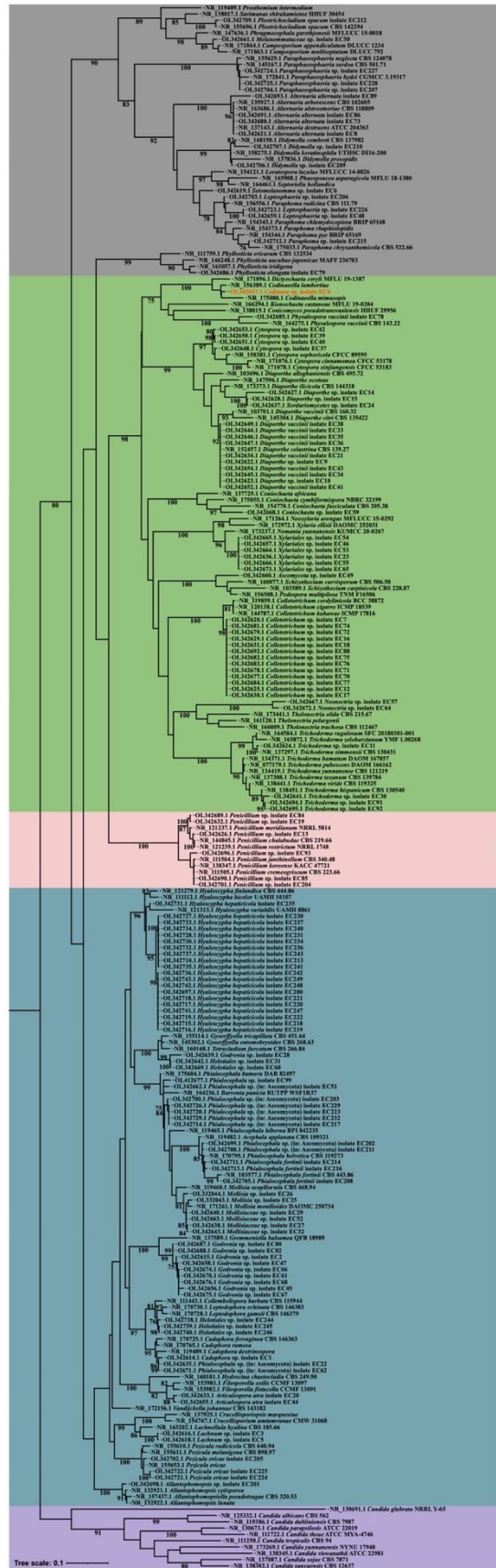


Figure S2. Phylogenetic positioning of fungal cranberry-endophytes reported earlier [21]. All isolates (labeled with accession number and isolate name) belong to the phylum Ascomycota. Specifically, Leotiomycetes (64 isolates), Sordariomycetes (46 isolates), Dothideomycetes (17 isolates) and Eurotiomycetes (six isolates) class. EC4 groups together with taxa of the *Codinaeella* genus within the Sordariomycetes class. The other fungal ITS sequences were downloaded from the NCBI nucleotide database. The top three closely related sequences were collected from NCBI RefSeq Targeted Loci Project [PRJNA51803] for each unique fungal endophyte. The tree was constructed with RAxML-HPC v.8.2.12 [51] using the GTRCAT approximation. Bootstrap support values ≥ 75 are shown. *Candida* species were used as an outgroup.

