MERRILL LYNCH INVESTMENT ADVISORY PROGRAM

Dollar Cost Averaging Service Term Sheet

The Dollar Cost Averaging Service (DCA Service) is an optional service of the Merrill Lynch Investment Advisory Program (IAP). The DCA Service allows you to invest cash gradually over time into an Investment Strategy you choose, using a schedule and amount you select.

By investing at regular intervals, the DCA Service is designed to help reduce the impact of market volatility and provide a more disciplined approach to your investments. The DCA Service is available for an IAP-enrolled account (Account) that has or will invest in a Managed Strategy or Custom Managed Strategy (Investment Strategy).

The terms, risks and limitations with respect to the DCA Service outlined in this Term Sheet, the IAP client agreement, and IAP Brochure will apply to your Account. Terms not defined in this Term Sheet are used as defined in the IAP Brochure. The current version of the IAP Brochure is accessible at mymerrill.com/ADV/materials or from your Advisor.

How the DCA Service Works

- When you enroll, you choose the total amount of cash (DCA Cash) you want to invest and set the schedule (DCA Schedule) for how often those investments will occur.
- DCA Cash is held separately from assets in your Investment Strategy within your Account and invested automatically according to your DCA Schedule by Managed Account Advisors (MAA).
- **Refer to "Options for Dollar Cost Averaging, Treatment of Cash, and Conflicts of Interest" on the next page for important information.**

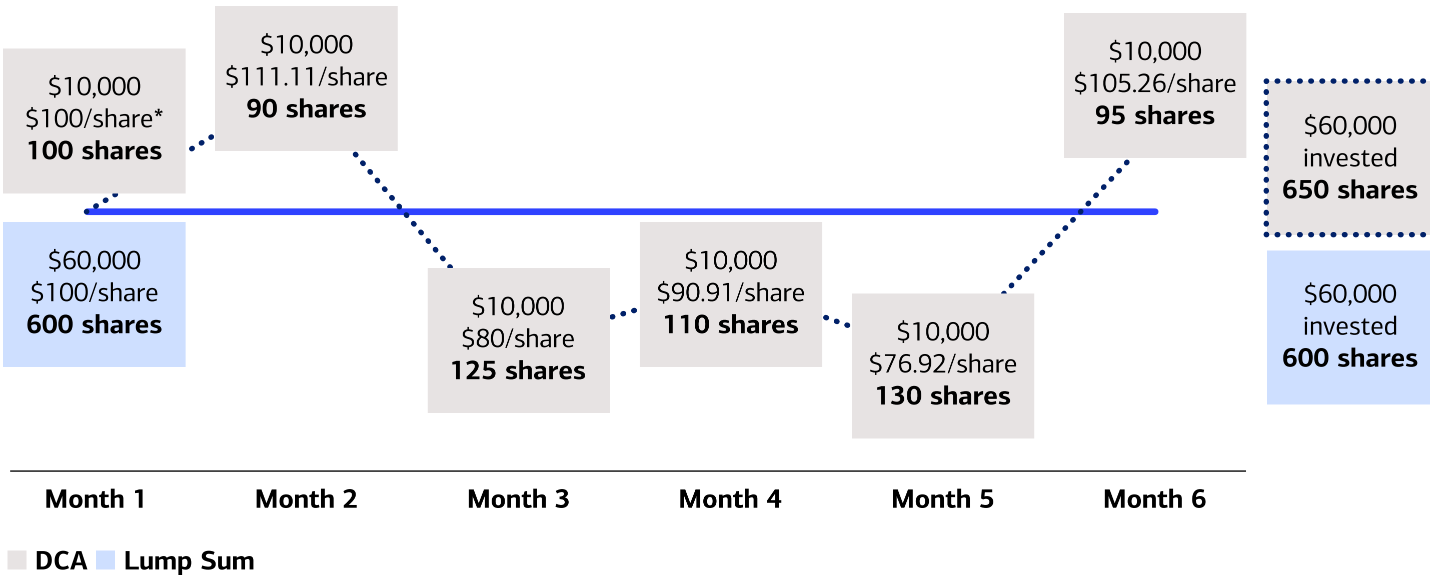
DCA Service Schedule Options and Minimums

