Your Roth Individual Retirement Account (Roth IRA) is a means of accumulating tax-advantaged assets for retirement. Your Roth IRA is a custody account established for the exclusive benefit of you and your beneficiaries for which Merrill Lynch acts as custodian. Your right to the balance in your Roth IRA cannot be forfeited at any time.

The basic rules and benefits of your Merrill Lynch Roth IRA, as well as important legal and federal tax information, are provided in this Disclosure. However, the Merrill Lynch Roth IRA Custodial Agreement is the primary document governing your Merrill Lynch Roth IRA and will govern in the case of any difference between these documents.

Merrill Lynch does not act as your tax or legal advisor with respect to your Roth IRA. We recommend that you consult your lawyer, accountant, or other tax advisor if you have questions beyond the scope of the information contained in this Disclosure, especially in regard to how your Roth IRA affects your estate or tax planning. You may also refer to the appropriate year’s edition of Internal Revenue Service Publication 590-A, “Contributions to Individual Retirement Arrangements (IRAs)” and 590-B, “Distributions from Individual Retirement Arrangements (IRAs)” (or any replacement publication).

You should consult your tax advisor regarding the tax consequences involving your Roth IRA for the laws of the particular state, locality or foreign country where you live, as this Disclosure covers only U.S. federal tax matters and certain states, localities and foreign countries may have significantly different tax rules.

To obtain more information on the services your Merrill Lynch Roth IRA provides to you, please contact your Merrill Lynch financial advisor or a Service Associate.

If you are receiving this Disclosure as a result of the initial opening of your Roth IRA you have the right to revoke your Roth IRA and receive a refund of any amounts given to us for your Roth IRA within seven calendar days after you receive this disclosure agreement, or 14 calendar days from the mailing date of the disclosure agreement.
If you revoke your Roth IRA within this period, the amount returned to you would not include an adjustment for any sales commissions, administrative expenses or other fees or fluctuations in market value.

You must revoke in writing to:
Manager, Retirement Plan New Accounts
Merrill Lynch, Pierce, Fenner & Smith Inc.
NJ2-140-01-03
1400 American Blvd.
Pennington, NJ 08534-4128

Make sure your revocation notice is postmarked, certified or registered prior to the end of the revocation period.

If you have any questions, contact your advisor or a Service Associate at (800) MERRILL.

ELIGIBILITY

You may make annual contributions to a Roth IRA, as long as you comply with the rules for annual contributions outlined below. Like a traditional IRA, contributions may be made by or on behalf of eligible minors. There is no upper age limit for making annual contributions to a Roth IRA.

Regardless of whether you may make annual contributions, under the rules outlined below, you may be eligible to make a transfer or rollover from another Roth IRA, a conversion from a traditional IRA, or a rollover from a qualified employer plan, subject to the applicable rules (see About Your Roth IRA - Rollovers and Transfers).

ANNUAL CONTRIBUTION LIMITS

<table>
<thead>
<tr>
<th>Tax Years Beginning</th>
<th>Under Age 50</th>
<th>Age 50 and over</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008 and later</td>
<td>$5,000</td>
<td>$6,000</td>
</tr>
</tbody>
</table>

The $5,000 contribution limit shown in the table above for tax years after 2008 is to be adjusted for changes in the cost of living. Any cost of living adjustments will be rounded down to the next lower multiple of $500. Those cost of living adjustments will also apply to the $5,000 portion of the $6,000 contribution limits for individuals age 50 and over.

In addition to the amounts described above, you may make additional contributions specifically authorized by statute — such as repayments of qualified reservist distributions, repayments of certain plan distributions made on account of a federally declared disaster and certain amounts received in connection with the Exxon Valdez litigation. Also, qualified rollover contributions include (i) all or part of a military death gratuity or service members’ group life insurance (“SGLI”) payment if the contribution is made within one year of receiving the gratuity or payment. Such contributions are disregarded for purposes of the one-rollover-per-year rule under Tax Code Section 408(d)(3)(B); and (ii) all or part of an airline payment (as defined in Section 125 of the Worker, Retiree, and Employer Recovery Act of 2008) received by certain airline employees if the contribution is made within 180 days of receiving the payment.

Your full contribution may be no more than 100% of your compensation (as described on page 4), if less than the dollar limits above. If your compensation, however, is less than your spouse’s and you file a joint tax return, you may add your spouse’s compensation in excess of his or her Roth IRA and traditional IRA contributions to your compensation.

Your allowable contribution is also determined by your tax-filing status, modified adjusted gross income (modified AGI) and contributions, if any, made to your traditional IRAs for the year (excluding SEP and SIMPLE contributions).

Beginning for 2007, the $95,000 and $150,000 modified AGI Limits for full contributions will be adjusted by the IRS for cost of living changes after 2005, rounded to the nearest multiple of $1,000. The modified AGI Limits above which no contribution is permitted (i.e., $110,000 and $160,000) will not be independently increased by a cost of living adjustment. However, the modified AGI range for determining “partial contributions” will remain at $15,000 (single/head of household) and $10,000 (married-joint return/qualifying widow(er)) over the full contribution limits.
### Calculating your maximum contribution

Follow these steps to calculate the maximum amount you may contribute each year to your Roth IRA.

#### STEP 1.

**Calculate your modified AGI** by locating the “adjusted gross income” line on your IRS Form 1040 and adding or subtracting the items listed below.

*Note that if you are married and filing a joint return, your modified AGI is based on the income of you and your spouse.*

**Add:**
- Traditional IRA deductions
- Foreign earned income exclusions
- Foreign housing exclusions
- Interest exclusions on U.S. savings bonds used to pay higher education expenses
- Adoption assistance program exclusions
- Deductions for qualified education loan interest
- Before 2013, deductions for qualified tuition and related expenses
- The 9% deduction for qualified domestic production activities.

**Subtract:**
- Any income from rolling over or converting a traditional IRA to a Roth IRA

*If you receive Social Security or Railroad Retirement benefits, use the worksheets in IRS Publication 590-A to calculate your modified AGI.*

#### STEP 2.

**Match your modified AGI** and filing status against the following table to see if you are eligible to make a full or partial contribution or are not eligible to make a contribution. If you are eligible to make a partial contribution, go to Step 3. If you are eligible to make a full contribution and you make contributions for the year to a traditional IRA, go to Step 4. If you are not eligible to make a contribution or you are eligible to make a full contribution and did not make any traditional IRA contributions for the year, you can stop with this step.

<table>
<thead>
<tr>
<th>(A) FILING STATUS</th>
<th>(B) MODIFIED AGI</th>
<th>(C) CONTRIBUTION PERMITTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single/Head of Household</td>
<td>$0–95,000</td>
<td>Full</td>
</tr>
<tr>
<td></td>
<td>$95,000–110,000</td>
<td>Partial</td>
</tr>
<tr>
<td></td>
<td>$110,000 or more</td>
<td>None</td>
</tr>
<tr>
<td>Married—Joint Return/Qualifying Widow(er)</td>
<td>$0–150,000</td>
<td>Full</td>
</tr>
<tr>
<td></td>
<td>$150,000–160,000</td>
<td>Partial</td>
</tr>
<tr>
<td></td>
<td>$160,000 or more</td>
<td>None</td>
</tr>
<tr>
<td>Married—Separate Return¹</td>
<td>$0–10,000</td>
<td>Partial</td>
</tr>
<tr>
<td></td>
<td>$10,000 or more</td>
<td>None</td>
</tr>
</tbody>
</table>

¹ If you are married, filing a separate return, and did not live with your spouse at any time during the year, you are treated as Single/Head of Household for purposes of calculating your contribution.
**STEP 3.**

**If your are eligible** to make a partial contribution, complete the following worksheet:

<table>
<thead>
<tr>
<th>EXAMPLE</th>
<th>WORKSHEET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enter the highest modified AGI for a partial contribution for your filing status for the year; e.g., $110,000, $160,000 or $10,000:</td>
<td>$110,000 [ ]</td>
</tr>
</tbody>
</table>

Subtract your modified AGI (combined, if married and filing jointly):  
\(- \frac{98,000}{15,000}\) if single/head of household, or $10,000 if married (joint or separate return) or qualifying widow(er)  
\(\frac{15,000}{15,000}\)

**Subtotal:** $12,000 [ ]

Multiply by your full contribution limit, \(x \frac{3,000}{3,000}\)

See Annual Contribution Limits and Compensation Limits on previous page(s)

**Total permitted contribution:** $2,400 [ ]

Additional instructions:

You may round up to the nearest $10. For example, if you determined your contribution is $976, you may contribute $980.

You may make a $200 minimum contribution, as long as your calculated contribution is more than $0. For example, if you determined your contribution is $133, you may still contribute $200.

If you have made no contributions to a traditional IRA, your calculation is complete. Otherwise, go to Step 4.

**STEP 4.**

**If you made contributions** to a traditional IRA, your maximum annual Roth IRA contribution is the lesser of:

- Your full contribution (see Annual Contribution Limits table and compensation limit) reduced by your traditional IRA contributions; or
- Your partial contribution calculated under Step 3.

Please note your eligibility to contribute to a Roth IRA is not affected by your coverage under an employer sponsored retirement plan. Also, voluntary nondeductible contributions you make to (or salary deferral or elective contributions, including designated Roth contributions, you elect under) such a plan do not affect the limits on your Roth IRA contributions. However, contributions that you make to a traditional IRA account or a Roth IRA account under an employer sponsored retirement plan are treated the same as other traditional IRA or Roth IRA contributions.

Merrill Lynch will not knowingly accept contributions in excess of the legal limits. You are responsible for determining the eligibility of your contributions. Should we discover we have received an excess contribution, we will return the excess contribution to you only after receiving written authorization from you.

Compensation upon which contributions may be based:

Annual contributions to your Roth IRA can generally be based on taxable compensation of you or your spouse, including amounts received for work performed as employees or self-employed persons, such as:

- Wages or salary
• Tips
• Professional fees
• Bonuses
• Commissions
• Taxable alimony or separate maintenance payments (if divorced or formally separated)
• Net income from a self-employment business after the deductions for retirement plan contributions and one half of the self-employment tax
• Non-taxable U.S. military service combat pay and differential wage payments as defined in Tax Code Section 3401(h)(2).