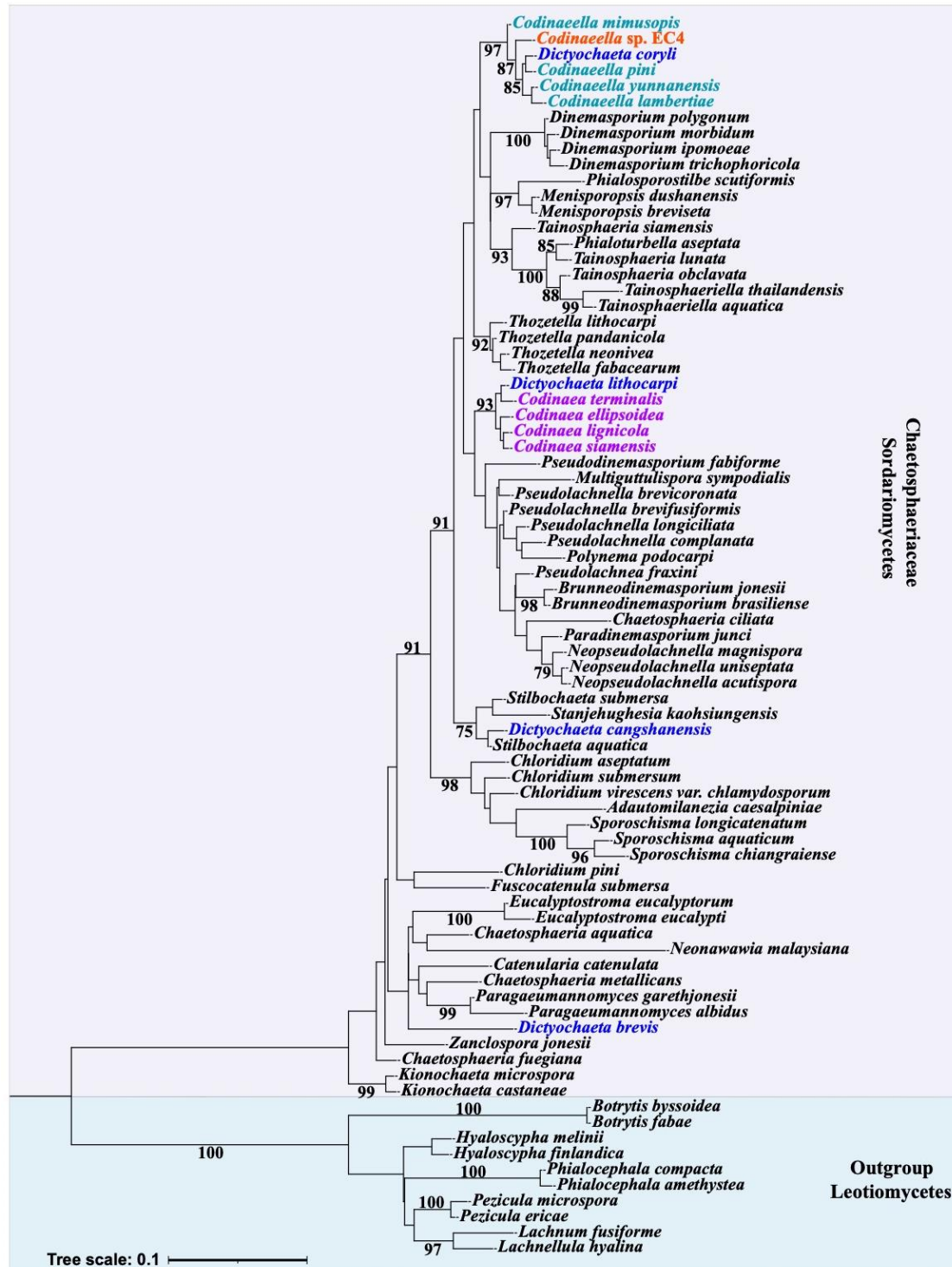


Figure S3. Phylogenetic placement of EC4. Phylogenetic tree based on 28S rRNA sequences from Chaetosphaeriaceae (class Sordariomycetes) that were downloaded from the NCBI RefSeq Targeted Loci Project [PRJNA51803]. The tree was constructed with RAXML-HP v.8.2.12 [51] using the GTRCAT approximation. The accession numbers of the species are listed in Supplementary Table S5. Bootstrap support values ≥ 75 are shown. Leotiomyces species were used as an outgroup. EC4 groups together with *Codinaeella* species, forming a clade with 97% support.