- You select how and when DCA Cash will be invested. You may choose one of the following schedules:
  - *Defined Duration:* Select a total timeframe and an investment frequency (e.g., monthly). Your DCA Cash will be invested in equal installments until the full amount is invested.
  - *Recurring Amount on a Set Frequency:* Select a recurring dollar amount and a frequency. Investments will continue on that schedule until the full amount of DCA Cash is invested.
- The maximum DCA Service timeframe is six months.
- Available frequencies include weekly, bi-weekly, monthly and bi-monthly.
- The minimum DCA Service timeframe is one month for weekly or bi-weekly frequencies, two months for a monthly frequency, or three months for a bi-monthly frequency.
- Neither the DCA Schedule nor the initial amount of DCA Cash can be changed once established. Any other cash, cash designated for same day investment, money market funds or other securities added or transferred into the Account will be invested directly into the Investment Strategy.
- The minimum amount of cash required to enroll in the DCA Service is $3,000. There is no maximum.
- Only cash may be contributed to fund the DCA Service. Preferred Deposit® and money market funds are not eligible and must be sold if being used to fund the DCA Service.
- You must meet the Investment Strategy's minimum investment requirement prior to enrolling in the DCA Service.
- **Refer to the "DCA Service Funding Requirements" and "'Contribute Now' and 'Defer Next' Features" sections for important details that may impact your DCA Schedule.**

How Dollar Cost Averaging Works

Investing cash at regular intervals, regardless of the current price, can potentially help reduce the impact of market volatility. The example below uses assumed (not actual) share prices to illustrate how DCA works. In this illustration, a lump-sum investment of $60,000 at $100 per share results in 600 shares, while investing $10,000 monthly at varying assumed prices results in 650 shares. The assumed prices illustrate one possible scenario where DCA results in more shares purchased. In a rising market, a lump-sum investment may result in purchasing more shares than a dollar cost averaging approach.

This is a mathematical example only — it does not represent the performance of any actual security, strategy, or client account, and is not a guarantee or projection of results. This example does not reflect actual market conditions, fees (including, but not limited to, any Program Fees that will be charged to the Account as described in the IAP Brochure and IAP client agreement), taxes, or transaction costs, which would reduce the number of shares purchased. Dollar cost averaging does not ensure a profit or protect against loss.



* Share amounts are rounded to the nearest whole share

Options for Dollar Cost Averaging, Treatment of Cash, and Conflicts of Interest

- The DCA Service and DCA Cash are subject to the Merrill Lynch Fee. As an alternative to the DCA Service, you could choose to hold cash in a brokerage account and transfer it over time into the Investment Strategy without this Merrill Lynch Fee.
- DCA Cash is automatically swept with your consent to the cash sweep option applicable to your underlying brokerage account under the Cash Sweep Program, as described in the IAP Brochure and Sweep Program Guide.
- Your sweep options vary depending on your Account type. However, the interest rate you earn will likely be lower than yields on certain money market funds and other cash alternatives available through the Program as well as cash alternatives and bank deposit products for purchase in brokerage accounts. Rates and yields can be found in Merrill's Yields at a Glance Cash Management Solutions guide.
- **There are conflicts associated with your advisor recommending the DCA Service. See the "Conflicts of Interest" section for details.**

DCA Service Funding Requirements

- You must fund your DCA Cash amount, in full or in part, within 60 days of enrolling in the DCA Service or it will be removed.
- Your first contribution of DCA Cash into the Investment Strategy must be scheduled within two weeks of enrolling in the DCA Service.
- If your enrollment is delayed, your DCA Service will start on the effective date, and your schedule will be adjusted. The effective date for enrollment into the DCA Service is the date that the DCA Service election is entered and noted in our systems.
- If you fund your DCA Cash amount after contributions into the Investment Strategy were scheduled to begin, the amount will be divided across your remaining contributions, or you will have one or more "catch-up" contributions.
- If you fund less than the original DCA Cash amount, your remaining contributions may be smaller, or your DCA Schedule may be shortened.

"Contribute Now" and "Defer Next" Features

- At any time, you may instruct your Advisor to:
  - Contribute all or part of the remaining DCA Cash (Contribute Now).
  - Skip or defer a scheduled contribution (Defer Next).
- Using the Contribute Now feature will impact your DCA Schedule in the following ways:
  - *Defined Duration* — your DCA Service timeframe and contribution frequency will remain the same, but your remaining contribution amounts will decrease.
  - *Recurring Amount on a Set Frequency* — your recurring dollar amount and contribution frequency will remain the same, but the anticipated timeframe of the DCA Service may be shortened.
- Using the Defer Next feature will impact your DCA Schedule in the following ways:
  - *Defined Duration* — the DCA Service timeframe and contribution frequency will remain the same, but your remaining contribution amounts will increase.
  - *Recurring Amount on a Set Frequency* — the recurring dollar amount and contribution frequency will remain the same. However, your final scheduled contribution may increase by up to the total amount of contributions you previously deferred.