[22] You may not include the following in your compensation for Roth IRA annual contributions:
• Deferred compensation
• Disability payments
• Social Security benefits
• Pensions
• Earnings and profits from investments or property (such as interest, rents or dividends)
• Foreign earned income and housing allowances excluded from income
• Other amounts not included in your gross income

[23] To determine your taxable compensation as an employee for this purpose, you may use the amount that is shown on your W-2 or 1099 forms less any amounts shown as “non-qualified plans” that were included in the compensation amount. If you were employed by the U.S. military, you may add in the non-taxable combat pay reported on your W-2.

How to make annual contributions

[24] You may make annual contributions (cash only) by check, money order or electronic funds transfer acceptable to us.

[25] Contributions may be sent to:
Merrill Lynch
P.O. Box 962
Newark, NJ 07199

When you may contribute

[26] You may contribute to your Roth IRA at any time during the tax year, and up until your tax-filing deadline (generally April 15, if filing on a calendar year basis), not including extensions.

[27] Contributions made during a calendar year are, generally, treated as contributions for that calendar year. However, if you make a contribution between January 1 and April 15 and designate in writing that it is for the prior year, Merrill Lynch will treat the contribution as being for the prior year.

Contribution reports

[28] If you make a contribution for a tax year, we will send to you (or your beneficiaries) and to the IRS an IRS Form 5498 providing a valuation of your Roth IRA as of December 31, and we will include your IRA contributions designated as made for such tax year through April 15 of the following year. If we do not receive a contribution and/or rollover deposit that is reportable on Form 5498 for a particular year, we will not send a separate form to you; your Roth IRA valuation will be reported to you on your year-end Merrill Lynch account statement.

[29] Upon request, Merrill Lynch will submit a Form 5498 for the year of your death to your executor reporting the end-of-year valuation of your Roth IRA. Because any amount reported on a beneficiary’s Form 5498 would not be reported on the estate’s Form 5498, the value reported on the estate’s Form 5498 would generally be zero. Your executor has the right to request in writing a date-of-death valuation, which will be furnished within a reasonable time (generally 90 days).

ROLLOVERS AND TRANSFERS

Tax-Free Transfers between Roth IRAs

[30] You may authorize a direct transfer of assets into your Merrill Lynch Roth IRA from another Roth IRA without incurring taxes or penalties, thereby preserving their tax-deferred status.

[31] Note that a direct transfer must be made between IRA custodians or trustees and you may not receive the assets in your name.

[32] You may not make tax-free direct transfers from traditional IRAs (except for recharacterizations discussed below).
The rules regarding direct transfers of Roth IRA assets also apply to direct transfers from your Merrill Lynch Roth IRA into another Roth IRA.

Rollovers between Roth IRAs
You may roll over assets you withdraw from one Roth IRA to another Roth IRA subject to the following rules:

• You must complete the rollover within 60 days of the initial withdrawal or distribution. The IRS may waive this requirement if you can demonstrate a cause for the delay beyond your reasonable ability to control, such as a casualty or disaster;

• You may make only one tax-free rollover from a Roth IRA to which you made a prior rollover in any one-year period measured from the date of the first distribution;

• You can make only one rollover from an IRA to another (or the same) IRA in any 12-month period, regardless of the number of IRAs you own. You can, however, continue to make as many trustee-to-trustee transfers between IRAs as you want. You can also make as many rollovers from traditional IRAs to Roth IRAs (“conversions”) as you want;

• If you are the beneficiary, you may roll over assets from your deceased spouse’s Roth IRA. You are not permitted to roll over assets from an inherited Roth IRA if you are a non-spouse beneficiary; and

• You must report rollovers on your IRS Form 1040 for the year in which the rollover was completed.

The rules also apply to transfers from Roth individual retirement annuities and rollovers of assets from your Merrill Lynch Roth IRA into another Roth IRA.

Conversions from traditional IRAs
You may, generally, roll over assets from an IRA to a Roth IRA. Such rollovers are frequently called “conversions.”

The portion of a conversion that would be includible in your gross income if withdrawn from the traditional IRA will be included in your gross income. However, conversions are not subject to the 10% penalty tax for early withdrawals (except for any amount withheld for taxes).

The following rules apply:

• You must deposit the amount to your Roth IRA within 60 days of your traditional IRA withdrawal. The IRS may waive this requirement if you can demonstrate a cause for the delay beyond your reasonable ability to control, such as a casualty or disaster;

• The “only one tax-free rollover in any one-year waiting period” rules applicable to traditional IRA to traditional IRA rollovers do not apply to conversions;

• You may not convert distributions from an inherited IRA. However, a spouse sole beneficiary may be able to treat the IRA as the spouse’s and then convert. Also, a non-spouse beneficiary can directly roll over to an inherited IRA (traditional or Roth) from a qualified retirement plan;

• You may not convert required minimum distributions from a traditional IRA;

• Assets converted to a Roth IRA are thereafter subject to the rules governing Roth IRAs; and

• You are responsible for determining your eligibility to make a conversion.

If you have been taking substantially equal periodic payments from your traditional IRA exempt from the 10% premature distribution penalty (see About Taxes - Penalty for premature distribution) prior to a conversion, they will be subject to a retroactive penalty unless you continue making such withdrawals from your Roth IRA until the later of:

• Five years from the date the periodic withdrawals began; or

• The earlier of your attainment of age 59 1/2, becoming disabled or your death.

In general, direct transfers from a traditional IRA to a Roth IRA made by the custodians or trustees are treated as conversions for tax purposes.

If your traditional IRA assets were previously recharacterized from a Roth IRA, there is a minimum 30-day waiting period before you may reconvert them, and you may not make two such conversions of the same assets in one calendar year.

Rollovers from employer retirement plans
You may, at any time, make a rollover contribution to your Roth IRA of all or part of a
distribution from an employer retirement plan or Roth IRA account in such plan. An employer retirement plan is one of the following: Defined benefit pension plan, Profit-sharing plan, Stock bonus plan, Money purchase plan, Qualified annuity, 401(k) plan, 403(b) annuity, 501(c)(18) trust plan, Simplified Employee Pension (SEP), or Savings Incentive Match Plan for Employees (SIMPLE).

You may, generally, make a rollover contribution to your Roth IRA of a distribution of any portion of an employer retirement plan. Such rollovers must be made either directly or within 60 days of the distribution date. The distributions that are not rollover eligible are:

- Substantially equal periodic payments over a period 10 years or longer or that are measured by your life or life expectancy
- Required minimum distributions
- Hardship distributions
- Certain corrective distributions
- ESOP dividends
- Loans treated as deemed distributions
- Payments of certain automatic enrollment contributions requested to be withdrawn within 90 days of the first contribution
- Cost of life insurance paid by the plan

A rollover of a portion of an employer retirement plan other than a designated Roth account or a Roth IRA account is subject to the same rules and treatment as a conversion from a traditional IRA.

A note on recharacterizations

If you direct your IRA or Roth IRA custodian or trustee to transfer an eligible contribution you made to that traditional IRA or Roth IRA plus earnings into an IRA of the opposite type before the date you are required to file your income tax return (with extensions) for the year in which the original contribution was made, the transferred contribution will be "recharacterized" (i.e., treated as having been made to the transferee traditional IRA or Roth IRA).

To effect a recharacterization, you must give complete and timely instructions to the custodians or trustees of both the IRA and Roth IRA and report the contribution as having been made to the transferee IRA or Roth IRA on the federal tax return for the year in which you made the original contribution.

Annual traditional IRA and Roth IRA contributions and conversions from traditional IRAs and employer retirement plans to Roth IRAs are eligible to be recharacterized. Tax-free transfers or roll-overs between traditional IRAs, between Roth IRAs or from an employer retirement plan to a traditional IRA, and employer contributions to SEP IRAs and SRAs may not be recharacterized. However, a tax-free transfer or rollover between traditional IRAs or between Roth IRAs will not disqualify you from recharacterizing an annual or conversion contribution.

A recharacterization transfer is only allowed if you have not already taken a tax deduction for the contribution. You are not limited on the number of recharacterization transfers you may make in a year. The IRS may grant extensions for recharacterizing invalid conversions to taxpayers who provide sufficient evidence they acted reasonably and in good faith.

DISTRIBUTIONS

You have the right to withdraw assets from your Roth IRA at any time. Amounts in cash, securities or other assets withdrawn from your Roth IRA for you or your beneficiaries are called “distributions.” Distributions are subject to the rules contained in the Tax Code and to the terms of the Custodial Agreement.

Unlike a traditional IRA, you are not required to begin taking minimum distributions once you reach a certain age.

Generally, you will not be taxed on any Roth IRA distributions (whether of contributions or subsequent earnings on contributions) taken after you reach age 59 1/2, provided you are outside the five-year “non-exclusion” period and meet other criteria (see About Taxes - Tax Treatment of Distributions - Qualified distributions).

Examples of non-qualified distributions that may not be taxed include transfers or rollovers to another Roth IRA for you (or for your spouse ‘incident to divorce’), and one-time direct...
transfers to health savings accounts. Each of these types of nontaxable distributions is subject to specific requirements.

Distributions after your death

Following your death, the remaining balance in your Roth IRA will be distributed to your beneficiaries (see Beneficiaries).

The interest in your Roth IRA must be distributed in full before the end of the calendar year of the fifth anniversary of your death, unless you have an individual as beneficiary on the determination date. The determination date is September 30 of the year following your year of death.

An individual beneficiary may have his or her interest in your Roth IRA distributed over his or her life (or a period not extending beyond the beneficiary’s life expectancy) as long as distributions begin by December 31 of the year following the year of your death.

If certain requirements are met, the individuals who are beneficiaries of a trust that is the beneficiary of your Roth IRA will be treated as your Roth IRA’s beneficiaries.

Your Roth IRA beneficiary may not satisfy minimum distribution requirements applicable to your Roth IRA from his or her traditional IRA, SEP IRA or SIMPLE IRA or vice versa. Further, your Roth IRA beneficiary may satisfy his or her minimum distribution requirements applicable to your Roth IRA from another Roth IRA, or vice versa, only if both Roth IRAs were inherited from you.

If your designated beneficiary is your surviving spouse, distributions may be made under the rules applicable to any individual beneficiary, or under a special rule that allows your spouse to postpone distributions until the calendar year in which you would have reached age 70 1/2. If your surviving spouse dies before he or she begins receiving distributions from your Roth IRA, distributions must be made under the same rules that would be applicable if your surviving spouse were the individual who established the Roth IRA.