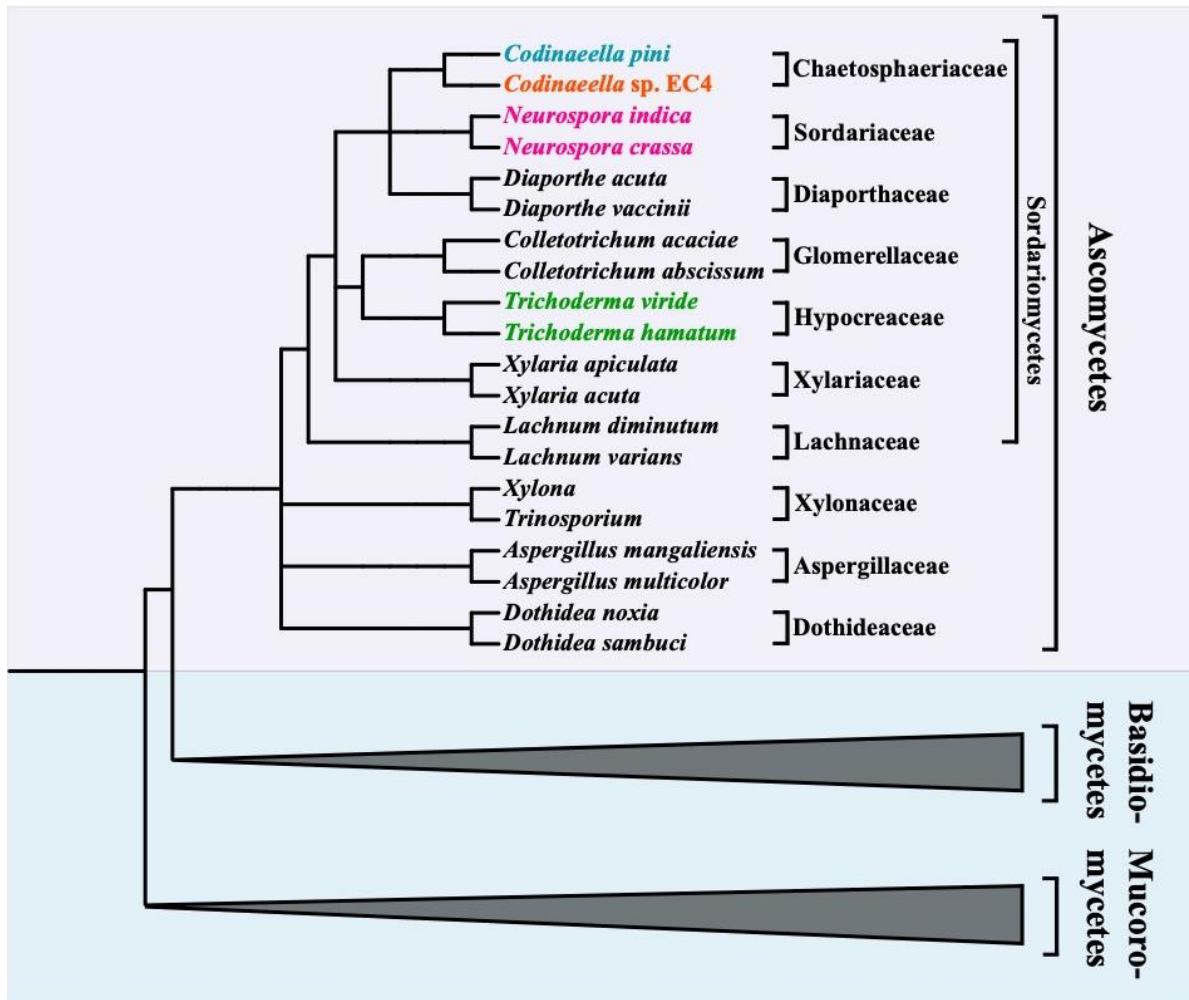


Figure S4. Schematic phylogenetic tree including EC4 and other well-studied fungi. The phylogenetic relationships between species are based on [95,96] and the tree shown in this report (Figure S2). Among the well-studied fungi, *Neurospora* and *Diaporthe* are the closest relatives of EC4.