Operation of the Account with the DCA Service

- Target asset allocation monitoring in your Account will not consider DCA Cash.
- Any cash withdrawn from the Account during the DCA Service will be taken first from DCA Cash and may shorten the timeframe of the DCA Schedule or reduce the amount of the scheduled contributions. In addition, if a withdrawal causes the amount of any remaining future contributions to be less than $100, the DCA Service will be cancelled.
- If you or Merrill, at its discretion, change your Investment Strategy after enrollment and your new strategy is one eligible for the DCA Service, the DCA Service will continue, and future contributions will be made into the new Investment Strategy. If applicable, DCA Cash will be used to meet the strategy minimum, and your DCA Schedule will be automatically adjusted based on the remaining DCA Cash.
- While enrolled in the DCA Service, your Account's performance will differ from that of the Investment Strategy.

How Your Account is Charged for the DCA Service

- DCA Cash is charged the Merrill Lynch Fee for the Account, as agreed upon with your Advisor.
- Assets invested in the Investment Strategy are charged the Program Fee, which includes the Merrill Lynch Fee Rate and any applicable Style Manager Fee Rate.
- You will incur lower costs by holding cash in a brokerage account, where the Merrill Lynch Fee Rate does not apply, and transferring it over time into the Investment Strategy, but this approach does not provide access to the automated DCA Service.

Canceling the DCA Service

- The DCA Service automatically ends once all DCA Cash has been invested.
- You may cancel the DCA Service at any time by notifying your Advisor. Unless you instruct otherwise, any remaining DCA Cash will be invested in the Investment Strategy.
- You may re-enroll in the DCA Service in the future, if eligible.

Role of Managed Account Advisors (MAA)

- By enrolling in the DCA Service, you authorize and grant MAA discretion, without contacting you, to implement the DCA Service and invest your DCA Cash into the selected Investment Strategy according to your DCA Schedule, as described in the Program Agreement.
- MAA and Merrill do not have trading discretion over your DCA Cash beyond investing it into the selected Investment Strategy.
- Any other transactions involving DCA Cash require your authorization through your Advisor, as you retain investment and trading authority.
- MAA has certain investment and trading authority over assets invested in the Investment Strategy, as described in the IAP Brochure.

Enrollment in Tax Efficient Management (TEM) Overlay Services

- Unless you instruct otherwise, the Tax Efficient Rebalancing (TER) overlay service will be applied to assets invested in the Investment Strategy.
- You may also elect to apply the Quarterly Loss Harvesting (QLH) overlay service and/or Dynamic Tax Loss Harvesting (DTLH) overlay service to assets invested in the Investment Strategy.
- Due to wash sale rules and the recurring investments under the DCA Service, these services may be less effective while enrolled in the DCA Service. You should consult with your tax advisor to determine whether the wash sale rules, the straddle rules, or other special tax rules could apply to your situation.
- See the TER, QLH and DTLH Term Sheets available at mymerrill.com/ADV/materials for additional details.

Other Information

- For Trust Management Accounts (TMA), cash designated as income cash should not be considered for the DCA Service.
- We may amend these terms and conditions or terminate the DCA Service with respect to your Account, by giving written notice to you, at any time and for any reason.

Conflicts of Interest

- Your Advisor has a financial incentive to recommend the DCA Service rather than engage with you in implementing a dollar cost averaging approach in a brokerage account because Advisors are compensated based on the Merrill Lynch Fee charged on DCA Cash.
- Merrill and its bank affiliates benefit financially when cash in an Account enrolled in the DCA Service is swept into affiliated bank deposit accounts under the Cash Sweep Program, as described in the IAP Brochure.
- Merrill earns revenue from the Merrill Lynch Fee paid to us under the Program for our and our financial advisors' providing Program Services. See the IAP Brochure for additional details.

Risk of Loss

- While the aim of the DCA Service is to potentially reduce the overall impact of price volatility and lower the average cost per share, dollar cost averaging does not guarantee a profit or protect against loss, and results depend on market conditions at each investment interval.
- You should consider your willingness to continue purchasing during periods of high or low price levels.
- Investing over time may result in missed investment gains compared to investing all assets at once.

Investing involves risk, including the possible loss of principal. Past performance is no guarantee of future results. All recommendations must be considered in the context of an individual investor's goals, time horizon, liquidity needs and risk tolerance.

Bank of America, Merrill, their affiliates and advisors do not provide legal, tax or accounting advice. Clients should consult their legal and/or tax advisors before making any financial decisions.

Managed Account Advisors LLC (MAA), an affiliate of Merrill, is a registered investment adviser and indirect wholly owned subsidiary of Bank of America Corp, responsible for implementing and managing investments in Managed and Custom Managed Strategies in the Merrill Investment Advisory Program.

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