If your beneficiary is your spouse, unless your beneficiary designation specifies to the contrary, he or she has an additional option of rolling over the entire amount of your Roth IRA into his or her own Roth IRA, from which distributions may be postponed until your spouse’s death.

BENEFICIARIES

You may name one or more beneficiaries of your Roth IRA, including individuals, your estate, a charity or a trust. These beneficiaries may be designated primary, contingent or successor beneficiaries and may be changed at any time, but any designation or change must be in writing. Beneficiary designations will not be effective until received and accepted by Merrill Lynch.

All beneficiary designations and changes must be compatible with Merrill Lynch’s administrative and operational requirements, which may vary over time.

You should review your designation periodically, particularly when there are changes in your family status. Changes in family status may include a marriage, divorce, birth or adoption of children, death of a beneficiary or establishment of estate planning trusts. Please see the “Beneficiary” section of the Custodial Agreement for additional details on beneficiary designations.

Generally, after your death, Merrill Lynch will make distributions to the listed beneficiary of record, regardless of state community property law. If, as a result of state community property law, payments are to be made to the surviving spouse rather than the named beneficiary, a written statement authorizing such payment must be submitted and signed by the spouse and the designated beneficiary.

If your beneficiary is a trust or your estate, distributions will be made to the trustee(s) of the trust or the executor(s) of your estate. However, the trustee or executor may, subject to any rules we establish, direct us to make distributions to the beneficiaries of the trust or estate.
Investing Your Roth IRA

[65] Your Merrill Lynch advisor or a Service Associate can offer your Roth IRA access to available investment alternatives. In addition, you may enroll (under a separate agreement) your Roth IRA in a Merrill Lynch investment advisory program that offers discretionary management or other advisory services. Investment decisions are ultimately yours or your discretionary manager’s or advisor’s and you or your discretionary manager or advisor must decide whether an investment is consistent with your personal savings goals and investment objectives.

[66] The investments in your Roth IRA will be held by us, and may be held in our name or the name of a selected nominee. Interest, dividends and other distributions on shares will be paid to us for your account. Dividends and other distributions from mutual funds will be paid in cash and swept with other cash balances into the applicable money market accounts (see Cash Balances in following paragraphs).

INVESTMENTS

[67] Your Roth IRA may invest in one of Merrill Lynch’s money market funds or in one or more of the following types of investments obtainable through Merrill Lynch and its affiliates:

- Securities traded on recognized exchanges or “over the counter”
- Government securities, such as treasury bills
- Certain annuity contracts
- One ounce American Gold or Silver Eagle coins issued by the United States
- Selected option strategies
- Mutual Funds

[68] The following investments and transactions are generally not permitted:

- Investments acquired on margin
- Commodities transactions (including futures contracts)
- Series E and EE U.S. savings bonds
- Foreign currency
- Real estate
- Shares of stock in most S corporations
- Shares of “restricted” stock

[69] The Tax Code prohibits your Roth IRA from making the following types of investments (or treats them as distributions):

- Life insurance contracts
- Collectibles, including works of art, rugs, antiques, certain metals, gems, stamps, most coins, and alcoholic beverages

[70] All investments must be compatible with Merrill Lynch’s administrative and operational requirements and procedures of the account system through which your Roth IRA is administered which may change from time to time. Contact your advisor or a Service Associate for more information on permissible investments.

[71] In no event may the assets in your Roth IRA be commingled with other property except in a common trust fund or a common investment fund.

[72] We will invest and reinvest your contributions and earnings in your Roth IRA only after receiving proper instructions from you or, as appropriate, your beneficiary, your estate’s legal representative or any other person authorized to give such instructions.

[73] The investments purchased for your Roth IRA may fluctuate in value and have varying rates of return. Therefore, the value of your Roth IRA in the future can neither be guaranteed nor projected.

[74] If we cannot locate you or your beneficiary, Merrill Lynch can, with no responsibility for the consequences, sell any or all the assets in your Roth IRA. We may then, if not already invested or deposited through a sweep option in effect for your account, invest in a money market fund or deposit the proceeds in an interest-bearing account. We will do so only after waiting at least two months from the date we attempt to locate you or your benefi-
ciary by sending a written notice to the last address shown for you or your beneficiary in our records. Such investments in deposits of Bank of America, N.A. (BANA), Bank of America California, N.A. (BA-CA) or other Merrill Lynch affiliated bank will bear a reasonable rate of interest as required under the exemption provided by ERISA Section 408(b)(4) or Tax Code Section 4975(d)(4).

A note on foreign securities
Dividends and earnings on investments in foreign securities and mutual funds may be subject to foreign tax withholding. These withholdings are often ineligible for the U.S. foreign tax credit if they are for securities held by tax-exempt accounts including Roth IRAs. As a result, the effective yield on foreign securities and mutual funds held in your Roth IRA may be lower than the effective yield of identical investments held in a non-retirement account. You may find it preferable to hold foreign investments in a taxable investment portfolio, should you have one, instead of your Roth IRA.

CASH BALANCES
Merrill Lynch provides a daily “sweep” feature to ensure all your assets are working for you full time.

All uninvested cash balances (such as interest income, dividends and contributions received) of $1 or more are automatically deposited in money market deposit accounts established through the Retirement Asset Savings Program (RASP).

With RASP, a money market deposit account is established at Bank of America, N.A. (BANA) and/or Bank of America California, N.A. For more information, see the Retirement Asset Savings Program Fact Sheet.

Additional or alternative daily sweep options may be available for certain clients or in certain situations. For more information regarding your Sweep Program, please refer to your Client Relationship Agreement.

Deposits made under RASP are the obligation of the Merrill Lynch Affiliated Banks and are not obligations of, or guaranteed by, Merrill Lynch, its parent company, or any of its subsidiaries. Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill Lynch”) is not a bank and is separate from its FDIC-insured affiliates, which include Bank of America, N.A., Bank of America California, N.A. and other depository institutions. Except where indicated, securities sold, offered or recommended by Merrill Lynch are not insured by the FDIC and are not obligations of, or endorsed or guaranteed in any way by any bank and may fluctuate in value.

INSURANCE AND SIPC PROTECTION
The securities and cash we hold in your Roth IRA(s) are protected by the Securities Investor Protection Corporation (SIPC) for up to $500,000 per customer (as defined by SIPC rules), including $250,000 in cash. You may obtain further information about SIPC, including the SIPC brochure, via SIPC’s website at http://www.sipc.org.

In addition, Merrill Lynch has obtained “excess SIPC” coverage from a Lloyd’s of London syndicate. This policy provides further protection for each customer (including up to $1.9 million for cash), subject to an aggregate loss limit of $1 billion for all customer claims. Neither SIPC protection nor the additional “excess-SIPC” coverage applies to deposits made through a bank deposit program (including deposits established through the Retirement Assets Savings Program (RASP)) or to the other assets that are not securities. Each account held by a separate customer (as defined by applicable law) is treated separately for purposes of the above protection.

SIPC and excess-SIPC coverage do not protect against market losses. Nor do they apply to deposits established through the Retirement Asset Savings Program (RASP). See the attached RASP Fact Sheet.
About Taxes

[84] Unlike traditional IRA contributions, your Roth IRA contributions are not deductible on your federal income tax return. However, your Roth IRA still provides tax-deferred growth of any earnings on contributions until they are withdrawn or distributed from your Roth IRA. Certain investments, however, such as limited partnerships, may generate unrelated business income that may be taxable in the year earned.

[85] In addition, qualifying distributions from your Roth IRA are exempt from federal income tax and nonqualifying distributions are exempt to the extent of your contributions (see Qualified distributions and Non-qualified distributions in following paragraphs).

LOSS OF TAX STATUS

[86] The Tax Code prohibits you and your beneficiary from using your Roth IRA to engage in certain transactions under penalty of losing your Roth IRA’s tax-deferred status. For example, you may not borrow from your account, sell property to it or buy property from it.

[87] If your Roth IRA loses its tax-deferred status, the earnings on your Roth IRA must be included in your gross income for the year the tax-deferred status was lost (unless you meet the qualified distribution requirements).

[88] The amount included in your gross income will also be subject to the 10% penalty tax for premature distribution described below (unless you are eligible for an exemption).

[89] If you pledge part of your Roth IRA as security (collateral) for a loan, the part pledged will be considered to be distributed to you for the year it is pledged. The amount that exceeds your contributions must be included in your gross income (unless you meet the qualified distribution requirements) and will be subject to the 10% penalty for premature distribution (unless you are eligible for an exemption).

TAX TREATMENT OF DISTRIBUTIONS

Qualified distributions

[90] You will not be taxed on any qualified distributions from your Roth IRA. A “qualified” distribution is one made after a five-taxable-year “non-exclusion period” (see below) and made:
- On or after you reach age 59 1/2;
- In the event of total or permanent disability;
- To your beneficiary or estate after your death; or
- As a “qualified first-time homebuyer distribution” (for definition, see About Taxes - Penalties - Additional notes on exemptions).

[91] The non-exclusion period begins with the first day of the first taxable year for which any contribution was made to a Roth IRA established for you and ends with the last day of the fifth consecutive taxable year. The non-exclusion period for your Roth IRA is not affected by the non-exclusion period of a designated Roth account rolled into your Roth IRA.

Example: If you first established a Roth IRA with a contribution made on April 15, 2012 for your 2011 calendar tax year, the non-exclusion period runs from January 1, 2011 to December 31, 2015. That non-exclusion period is not shortened by rolling over a designated Roth account opened in 2010 nor is it extended by one opened in 2012.

Non-qualified distributions

[92] Non-qualified distributions from your Roth IRA must be included in your gross income on your federal income tax return for the tax year in which you receive the distribution to the extent the distribution constitutes earnings on the amounts contributed to your Roth IRA.

To determine these taxable earnings, or to what extent a distribution is composed of a conversion from a traditional IRA or employer retirement plan within the prior five-year period and is thus subject to a 10% penalty (see About Taxes - Penalties), you must follow
certain rules on how you aggregate your Roth IRAs and order the amounts contributed to or earned in those Roth IRAs.