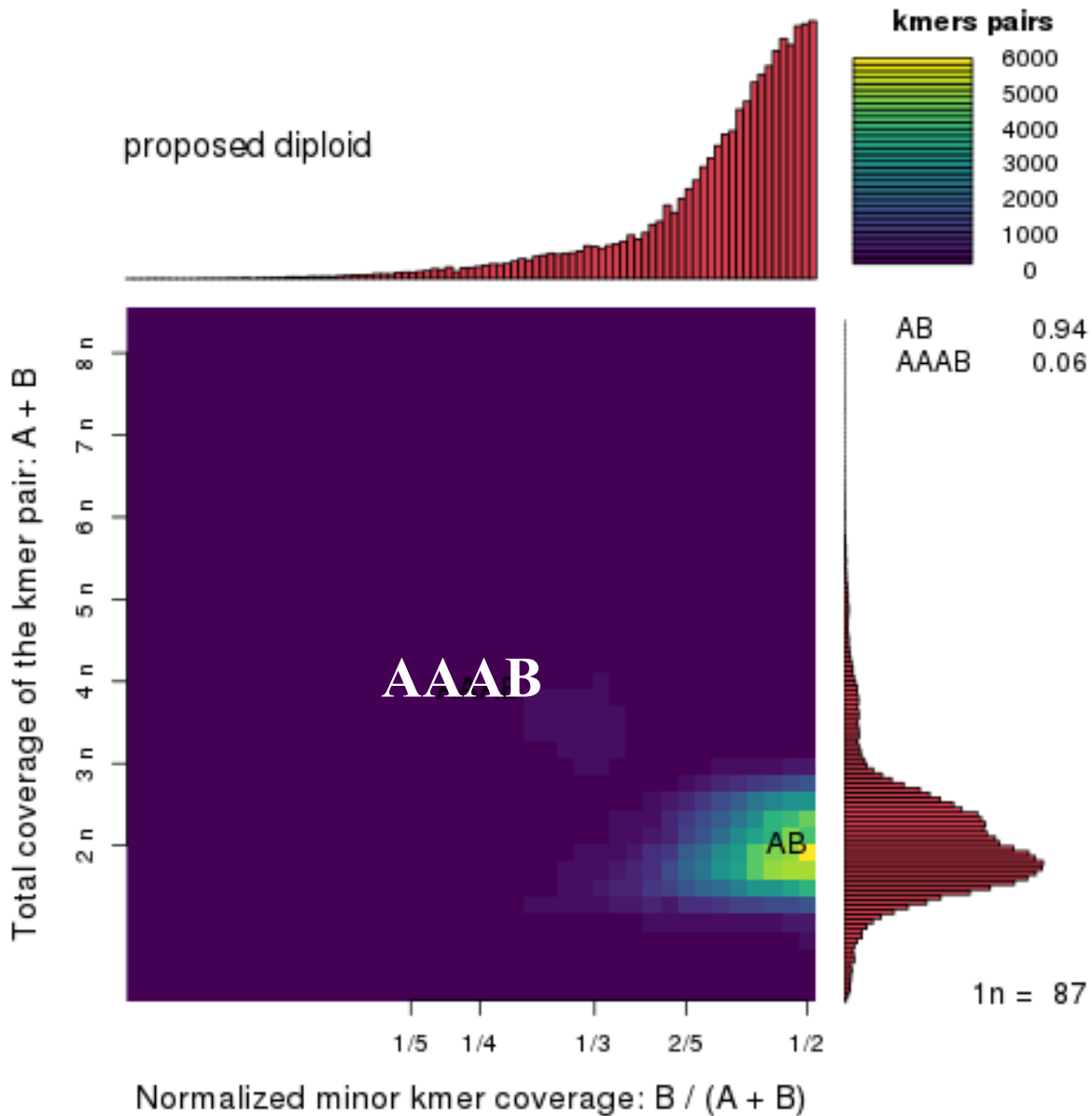


Figure S5. Ploidy inference of the EC4 nuclear genome. The ploidy estimation is based on k-mer counts in sequencing reads. The figure shows the output of Smudgeplot (v0.2.3) [44]. The heatmap (blue square) depicts the coverage of k-mer pairs differing by one nucleotide. The coverage distribution (on the right side of the heatmap) indicates the ploidy level (the scale is given on the left). The distribution on the top represents the coverage normalized by the allele ratio. EC4 is determined to be diploid. n = average k-mer coverage.