First, aggregate all your Roth IRAs, excluding traditional IRAs. Then break down your Roth IRAs in the following order (determining each account distribution was a “qualified distribution,” the entire amount is treated the same as an annual contribution to your Roth IRA. If it was a non-qualified distribution, the rolled over contributions to the designated Roth account are treated the same as annual contributions and the remainder is treated the same as earnings. There are also special rules for a rollover from a non-Roth account under an employer retirement plan to your Roth IRA, and the taxable amount of the conversion is generally treated as the “income” portion.

These subtotals can then be applied, in the proper order, to your distribution at anytime during 2012 to determine the tax position.

Example (cont.)

<table>
<thead>
<tr>
<th>DATE OF TRANSACTION</th>
<th>DESCRIPTION</th>
<th>ANNUAL CONTRIBUTIONS</th>
<th>INCOME PORTION OF CONVERSION</th>
<th>BASIS PORTION OF CONVERSION</th>
<th>EARNINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/1/2011</td>
<td>2010 Annual Contribution</td>
<td>$2,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/2/2011</td>
<td>Conversion from Traditional IRA</td>
<td></td>
<td>$100,000</td>
<td>$15,000</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>Earnings</td>
<td></td>
<td></td>
<td></td>
<td>$10,000</td>
</tr>
<tr>
<td>3/15/2012</td>
<td>2011 Annual Contribution</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9/20/2012</td>
<td>2012 Annual Contribution</td>
<td></td>
<td></td>
<td></td>
<td>$15,000</td>
</tr>
<tr>
<td>2012</td>
<td>Earnings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/2012</td>
<td>Cumulative Subtotals</td>
<td>$7,000</td>
<td>$100,000</td>
<td>$15,000</td>
<td>$25,000</td>
</tr>
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</table>

Example

<table>
<thead>
<tr>
<th>DATE OF TRANSACTION</th>
<th>DESCRIPTION</th>
<th>ANNUAL CONTRIBUTIONS</th>
<th>INCOME PORTION OF CONVERSION</th>
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<tbody>
<tr>
<td>4/1/2011</td>
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<tr>
<td>6/2/2011</td>
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<td>2011</td>
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<td>3/15/2012</td>
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<tr>
<td>9/20/2012</td>
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<tr>
<td>2012</td>
<td></td>
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</tbody>
</table>

Example (cont.)

<table>
<thead>
<tr>
<th>PORTION OF DISTRIBUTION ATTRIBUTABLE TO</th>
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</thead>
<tbody>
<tr>
<td>ASSUME A DISTRIBUTION AMOUNT OF</td>
</tr>
<tr>
<td>-------------------------------------</td>
</tr>
<tr>
<td>$1,000</td>
</tr>
<tr>
<td>$5,000</td>
</tr>
<tr>
<td>$10,000</td>
</tr>
<tr>
<td>$50,000</td>
</tr>
<tr>
<td>$120,000</td>
</tr>
<tr>
<td>$130,000</td>
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</table>
In the above example, if you take a $130,000 nonqualified distribution, the $8,000 of earnings must be included in your gross income on your federal income tax return.

You may also be subject to a 10% penalty on the $100,000 income portion converted from your traditional IRA because a five-taxable-year period has not elapsed since the rollover (see Penalty for premature distribution in following paragraphs).

A recharacterization transfer of a contribution from one type of IRA to another (see About Your Roth IRA - Rollovers and Transfers - A note on Recharacterizations) will be treated as having been made to the transferee IRA on the original contribution date. The applicable earnings, which were transferred along with the contribution, will be treated as earnings in the transferee IRA.

A contribution and the applicable earnings that were included in a prior corrective distribution of an excess contribution (see About Taxes - Penalties - Penalty for excess contributions) will be disregarded in determining the composition of a subsequent distribution.

PENALTIES

Penalty for premature distribution

In general, any distributions you take before reaching the age of 59 1/2 and other non-qualified distributions will be subject to a 10% penalty. This penalty is in addition to any applicable ordinary income taxes imposed on withdrawals or portions of withdrawals.

In addition, the portion of any distribution you take from your Roth IRA that is attributable to an amount converted from a traditional IRA or employer retirement plan previously includible in your gross income within a five-taxable-year period will be subject to the 10% penalty as if includible in your gross income for the distribution year.

You are exempt from the 10% penalty if:

- You are totally and permanently disabled;
- You take “substantially equal periodic payments”;
- The distributions are taken by your beneficiary after your death;
- You are unemployed and the distributions do not exceed amounts paid for health insurance;
- The distributions do not exceed your deductible medical expenses;
- The withdrawals do not exceed your “qualified higher education expenses” for yourself, your spouse, your children or grandchildren;
- The distribution is a “qualified first-time homebuyer distribution;”
- The distribution is a timely removal of excess contributions;
- The distribution is on account of an IRS tax levy; or
- The distribution is a “qualified reservist distribution.”

Merrill Lynch reports all distributions on Form 1099-R. However, certain distributions that meet the requirements of certain exemptions above will be reported as regular or early distributions, depending on your age at the time of distribution. It is solely your responsibility to file documentation supporting the reasons for such distributions with the IRS.

Additional notes on exemptions

The three methods for calculating “substantially equal periodic payments” are:

- Required Minimum Distribution Method: Your annual payment amount is determined each year by dividing the account balance in that year by the current year’s life expectancy factor applicable to you or to you and your beneficiary from the Uniform Lifetime Table, the Joint and Last Survivor Table or the Single Life Table. (See, IRS Publication 590-B). You must use the same Table each year.
- Fixed Amortization Method: Your annual payment amount is determined in the first year and does not change thereafter. Your annual payment amount will be calculated by amortizing your beginning account balance using an interest rate not exceeding 120% of the federal mid-term rate during either of the two months preceding the first payment and one of the three life expectancy tables discussed above under the Required
Minimum Distribution Method.

• Fixed Annuitization Method: Your annual payment amount is determined in the first year and does not change thereafter. Your annual payment amount will be calculated by dividing your beginning account balance by an annuity factor that is derived from an IRS mortality table (based on your life expectancy or the joint and last survivor life expectancy of you and your beneficiary) and an interest rate not exceeding 120% of the federal mid-term rate during either of the two months preceding the first payment.

[107] In general, to avoid retroactive imposition of the 10% penalty and interest, you must continue taking substantially equal periodic payments under your chosen method for at least five years or until you reach age 59 1/2, whichever is longer. However, you may make a one-time change to the Required Minimum Distribution Method from either of the Fixed Methods. Further, you may discontinue taking substantially equal periodic payments if you become disabled and your beneficiary may do so following your death. Rules governing the calculation of substantially equal periodic payments are complex; you should consult a qualified tax advisor.

[108] If your distributions are used to pay health insurance premiums:

• You must have received federal or state unemployment compensation for 12 consecutive weeks. Note that if the only reason you did not receive unemployment compensation was because you had been self-employed, you are still eligible for the exemption;
• You must have received the distributions during the tax year in which you received the unemployment compensation, or the following year; and
• You must have been re-employed for less than 60 days.

[109] “Qualified higher education expenses” include:

• Tuition, fees, books, supplies and equipment required for enrollment or attendance at an “eligible educational institution” (undergraduate or graduate courses);

• Room and board expenses, up to the minimum allowed when calculating the cost of attendance for federal aid programs (students must attend education institution at least halftime), or the actual cost of student housing owned or operated by the school if higher.

[110] You must subtract from “qualified education expenses” all qualified scholarships, certain educational assistance provided to military veterans and reservists, and other payments for educational expenses (not including gifts and inheritances) that are excluded from the student’s gross income under federal laws.

[111] “Eligible educational institutions” include:

• Post-secondary educational institutions offering credit towards a bachelor’s, associate’s, graduate or professional degree or another post-secondary credential; and
• Certain proprietary schools and post-secondary vocational institutions, if eligible to participate in U.S. Department of Education student aid programs.

[112] A “qualified first-time homebuyer distribution” is a distribution used to pay the costs of acquiring, constructing or reconstructing you or your spouse’s principal residence or the principal residence of a child, grandchild or ancestor of you or your spouse. Eligible expenses include usual or reasonable settlement, financing or other closing costs. The following rules apply:

• The new owner must have had no ownership interest in a principal residence in the two years prior to this acquisition;
• The amount withdrawn must be used to pay such costs or rolled over into your Roth IRA within 120 days (in which case you are not subject to the limit of one rollover per year); and
• The total lifetime amount that can qualify as a first-time homebuyer distribution from all your traditional IRAs and Roth IRAs is $10,000.

[113] A “qualified reservist distribution” is a distribution made to a member of a U.S. military National Guard or Reserve or the Reserve Corps of the U.S. Public Health Service who is called to active duty.

• The call to active duty must occur after September 11, 2001.
• The call to active duty must be for at least 179 days or be for an indefinite period.
• The distribution must be after the call to active duty and before the end of the active duty.
• Qualified reservist distributions may be recontributed before two years following the end of active duty.
• Such contributions are not subject to the usual limitations on annual contributions and are not deductible.

Penalty for excess contributions

Excess contributions—the portion of a contribution that exceeds your permissible contribution (see About Your Roth IRA - Annual Contribution Limits and Rollovers and Transfers)—are subject to a 6% penalty. The 6% penalty is charged again every year that the excess remains in your account.

Examples: If you contribute $1,500 to your Roth IRA when you are single and your compensation is only $1,400, your excess contribution is $100 and you would owe the IRS $6 for each year the excess remains in your account.

To avoid the 6% penalty, you may “correct” excess contributions by:

• Withdrawing the excess and any related earnings prior to your tax-filing deadline (including extensions) for the tax year for which the excess contribution was made; and
• Including earnings on excess contributions in your gross income for the year the contribution was made.

If you fail to make the correction before your tax-filing deadline, you can avoid reaplication of the penalty in subsequent years by:

• Removing the excess contribution from your Roth IRA; or
• Adjusting your contributions for the following year(s) to allow for the excess contribution.

You are responsible for computing the earnings on excess contributions and indicating the amount on a distribution form provided by Merrill Lynch.

Penalty for not taking minimum distributions

After your death, your beneficiary or beneficiaries may be required to take minimum distributions. If they fail to take required minimum distributions, they may be subject to a penalty tax of 50% on the difference between the required and actual distributions.

Example: If the minimum distribution for a year is $10,000 and the beneficiary only withdraws $9,000, the penalty would be $500: ($10,000–$9,000) x 50%.

In certain cases, the IRS may waive application of this penalty. Your beneficiary or beneficiaries should consult their tax advisors on this subject.

OTHER TAX ISSUES

When to File IRS Form 5329

You must file IRS Form 5329 with your federal income tax return when:

• You owe the 6% penalty tax on excess contributions;
• You owe the 10% penalty tax on premature distributions, but distribution code 1 is not shown in box 7 of your Form 1099-R (Distributions from Pensions, Annuities, Retirement or Profit Sharing Plans, Roth IRAs, etc.);
• You do not owe the 10% penalty tax on premature distributions, but distribution codes 2, 3 or 4 do not appear in box 7 of your Form 1099-R, or the code shown is incorrect; or
• You owe the 50% penalty tax for failing to make a minimum withdrawal.

Estate and gift taxes

Generally, at your death, the total value of assets in your Roth IRA is included in your gross estate for federal estate tax purposes. However, deductions are allowed if your beneficiary is either your spouse or a charity. You should consult your tax advisor concerning this estate tax.

Generally, naming a beneficiary to receive payments from your Roth IRA is not considered a gift subject to federal gift tax, even if the designation is irrevocable. This is because the account owner typically retains the right to direct distributions, including rollovers and transfers.
Inherited IRA
[125] If an inherited IRA is maintained for the benefit of a designated beneficiary of a deceased individual, references in this document to “you” are generally to the deceased individual. For example, no contributions can be made to an inherited IRA, the 10% penalty for early withdrawal does not apply, and the minimum distribution rules during your lifetime do not apply. For more information, please review the Custodial Agreement or consult with your tax advisor.

Additional information available
[126] For more information about taxes and your Roth IRA, you should obtain a copy of IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs) and 590-B, Distributions from Individual Retirement Arrangements (IRAs), or replacement publications.

[127] You may also contact any office of the IRS directly.

About Fees
[128] We will waive your Roth IRA Custodial fee for the time that your IRA is enrolled in a Merrill Lynch investment advisory program. We may also waive fees at any time.

If a fee is due, and there is insufficient cash in your account, then assets will be liquidated to collect fees due. We reserve the right to liquidate assets in the IRA to cover fees, purchases and other administrative expenses if there are insufficient cash/money market funds available to cover those amounts.

Custodial fee

<table>
<thead>
<tr>
<th></th>
<th>Up to 0.25% of net assets (At least $50 per year, but not more than $100 per year)</th>
</tr>
</thead>
</table>

* No custodial fees will be charged for Merrill Edge Self Directed (MESD) or Merrill Guided Investing (MGI) ROTH IRAs.

Account close-out fee

<table>
<thead>
<tr>
<th></th>
<th>Up to $95</th>
</tr>
</thead>
</table>

[129] In the first year after opening your Roth IRA, you’ll pay the custodial fee in the quarter following your account opening. After that, you’ll pay custodial fees annually in your “anniversary quarter” (or the calendar quarter containing your account-opening anniversary date). If your Roth IRA has not been funded in the quarter following your account opening, we’ll value your account as of the last day of the quarter in which your Roth IRA is funded to determine your first year annual custodial fee.

[130] Your annual custodial fee will be 0.25% of the asset value of your Roth IRA. You’ll pay at least $50 per year, but not more than $100. We’ll value your Roth IRA at the end of the quarter preceding your anniversary quarter to determine your fee. For example, if your account opening anniversary date is February 10, we use the asset value of your Roth IRA on the last business day of December.

OTHER FEES

[131] For accounts with balances of $1 or less, a fee equal to the account balance may be assessed to such account resulting in the subsequent account closure, regardless of your household’s aggregate account balance.

[132] Brokerage commissions, sales charges, asset-based fees, and other routine fees relating to investments in your Roth IRA will be deducted from your Roth IRA. Merrill Lynch may also receive compensation from certain providers of investment alternatives for your Roth IRA. Fees, commissions and other charges may change from time to time.

[133] A late fee may be charged to accounts with past due balances.

[134] If your account is closed or transferred, we will charge an account closeout fee of up to $95. The account closeout fee will be charged in addition to any pending custodial fees due on your account. Merrill Lynch will charge the account closeout fee to your Roth IRA.

[135] The account closeout fee for a Roth IRA may be waived under certain services or programs offered by Merrill Lynch.
Fee payment methods
(136) You may indicate to your advisor or a Service Associate how you wish to pay the custodial fee and Merrill Lynch investment advisory program fees (if applicable).

(137) You may choose one of the following methods:
• By using funds from a source other than your IRA account, such as payment by check or by transfer from another Merrill Lynch account; or
• By direct deduction from your Roth IRA.
• If you pay the custodial fee before it is charged to your Roth IRA, the amount of the custodial fee may be tax deductible. **You may not reimburse your account for the fee once it has been paid from your account.**

(138) In certain circumstances, fees may not be deducted from your Roth IRA due to legal considerations. We may change the available methods and the timing of payment of custodial fees from time to time.

(139) **Merrill Lynch may sell assets in your Roth IRA to cover fees, securities purchases and other expenses.**

IRS Approval
(140) The Merrill Lynch Roth IRA Custodial Agreement has been approved by the Internal Revenue Service as to form (subject to subsequent amendments). Approval by the IRS is a determination as to the form, not the merits, of this Roth IRA.
Custodial Agreement

[1] This custodial agreement governs your Roth Individual Retirement Account (“Roth IRA”) of which Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill Lynch”) is the custodian.

[2] Your Roth IRA is being established for, and this agreement shall be interpreted in accordance with, the purpose of providing you with retirement benefits pursuant to Section 408A of the Tax Code through annual regular contributions, qualifying rollover contributions from another Roth IRA, a qualified employer plan, a traditional IRA or a qualified Roth contribution program under an employer sponsored retirement plan and by direct transfers from another Roth IRA.

[3] Throughout this agreement, the words you and your refer to the person for whom your Roth IRA is established or maintained, and Merrill Lynch, we, us, and our refer to Merrill Lynch, a registered broker-dealer and wholly-owned subsidiary of Bank of America Corporation. Merrill Lynch is the custodian of your Roth IRA. If this is an inherited IRA within the meaning of Tax Code Section 408(d)(3)(C) maintained for the benefit of a designated beneficiary of a deceased individual, references in this document to “you” are to the deceased individual. By Tax Code, we refer to the Internal Revenue Code of 1986 and the regulations adopted under it, both as amended. By Roth IRA, we refer to a Roth individual retirement account, which is a Merrill Lynch Roth IRA, a Roth IRA with another financial institution or a Roth IRA account under an employer sponsored retirement plan. By traditional IRA we refer to an IRA which is not a Roth IRA.

[4] Your Roth IRA is considered established when we accept your first deposit to the account. Merrill Lynch has the right to reject an account that has not been established in accordance with our administrative procedures.

Contributions

[5] Under this Agreement, we will accept the following contributions made by check, money order, electronic funds transfer, or in-kind transfer of investments:

- Annual Roth IRA contributions made by you or on your behalf (cash only).
- Rollovers or transfers of assets (cash, securities or other property) from other Roth IRAs, traditional IRAs or qualified Roth contribution programs.
- You can make only one rollover from an IRA to another (or the same) IRA in any 12-month period, regardless of the number of IRAs you own.
- Recharacterizations from a traditional IRA under Section 408A(d)(6) of the Tax Code and the Treasury Regulations thereunder.
- Repayments of qualified reservist distributions permitted under Section 72(t)(2)(G)(ii) of the Tax Code.
- Qualified rollover contributions of assets (cash, securities or other property) from eligible retirement plans permitted under section 408A(e) of the Tax Code.
- Qualified rollover contributions also include (i) all or part of a military death gratuity or service members’ group life insurance (“SGLI”) payment if the contribution is made within one year of receiving the gratuity or payment. Such contributions are disregarded for purposes of the one-rollover-per-year rule under Tax Code Section 408(d)(3)(B); and (ii) all or part of an airline payment (as defined in Section 125 of the Worker, Retiree, and Employer Recovery Act of 2008) received by certain airline employees if the contribution is made within 180 days of receiving the payment.
- In addition to the amounts described above, you may make additional contributions specifically authorized by statute — such as repayments of certain plan distributions made on account of a federally declared disaster and certain amounts received in connection with the Exxon Valdez litigation.
All non-cash assets must be compatible with our administrative and operational requirements. Cash contributions may be by check, money order or electronic funds transfer acceptable to us.

We will not accept:

- Contributions (including income deferrals) made on your behalf under an employer’s savings incentive match plan (SIMPLE plan) pursuant to Section 408(p) of the Tax Code.
- Contributions (including income deferrals) for your benefit under an employer’s simplified employee pension (SEP) plan pursuant to Section 408(k) of the Tax Code.
- Non-cash assets that are incompatible with our administrative and operational requirements.
- Contributions to an inherited IRA within the meaning of Tax Code Section 408(d)(3)(C).

Annual contributions

We will not knowingly accept annual Roth IRA contributions, for any tax year, by you or on your behalf (including recharacterizations of annual contributions) that cause your total contributions to all Roth IRAs to exceed the lesser of the dollar limit under Tax Code Section 219(b)(1)(A) or your “compensation.” If you make traditional IRA annual contributions for any tax year, for such year the limit on your Roth IRA annual contribution is reduced by the amount of your traditional IRA annual contributions. By “tax year” we mean the period for which you must report income on your federal income tax return. For most people, the tax year is the calendar year.

The dollar limits under Tax Code Section 219(b)(1)(A) for tax years beginning in 2008 and later are $5,000 for individuals under age 50 and $6,000 for individuals age 50 and older. After 2008, the dollar limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Tax Code Section 219(b)(5)(D). Such adjustments will be in multiples of $500. In the case of an individual who is age 50 or older, the annual cash contribution limit is increased by $1,000 for any tax year beginning in 2006 and years thereafter.