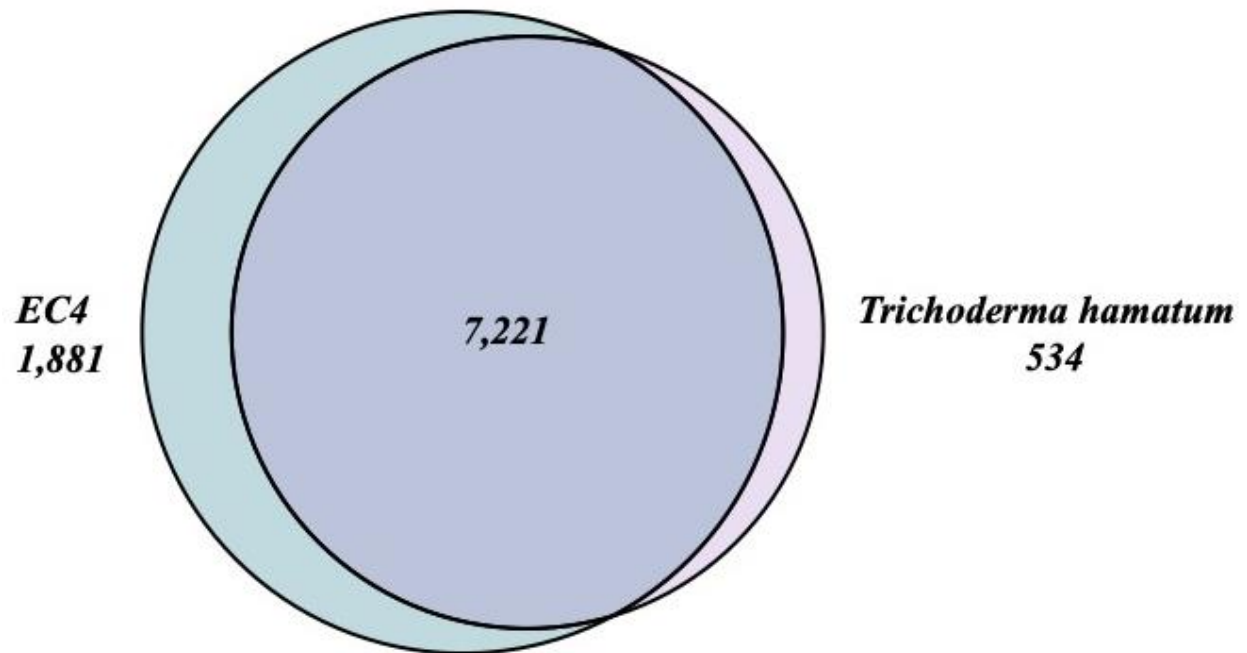


Figure S6. Analysis of orthologous genes in EC4 and *Trichoderma hamatum*. The Venn diagram represents the numbers of shared and unique gene clusters from EC4 and *Trichoderma hamatum*. The analysis was performed with Orthovenn2 [96].

Method S1. Annotation of the EC4 nuclear genome

Structural genome annotation

The structural genome annotation was performed essentially as described earlier [40]. Briefly, the genome assembly was first masked for simple repeats using RepeatScout v1.0.5 [97] and RepeatMasker v4.0.9 [unpublished: <https://www.repeatmasker.org/>] using the following commands:

```
build_lmer_table -sequence EC4.fasta -freq lmer_table.txt
RepeatScout -minthres 150 -sequence EC4.fasta -output repscout.fasta -freq lmer_table.txt
RepeatMasker -xsmall -gff -s -pa 40 -lib repscout.fasta EC4.fasta
```

RNA-Seq reads were quality-trimmed using trimmomatic v0.30 [35], corrected for errors using Rcorrector [49], and then mapped to the genome assembly using STAR v2.6.1b [36].

```
java -jar trimmomatic-0.30.jar R1-raw.fq.gz R2-raw.fq.gz R1.fq.gz unpaired-R1.fq.gz R2.fq.gz unpaired-R2.fq.gz -phred33
ILLUMINACLIP:adapters-MI:3:30:9 LEADING:3 TRAILING:3 SLIDINGWINDOW:4:5 MINLEN:20
run_rcorrector.pl -t 20 -maxcorK 1 -k 31 R1.fq.gz R2.fq.gz
STAR --runThreadN 40 --runMode genomeGenerate --genomeDir STAR-index --genomeFastaFiles EC4.fasta --
genomeSAindexNbases 13
STAR --runThreadN 40 --genomeDir build-index --alignEndsType Local --readFilesIn R1.fq.gz R2.fq.gz --outSAMtype BAM
SortedByCoordinate --outSJfilterIntronMaxVsReadN 100 300 500 --alignIntronMin 19 --alignIntronMax 5000 --outFileNamePrefix
STAR_ --outSAMattributes All --outSAMattrIHstart 0 --outSAMstrandField intronMotif --limitBAMsortRAM 27643756136 --
readFilesCommand zcat
```

Subsequently, the processed reads were assembled by two procedures (i) *de novo* and (ii) guided by the genome assembly using Trinity v2.6.6 [98].

```
Trinity --seqType fq --max_memory 150G --left R1.fq.gz --right R2.fq.gz --CPU 40 --output trinity-denovo --full_cleanup --
SS_lib_type RF
Trinity --genome_guided_max_intron 20000 --max_memory 250G --CPU 40 --genome_guided_bam
STAR_Aligned.sortedByCoord.out.bam --output trinity-gg --full_cleanup --SS_lib_type RF
```