The dollar limits in the preceding paragraph are proportionately reduced between certain levels of modified adjusted gross income (modified AGI). If you are a single tax filer or a head of household, the Tax Code Section 219(b)(1)(A) annual contribution limit is phased out if your modified AGI is between $95,000 and $110,000. If you are married, filing jointly, or a qualifying widow(er), the phase out occurs if your modified AGI is between $150,000 and $160,000. If you are married filing separately, the phase out occurs if your modified AGI is between $0 and $10,000. (For purposes of this phase out, you will be treated as being single if you live apart from your spouse at all times during the tax year and file a separate return.) If your modified AGI for a tax year is in the phase out range, your maximum annual contribution for that tax year is rounded up to the next multiple of $10 and is not reduced below $200. For tax years after 2006, the $95,000 and $150,000 lower ends of two of the phase out ranges will be adjusted for changes in the cost of living after 2005. The ranges as so adjusted are rounded to the nearest multiple of $1,000. The upper ends of the ranges remain $15,000 and $10,000 above the applicable lower end.

By tax year we mean the period for which you must report income on your federal income tax return. For most people, the tax year is the calendar year.

It is your responsibility to determine, and limit your contributions to, your maximum annual contribution for your Roth IRA under Section 408A of the Tax Code, which may be less than the dollar limit under Tax Code Section 219(b)(1)(A). Should we discover that we have received a contribution that would bring your total Roth IRA contribution for a tax year to more than your maximum annual contribution, we will return the excess contribution to you only after receiving a specific written authorization from you.

It is also your responsibility to determine your compensation. For purposes of your annual Roth IRA contributions, “compensation” means your wages, salaries, professional fees and other amounts you receive for personal
services you actually render (including, but not limited to salesman’s commissions, compensation for services based on a percentage of profits, insurance premium commissions, tips, and bonuses) and includes earned income as defined in Tax Code Section 401(c)(2) (reduced by the deduction you take for contributions to a self-employed retirement plan). For purposes of determining earned income, your employment as a fisherman that is described in Tax Code Section 3121(b)(20) shall be treated as self-employment. Compensation does not include interest, dividends, profits and other amounts that you receive from owning property or lending money. Compensation generally does not include any amounts that you do not include in your gross income for income tax purposes. Compensation does not include any amount you receive as a pension or annuity or as deferred compensation. Compensation does include any amount you include in your gross income under Tax Code Section 71 as alimony or separate maintenance payments received by you under a divorce or separation instrument described in Tax Code Section 71(b)(2). Compensation also includes non-taxable U.S. military combat pay and any differential wage payments as defined in Tax Code Section 3401(h)(2).

If you are married and file a joint return, the annual contributions that may be made to your Roth IRAs and your spouse’s Roth IRAs will each be limited to the dollar limit under Tax Code Section 219(b)(1)(A) less the amount of that individual’s traditional IRA contributions. However, if your compensation is less than your spouse’s, your “compensation” limitation will be your compensation plus that of your spouse reduced by traditional IRA and Roth IRA contributions of your spouse.

Rollovers and transfers from other retirement plans

We may accept all or part of the assets distributed from your other Roth IRAs as rollovers, as described in or treated under Tax Code Section 408(d)(3), or transfers to your Roth IRA. We may accept all or part of the assets distributed from your designated Roth account in a qualified Roth contribution program as rollovers, as described in or treated under Tax Code Section 402A(c)(3), as well as qualified rollover contributions from eligible retirement plans permitted under Tax Code Section 408A(e).

We may accept all or part of the assets distributed from your traditional IRA as a rollover described in or treated under Tax Code Section 408(d)(3) (except that the one-rollover-per-year rule of Tax Code Section 408(d)(3)(B) will not apply). Such rollovers may be of eligible rollover distributions from any “eligible retirement plan” as described in Section 402(c)(8)(B) of the Tax Code. No transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE plan will be accepted prior to the expiration of the two-year period beginning on the date you first participated in the SIMPLE plan.

Modified Adjusted Gross Income (Modified AGI)

For purposes of the limits on annual contributions, your modified AGI for a tax year is defined in Tax Code Section 408A(c)(3)(B)(i) and does not include any amount you include in your adjusted gross income as a result of a rollover from a traditional IRA to a Roth IRA.

Recharacterizing contributions

You may recharacterize your annual contribution to a traditional IRA as an annual contribution to this Roth IRA pursuant to the rules in Tax Code Regulation Section 1.408A-5, subject to the limits for Annual Contribution Limits.

Distributions

Any amount you or your beneficiaries receive from your Roth IRA is called a “distribution.”

You may withdraw all or part of the assets in your Roth IRA at any time. Following your death, your beneficiary currently entitled to benefits can withdraw all or any part of his or her interest in your Roth IRA, in a single sum, installments, or in the form of an annuity, at any time except to the extent your beneficiary designation has restricted that beneficiary from taking distributions exceeding required minimum distributions.
We will make distributions from your Roth IRA after your proper completion of a withdrawal form, and its acceptance by us, according to our established policies. Distributions may be made directly to you or, subject to our rules and procedures, to your other Merrill Lynch non-retirement account. When you request a cash distribution, you must inform us as to which assets should be sold to make the distribution.

The distribution of non-cash investments, such as stocks or mutual fund shares, from your Roth IRA involves the re-registration of these assets and can frequently take several weeks. In addition, certain investments are not readily saleable and/or may be transferred into another owner’s name only at specified times. You should allow extra time for processing such distributions.

Distributions during your lifetime

You may, but are not required to, receive distributions from your Roth IRA during your lifetime. If this is an inherited IRA within the meaning of Tax Code Section 408(d)(3)(C), this paragraph does not apply.

Distributions after your death

Certain “required minimum distributions” or simply “minimum distributions” must be paid from your Roth IRA to your beneficiaries following your death. Such minimum distributions will be based on Tax Code Section 408(a)(6), as modified by Section 408A(c)(5), and the U.S. Treasury Regulations issued thereunder, the provisions of which are included in your Roth IRA by reference. These minimum distributions may be paid to your beneficiary from your Roth IRA or they may be satisfied by purchasing an annuity that meets the requirements of U.S. Treasury Regulation Section 1.401(a)(9)-6, taking into account Code Section 408A(c)(5), as of the purchase date.

Your entire interest in your Roth IRA must be distributed to your beneficiary by December 31 of the calendar year containing the fifth anniversary of your death except to the extent that an election is made to receive distributions in accordance with 1., 2. or 3., below:

1. If your interest is payable to a designated individual as beneficiary, he or she may elect to receive your entire interest over a certain period not greater than the life expectancy of the designated beneficiary, determined using his or her age at his or her birthday in the year following the year of your death, and if the designated beneficiary is not your surviving spouse, payments must commence no later than December 31 of the calendar year immediately following the calendar year in which you died. If this is an inherited IRA within the meaning of Tax Code Section 408(d)(3)(C) established for the benefit of a nonspouse designated beneficiary by a direct trustee-to-trustee transfer from a retirement plan of a deceased individual under Tax Code Section 402(c)(11), then, notwithstanding any election made by the deceased individual pursuant to the preceding paragraph, the nonspouse designated beneficiary may elect to have distributions made under this paragraph if the transfer is made no later than the end of the year following the year of death.

2. If your sole designated beneficiary is your surviving spouse, the distributions are required to commence in accordance with 1. above not earlier than the later of December 31 of the calendar year immediately following the calendar year in which you died, or December 31 of the calendar year in which you would have reached age 70 1/2. If your surviving spouse sole beneficiary dies before the date distributions are required to begin, the remaining interest in your Roth IRA must be distributed to the successor beneficiary by December 31 of the calendar year containing the fifth anniversary of your spouse’s death. However, if the successor beneficiary is a designated beneficiary, he or she may elect to have the remaining interest distributed, starting by the calendar year following your spouse’s death, over the successor beneficiary’s remaining life expectancy determined using such beneficiary’s age as of his or her birthday in the year following the death of your spouse.
3. If your sole designated beneficiary is your surviving spouse and your beneficiary designation has not specifically restricted your spouse from doing so, your spouse may roll over your Roth IRA into his or her own Roth IRA or may elect to treat the account as his or her own Roth IRA. This election will be deemed to have been made if your spouse makes an annual Roth IRA contribution to the account or makes a rollover to the account.

[26] The amount to be distributed each year under 1. and 2. (above) is determined by dividing the fair market value of your Roth IRA as of the December 31st preceding such year by the applicable life expectancy computed by use of the Single Life Table in Q&A-1 of U.S. Treasury Regulation Section 1.401(a)(9)-9. If your designated beneficiary is your surviving spouse, his or her life expectancy will be recalculated annually by using the number in the Single Life Table corresponding to your spouse’s age in the year.

[27] For all other beneficiaries, the applicable life expectancy will be the number in the Single Life Table corresponding to the attained age of your beneficiary during the calendar year specified in 1. (above) and payments for any subsequent calendar year will be calculated based on such life expectancy, reduced by one for each calendar year that has elapsed since the calendar year the life expectancy was first calculated. A similar term certain calculation will be made for your spouse beneficiary for years after his or her death, beginning with the year of his or her death. The value of your Roth IRA as of any December 31st will include the value of rollovers, transfers and recharacterizations to your Roth IRA from other plans or accounts that are outstanding as of that date.

[28] Your beneficiary can elect to receive payments in a single sum, in installments, or in the form of an annuity.

[29] For purposes of computing required minimum distributions from your Roth IRA, your designated beneficiary will be the natural person who is treated as a designated beneficiary under U.S. Treasury Regulation Section 1.401(a)(9)-4.

[30] The required minimum distributions payable to a designated beneficiary from this IRA may be withdrawn from another IRA the beneficiary holds from the same decedent in accordance with Q&A-9 of U.S. Treasury Regulation Section 1.408-8.

**Beneficiaries**

[31] You may name one or more beneficiaries of your Roth IRA, including individuals, your estate, a charity or a trust. These beneficiaries may be designated primary, contingent or successor beneficiaries and may be changed at any time, but must be designated in writing and are not effective until we receive and accept them. Unless your beneficiary designation provides otherwise, your beneficiaries may themselves designate successor beneficiaries who will take precedence over successor beneficiaries designated by you.

[32] We reserve the right not to accept any beneficiary designation that is incompatible with our administrative and operational capabilities, even if such designation is otherwise allowable. A proper written designation or change of beneficiary, which you or your beneficiary executed prior to you or your beneficiary’s death and which we receive following you or your beneficiary’s death, will govern distributions from your Roth IRA following, but not prior to, our acceptance of the designation.

[33] If you have not designated a beneficiary, or if no beneficiary survives you, your Roth IRA balance will be paid to your surviving spouse or, if you are not survived by your spouse, to your estate.

[34] You may restrict a beneficiary from taking distributions in excess of specified amounts, although these distributions must at least equal required minimum distributions described previously in Distributions after your death.

[35] After your death, Merrill Lynch will make distributions to the listed beneficiary of record, regardless of state community property law. If,
as a result of state community property law, payments are to be made to the surviving spouse rather than the named beneficiary, a written statement authorizing such payment must be submitted and signed by the spouse and the designated beneficiary.

If your beneficiary is a trust or your estate, distributions will generally be made to the relevant trustee or the executor(s) of your estate. However, the trustee or executor may, subject to any rules we establish, provide written directions to us to make distributions to the beneficiaries of the trust or estate of its interest in your Roth IRA.

If you are divorced or your marriage is annulled after you designate your spouse as the beneficiary, the designation is void unless:

- The decree of divorce or annulment designates such spouse as beneficiary;
- You redesignate your spouse as beneficiary; or
- Such spouse is redesignated to receive proceeds or benefits in trust for, on behalf of, or for the benefit of your child or dependent.

Unless otherwise provided in your beneficiary designation, if a primary beneficiary predeceases you, his or her share will be distributed to remaining primary beneficiaries in proportion to their payment percentages. If no primary beneficiaries survive you, the balance will be distributed to your contingent beneficiaries.

If no successor beneficiary survives a beneficiary who had become entitled to receive benefits, or if no successor beneficiary designation is in effect at the prior beneficiary’s death, we will pay your Roth IRA balance to the prior beneficiary’s surviving spouse, or if he or she is not survived by a spouse to his or her estate. If we are notified that a beneficiary is legally a minor under applicable state law, we can fulfill our responsibilities as custodian by paying either the beneficiary’s parent or legal guardian.

Investments

You are responsible at all times for directing the investment of assets in your Roth IRA, including the direction to enroll in a Merrill Lynch investment advisory program. We do not assume liability for any losses incurred in your Roth IRA as a consequence of the investments you select.

Your Roth IRA may invest in one or more investment alternatives we offer, subject to any rules we may reasonably establish, or your Roth IRA may sell any such assets and reinvest the proceeds. All investments must be compatible with our administrative and operational requirements which may change from time to time.

Dividends and other distributions on shares of mutual funds in which your Roth IRA is invested will be paid in cash, where the option exists, and will be deposited along with other cash balances unless you direct otherwise (see Cash balances below).

In no event may the assets in your Roth IRA be commingled with other property except in a common trust fund or a common investment fund.

Your Roth IRA cannot invest in collectibles (works or art, antiques, rugs, most metals, gems, stamps, most coins and alcoholic beverages) and life insurance contracts.

You may enroll your Roth IRA in a Merrill Lynch investment advisory program as provided under a separate agreement. Except as provided under such a separate agreement, Merrill Lynch will not have discretionary authority or control with respect to the investment of your Roth IRA assets and will not render advice that is individualized for your Roth IRA under any mutual agreement, arrangement or understanding that the advice will serve as a primary basis for your Roth IRA investment decisions.

Except as provided under a separate agreement, we have no duty to determine or advise you or any other person of the investment consequences resulting from your or their actions involving your Roth IRA and we are not liable for the investment consequences of your or their actions, or of our actions following your directions, or of our failing to act in the absence of your or their
directions. In addition, we have no duty to determine or advise you or any other person of the tax or other consequences resulting from your or their actions involving your Roth IRA and we are not liable for the tax or other consequences of your or their actions, or of our actions following your directions, or of our failing to act in the absence of your or their directions.

Except as provided under a separate agreement, we will not make any investments or dispose of any investments in your Roth IRA without your direction, except as otherwise provided in this agreement, if a non-cash investment is not compatible with our administrative and operational requirements.

Unless you are enrolled in a Merrill Lynch investment advisory program, we are not responsible for reviewing the assets in your Roth IRA or for making recommendations on acquiring, retaining or selling any assets. No Merrill Lynch Research opinion, Independent Research opinion, the inclusion of a security on any list, or any information provided to you either on the Merrill Edge website or by mail or any other means constitutes a recommendation to you to purchase, hold or sell any investment nor should you view Merrill Lynch as providing impartial investment advice to you by reason of making such research, opinions, lists or information available to you.

You may appoint an investment advisor or other person to act as your representative with authority to direct investments of any assets in your Roth IRA. If you do so, you agree that the appointment is effective only if:

• We have received a signed copy of an agreement between you and such person, which is acceptable to us and which specifies that such person may act on your behalf and direct us as to how to invest your assets; and

• We do not object to acting on the directions of such person, which objection we may assert at any time for any reason.

Please note “you” and “your” may refer to this investment advisor with respect to investment decisions, but not with respect to account ownership and contributions.

We may hold securities in your Roth IRA in our name or the name of any nominee we select, without qualification or description of ownership.

We may make, sign and deliver any written contracts, waivers, releases or other documents necessary to carry out your instructions.

We may establish sub-accounts for permitted investment purposes.

If you do not give us investment directions, we may hold assets uninvested until receiving proper instructions.

We will provide you with all notices, prospectuses, financial statements, proxies and proxy solicitations we receive concerning investments in your Roth IRA. We will follow your written instructions for voting shares and exercising other rights of ownership. Subject to, and except as permitted by, any applicable rules of the Securities and Exchange Commission and any national securities exchanges, in the absence of written instructions from you, we will not exercise such rights in the absence of authorization from you, and will not be responsible for the consequences of failing to take action.

If we cannot locate you or your beneficiary, Merrill Lynch can, with no responsibility for the consequences, sell any or all the assets in your Roth IRA. We may then, if not already invested or deposited through a sweep option in effect for your account, invest in a money market fund or deposit the proceeds in an interest-bearing account. We will do so only after waiting at least two months from the date we attempt to locate you or your beneficiary by sending a written notice to the last address shown for your or your beneficiary in our records.

Annuity contracts

If annuity contracts are offered as investments for your Roth IRA, Merrill Lynch, as custodian, must own any annuity and will exercise all rights under the annuity by following your instructions.
We are not responsible for the validity of any annuity held in your Roth IRA or the failure of any insurance company to make annuity payments. Also, unless caused by gross negligence or willful misconduct, our failure to purchase an annuity or pay an annuity premium when due will not give anyone a claim against us. If distributions are made from an annuity contract purchased from an insurance company, distributions thereunder must satisfy the minimum distribution requirements of Q&A-4 of U.S. Treasury Regulation Section 1.401(a)(9)-6.

If your contribution toward an annuity is not sufficient to pay the premium due, we will notify you and inquire whether you wish us to sell any assets in the Roth IRA to pay the premium. If we are unable to pay the premium when due, depending on the terms of the annuity contract, the annuity will either be placed on a paid up basis or the annuity benefit amount will be reduced.

Any death benefit under the annuity must be payable to your Roth IRA for distribution to any beneficiary designated under your Roth IRA.

You authorize the deposit of cash balances in your Roth IRA in accounts with Bank of America, N.A. (BANA) or Bank of America California, N.A., or with affiliated or unaffiliated depositary institutions that bear a reasonable rate of interest. If a deposit program is not available for your Roth IRA, cash balances will be invested in the option made available for cash balances.

You agree to pay us all applicable fees and costs, including:
• Fees for our services as custodian of your Roth IRA, according to our current schedule, which may change from time to time;
• Advisory service fees, when applicable;
• All applicable taxes, including transfer taxes on investments; and
• Any other expenses we incur as custodian or that may otherwise be properly charged to your account.

We may deduct directly from your Roth IRA any such fees, tax reimbursements or expenses owed to us. If sufficient cash is not available in your Roth IRA, we reserve the right to sell any assets in your Roth IRA to cover amounts due us. We may also, at your direction, deduct fees and expenses of any investment advisor you appoint, to the extent not paid by you or otherwise prohibited. (See section About Fees in the Disclosure Statement for additional information).

We have no duty to perform any actions other than those specified in this agreement. We can accept and rely conclusively on any instructions or other communications we reasonably believe to have been given either by you or some other authorized person. We can assume that the authority of such person continues in effect until we receive written notice to the contrary. Any provision in this agreement that refers to a writing or written form includes electronic media to the extent permitted by law and our procedures.

We will keep accurate and detailed records of all transactions concerning your Roth IRA.

We will submit such annual calendar-year and other written reports to you and the IRS as required of us by law, including such information concerning required minimum distributions as prescribed by the Commissioner of the Internal Revenue Service. All distributions from your Roth IRA, including those resulting from account revocations, are reported to you and the IRS on Form 1099-R.

If you do not write to us to object to a report within 60 days after we send it to you, you will be considered to have approved it and to have released us from all responsibility for matters covered by the report.

You agree to provide us with any information we may need to comply with our legal reporting requirements. You will continue to be responsible for filing your tax return and any other reports required of you by federal law.
Taxes

If investments in your Roth IRA generate "unrelated business taxable income" of more than $1,000 during the year, we may have to calculate and pay income taxes on that amount. If so, we reserve the right to impose a fee for filing a tax return for your Roth IRA.

Resigning as custodian

If we ever resign as custodian, we will notify you in writing at your last known address at least thirty (30) days in advance of our resignation. You acknowledge and agree that, upon your receipt of notice of our resignation as your custodian: (i) you will have the right to select your successor custodian, provided that you have given us written instruction to transfer your Roth IRA assets to another Roth IRA custodian or trustee in advance of the effective date of our resignation; (ii) if you have not provided us with instructions regarding your preferred successor custodian, we may, in our sole discretion and without further notice to you, designate a successor custodian (including one affiliated with us) on your behalf; and (iii) in the event no successor custodian is designated by you (including in particular if we appoint a successor custodian on your behalf), we may liquidate without further notice to you all of the assets in your account, and all proceeds from such liquidation will be either (a) transferred to the successor custodian or (b) sent to your last known address in the form of a check. Please note that in the event we liquidate any of your assets, any outstanding obligations and/or debit balance(s) you may owe in your Roth IRA Account(s), including any annual and closing fees, will be deducted by Merrill Lynch prior to any checks being issued. Additionally, the liquidation of any security may incur fees, including mutual fund contingent deferred sales charges, or other applicable liquidation fees, which also will be paid with the proceeds of your liquidated assets.