The resulting transcriptome assemblies were combined into a single file, trinity-comprehensive.fasta, and aligned to the genome assembly using PASA v2.3.3 [99].

```
Launch_PASA_pipeline.pl -c alignAssembly.config -C -R -R -g EC4.fasta -t trinity-comprehensive.fasta.clean -T -u trinity-
comprehensive.fasta --ALIGNERS gmap,blat --CPU 40 --TDN tdn.accs -I 20000 --stringent_alignment_overlap 30.0 --
transcribed_is_aligned_orient
```

The alignments were then combined into a single, comprehensive assembly:

```
build_comprehensive_transcriptome.dbi -c alignAssembly.config -t EC4.sqlite.assemblies.fasta --min_per_ID 95 --
min_per_aligned 95
```

Protein sequence accessions GCA_000182965.3, GCA_002759435.2, GCA_001006365.1, GCA_001702395.2, GCA_000271745.2, GCA_000002495.2, GCA_000182925.2, GCA_002072345.1, GCA_000182805.2, and GCA_001636815.1 were aligned to the genome using Spaln v2.2.2 [100].

```
spaln -C1 -O12 -Q5 -yL20 -yX -t40 -dEC4 all_protein_data.faa
```

The *ab initio* gene predictors employed were Genemark v4.33 with intron intervals as hints derived from RNA-Seq read mapping [101],

```
gmes_petap.pl --soft 1000 --ET=introns.gff --et_score=3 --cores=40 --sequence=EC4.fasta --fungus
```

CodingQuarry v2.0 was run with transcript alignments as hints [102]:

```
CodingQuarry -p 40 -f EC4.fasta -t pasa_transcripts.gff3
```

Augustus v3.3.2 [103] was employed along with protein sequence alignments, RNA-Seq read coverage and transcript alignments as described at

<https://bioinf.unigreifswald.de/bioinf/wiki/pmwiki.php?n=Augustus>. Augustus, and Snap [104] trained on Augustus models with a score of 1 following the instructions on <https://github.com/KorfLab/SNAP>. Finally, the PASA assembly, Spaln alignments, and Augustus, Snap and CodingQuarry gene models were combined into a single consensus with Evidencemodeler v1.1.1 [105] following the instructions at <https://evidencemodeler.github.io/>. Modelling tRNAs was performed using tRNAscan-SE v1.3.1 [106]

```
tRNAscan-SE -brief -codons -output tRNAscan-SE.out EC4.fasta
```

Functional genome annotation

Coding sequences from gene models were extracted from the output of Evidencemodeler. Conceptually translated protein sequences were then searched with Blast [107] against UniProt/SwissProtKB (downloaded March 23, 2018) [108]. The GenBank [GCA_000182965.3, GCA_002759435.2,

GCA_001006365.1, GCA_001702395.2, GCA_000271745.2, GCA_000002495.2, GCA_000182925.2, GCA_002072345.1, GCA_000182805.2, and GCA_001636815.1] sequences were used for structural annotation to identify the single best hit below the maximum threshold e-value of 1.0×10^{-7} , using Blastp v2.2.31+.

```
makeblastdb -dbtype prot -in all_protein_data.faa
blastp -db all_protein_data.faa -num_threads 40 -outfmt '6 qseqid sseqid stitle pident length qlen slen evalue bitscore' -
max_target_seqs 5 -evalue 1e-7 -query EC4.faa -out EC4.faa.blastp_all_protein_data
```

Product names of the single best Blast hit against the Swiss-Prot database [108] (global cutoff of 1×10^{-7}) were transferred to EC4 gene models. Precedence was given to hits of GenBank accessions if the e-value was lower than a competing hit to the Swiss-Prot database; otherwise, the product name was automatically transferred in the absence of a Swiss-Prot hit, provided the e-value was below the global cutoff. We assigned 'hypothetical protein' as the product name to all remaining models without hits below the threshold. Hmmer v3.3 [38] was also used to search for conserved domains described in Pfam v31.0 using the model-specific noise threshold as the e-value cutoff. Blastp [107] and Hmmer search [49] hits were included in the 9th column of the gff3 file (https://www.ncbi.nlm.nih.gov/genbank/genomes_gff/) as 'product' and 'inference' attributes, respectively, as per the NCBI eukaryotic genome annotation guidelines (https://www.ncbi.nlm.nih.gov/genbank/eukaryotic_genome_submission_annotation/)

Result S1: Nuclear ribosomal internal transcribed spacer (ITS) sequence of endophyte re-isolated from EC4-infected cranberry plantlets

PCR with ITS PCR primers (see [Table S1](#)) amplified the ITS regions of EC4 and the cranberry plant. Two ITS amplicons were obtained from the root samples of EC4-inoculated plants, corresponding to the inoculated fungi EC4 and the host plant. Single ITS amplicon obtained from the root samples of not-inoculated plants corresponding to the host plant.

>Plant

```

NGTNNNACNCCNCCCGTCGCTCCTACCGATTGAATGGTCCGGTGAAGTGTTCCGGATCGCGGCGACGTGGGCNGGTTTCGCTGCCGGCGACGTCG
CGAGAAAGTCCATGAACCTTATCATTTAGAGGAAGGAGAAGTCGTAACAAGGTTTCCGTAGGTGAACCTGCGGAAGGATCATTGTGAAAACCTGC
CGAGCAGAAAAACCGCGAACTCGTCTACTCTGCGGGAACGATGCGGGGGTTCGCGGCCAGCTGCCTCGCCTTCCATTTTTTCCCGTGCGAGC
GGATGCGCACGGAACCTCCGGGCGACGTGCTCGTCTGCTTGTCAAACAACGAACCCCGGCGCAAGACGCGCCAAGGAAAAATCGAACAAAGAG
AGCGCGTCCCCCGCCGTTCTCGGGCGGTGTGGCGTCTGCAATCTTTCTTGTAAGTGAACGACTCTCGGCAACGGATATCTCGGCTCTTGATC
GATGAAGAACGTAGCGAAATGCGATACTTGGTGTGAATTGCAGAATCCCGTGAACCATGAGTCTTTGAACGCAAGTTGCGCTGAAGCCATTAGG
TTGAAGGCACGTCTGCCTGGGCGTCACGCATTGCGTCACCCACTCCCCCGCGCCCCGAGCGGGCGCGTGGTGCGTGGGCGGATATTGGCCCC
CCGTCCGCATCCGTGCTCGGTGCGSCTAAAAACGGGTCCCCAACGACGACATCAGACAAGTGTTGGTGGTGTCTAAAACCGTCGCGTCGCGTCGT
GCGTGCCATCGTCTGTTGCGGGTKGGCCCATTTGACCCTGGAGTGCCGTCTAACCGCGGCGCCTCAASTGCGACCCNGNCRGGGGGATTACCC
NNTGANTTTNAAGCATATYNAAWWNANNGGNGGNNNNN

```

>EC4

```

NTTCTCCGCTTATTGATATGCTTAAGTTCAGCGGTATTCTACCTGATCCGAGGTCANCCTTGTAAAGATTGGGGGTTTACCGGCCGGCATGCG
CCCGCGCCCGGAACGAGAAGTAACTACTGCGTTCGGTTCGTGGGACGCACCCGCCGCTGTCTTTCGGGGCCTGCAGCGCAGGACCCCAACGCCAG
GCGTGGCCTGAGGGTTGTAATGACGCTCGAACAGGCATGCCCGCCGGGATACCGCGGGCGCAATGTGCGTTCAAAGATTTCGATGATTCACTGA
ATTCTGCAATTCACATTACTTATCGCATTTTCGTCGCTTCTCATCGATGCCAGAACCAAGAGATCCGTTGTTGAAAGTTTAACTTATTTGTATGTA
CTCGGAGATGCCAACGCGCGAGACAGAGTATGAGGCCACCGGCGGGCGTAGCGCCCCGACGAACCGGAGCACCCGCCGAGGCAACGACTATA
GGTATGTTACAGGGGTTACGGGAGTCTTTCGAGTCTGTAATGATCCCTCCGCTGGTTCACCAACGGAGACCTTGTACGACTTTTACTTCTCTA
AATGACCGAGTTTGGATAGCTTTCCGGCCCTGGGTGGCCGTGCGGCCTCCTGGGCCAGTCCGGAAGCCTCACTGAGCCATTCAATCGGTAGT
AGCGACGGGCGGNGTGTACN

```