You are required to direct us to transfer your account to some other trustee or custodian in the unlikely event that the IRS notifies us that we no longer qualify to act as custodian. If you do not designate another trustee or custodian, we will select one. We will make a transfer after receipt of the new custodian or trustee’s written acceptance of the appointment.

Certain investments, such as limited partnerships, generally can be transferred only annually, semi-annually or at some other specified intervals. Additionally, some investments, such as certain certificates of deposit (CDs), cannot be delivered and must be either liquidated or held with the custodian until maturity.

Nonforfeitability

Your right to the balance in your Roth IRA cannot be forfeited at any time.

Exclusive benefit and restrictions on sale or transfer

Your Roth IRA is exclusively for the benefit of you and your beneficiaries. If this is an inherited IRA within the meaning of Tax Code Section 408(d)(3)(C) maintained for the benefit of a designated beneficiary of a deceased individual, references in this document to "you" are to the deceased individual. After your death, your beneficiaries, except as specifically provided to the contrary, will have all the rights and all the obligations you had with respect to your Roth IRA.

You cannot sell or assign any interest in your Roth IRA. However, you may be able to transfer all or part of your Roth IRA to a former spouse under the terms of a divorce decree or written agreement made in connection with your divorce. Following your death, the trustee of a trust or the personal representative of an estate which is your beneficiary may be able to direct us to make distributions directly to the beneficiaries of such trust or estate, as provided previously in Beneficiaries.

Indemnification

You agree to repay us for any liabilities or expenses we may incur as a result of this agreement, other than those arising out of our failure to perform our specified duties.

Except as to controversies arising between us, we can apply to a court at any time for judicial settlement of any matter involving your Roth IRA. If we do so, we must give you the oppor-
tunity to participate in the court proceeding, but we can also involve other persons.

Any expenses we incur in legal proceedings involving your Roth IRA, including attorney’s fees, are chargeable to your Roth IRA and payable by you if not paid from your Roth IRA.

Arbitration

This Agreement contains a predispute arbitration clause. By signing an arbitration agreement the parties agree as follows:

• All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
• Arbitration awards are generally final and binding; a party’s ability to have a court reverse or modify an arbitration award is very limited.
• The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
• The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
• The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.
• The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
• The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.

You agree that all controversies that may arise between us shall be determined by arbitration. Such controversies include, but are not limited to, those involving any transaction in any of your accounts with Merrill Lynch, or the construction, performance or breach of any agreement between us, whether entered into or occurring prior, on or subsequent to the date hereof.

Any arbitration pursuant to this provision shall be conducted only before the Financial Industry Regulatory Authority, Inc. (FINRA) or an arbitration facility provided by any other exchange of which Merrill Lynch is a member, and in accordance with the respective arbitration rules then in effect in FINRA or such other exchange.

You may elect in the first instance whether arbitration shall be conducted before FINRA or another exchange of which Merrill Lynch is a member, but if you fail to make such election by registered letter addressed to Merrill Lynch at the office where you maintain your account before the expiration of five days after receipt of a written request from Merrill Lynch to make such election, then Merrill Lynch may make such election.

Judgment upon the award of the arbitrators may be entered in any court, state or federal, having jurisdiction.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

This Agreement does not prohibit or restrict you from requesting arbitration of a dispute in the FINRA arbitration forum as specified in FINRA rules.
Notwithstanding the foregoing, any agreement or award made as a result of an arbitration proceeding shall not be in violation of Section 408A of the Tax Code and related regulations.

Governing law
Except for determining the interests of beneficiaries, which shall be governed by the laws of the state of your domicile at your death, the laws of the State of New York and federal law applicable to individual retirement accounts (IRAs) shall govern this agreement, and its enforcement, without regard to the community property laws of any state.

Amendments
We reserve the right to amend this agreement at any time and will give you written notice of any amendment. Such written notice may be in electronic form, to the extent permitted by law.

Binding effects on successors
You and we agree that this agreement will be binding on and will inure to the benefit of the beneficiaries, heirs, successors and personal representatives of you, your beneficiaries and Merrill Lynch.

L09-18
Plan Name: Roth IRA Custodial Account 001  
FFN: 50194190000-001 Case: 201100448 EIN: 13-3180817  
Letter Serial No: M193272a

MERRILL LYNCH PIERCE FENNER & SMITH INC  
1400 MERRILL LYNCH DRIVE, MSC 0403  
PENNINGTON, NJ 08034

Contact Person:  
Ms. Rosalynn B. Perry  
Telephone Number:  
(202) 283-9624  
In Reference To: SE.T.EP.RA  
Date: 10/14/2011

Dear Applicant:

In our opinion, the form of the prototype trust, custodial account or annuity contract/endorsement identified above is acceptable for use as a Roth IRA under section 408A of the Internal Revenue Code, as amended through the Small Business Jobs Act of 2010.

Each individual who adopts this approved prototype will be considered to have a Roth IRA that satisfies the requirements of Code section 408A, provided the individual follows the terms of the approved prototype document, does not engage in certain transactions specified in Code section 408(e), and, if the Roth IRA is a trust or custodial account, the trustee or custodian is a bank within the meaning of Code section 408(n) or has been approved by the Internal Revenue Service pursuant to Code section 408(a)(2).

Code section 408(i) and related regulations require that the trustee, custodian or issuer of a contract provide a disclosure statement to each adopting individual as specified in the regulations. Publication 590, Individual Retirement Arrangements (IRAs), gives information about the items to be disclosed. The trustee, custodian or issuer of a contract is also required to provide each adopting individual with annual reports of all transactions related to the IRA.

The Internal Revenue Service has not evaluated the merits of this IRA and does not guarantee contributions or investments made under the IRA. Furthermore, this letter does not express any opinion as to the applicability of Code section 4975, regarding prohibited transactions.

This prototype IRA may have to be amended to include or revise provisions in order to comply with future changes in the law or regulations.

If you have any questions concerning IRS processing of this case, call us at the above telephone number. Please refer to the File Folder Number (FFN) shown in the heading of this letter. Please provide those adopting this prototype with your telephone number, and advise them to contact your office if they have any questions about the operation of their IRA. Please provide a copy of this letter to each adopting individual.

You should keep this letter as a permanent record. Please notify us if you terminate sponsorship of this prototype IRA.

Sincerely Yours,

Andrew E. Zuckerman  
Director, Employee Plans Rulings and Agreements
The following is a copy of the written notice of approval, issued by the Internal Revenue Service on August 3, 1987. The notice, which the IRS requires that we provide for your information indicates that Merrill Lynch is approved to act as a nonbank custodian.

Dear Applicant,

In a letter dated April 14, 1987, as supplemented by letters dated up to and including July 7, 1987, you requested a written notice of approval that Merrill Lynch, Pierce, Fenner & Smith may act as a nonbank custodian of individual retirement accounts (IRAs) and as a nonbank custodian for plans qualified under section 401 of the Internal Revenue Code as provided in section 1.401-12(a) of the income tax regulations.

Section 408(b) of the Code provides that a custodial account shall be treated as a trust under section 408(a), if the assets of such account are held by a bank (as defined in section 408(b) of the Code) or such other person who demonstrates to the satisfaction of the Secretary that the manner in which such other person will administer the account will be consistent with the requirements of section 408, and if the custodial account would, except for the fact that it is not a trust, constitute an IRA described in section 408(a). In the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account will be treated as the trustee thereof.

Section 401(f)(2) of the Code provides that a custodial account shall be treated as a qualified trust under this section if the custodial account would, except for the fact that it is not a trust, constitute a qualified trust under this section, and the custodian is a bank (as defined in section 408(n)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which such other person will hold the assets will be consistent with the requirements of section 401. In the case of a custodial account treated as a qualified trust by reason of section 401(f), the person holding the assets of such account shall be treated as the trustee.
Roth Individual Retirement Account

Merrill Lynch, Pierce, Fenner & Smith Inc.

Section 1.401-12(n) of the regulations provides that a nonbank applicant must file a written application with the Commissioner of Internal Revenue demonstrating, as set forth in that section, that the manner in which the person will administer trusts will be consistent with the requirements of section 401 of the Code. Section 1.401-12(n) of the regulations is used to determine the ability of a nonbank applicant to act as a trustee of IRAs or as a custodian of IRAs and of retirement plans qualified under section 401 of the Code.

Based on all the representations made in the application we have concluded that Merrill Lynch, Pierce, Fenner & Smith Inc. meets the requirements of section 1.401-12(n) of the regulations and, therefore, is approved to act as a nonbank custodian for IRAs and for plans qualified under section 401 of the Code.

Merrill Lynch, Pierce, Fenner & Smith Inc. may not act as a custodian unless it undertakes to act only under custodial instruments which contain a provision to the effect that the grantor is to substitute another custodian upon notification by the Commissioner that such substitution is required because the applicant has failed to comply with the requirements of section 1.401-12(n) of the regulations, or is not keeping such records, or making such returns or rendering such statements as are required by forms or regulations.

Merrill Lynch, Pierce, Fenner & Smith Inc. is required to notify the Commissioner of Internal Revenue, Attn: CP:SRF, Internal Revenue Service, Washington, D.C. 20224, in writing, of any change which affects the continuing accuracy of any representations made in its application required by section 1.401-12(n) of the regulations. Furthermore, the continued approval of its application to act as a custodian is contingent upon the continued satisfaction of the criteria set forth in section 1.401-12(n) of the regulations.

This letter constitutes a determination as to whether Merrill Lynch, Pierce, Fenner & Smith Inc. may act as a custodian for IRAs under section 401 of the Code and for plans qualified under section 401 and does not bear upon its capacity to act as a custodian under any other applicable state or federal law.

Merrill Lynch, Pierce, Fenner & Smith Inc.

The prior nonbank passive custodial approval letter issued January 28, 1977, to Merrill Lynch Pierce Fenner & Smith Inc. is revoked as of the date of this letter.

Sincerely yours,

Allen Katz
Chief, Employee Plans
Raleigh Branch
Merrill Lynch Retirement Asset Savings Program Fact Sheet

[1] This Fact Sheet describes the Retirement Asset Savings Program offered to certain sponsors and beneficiaries of retirement plan accounts at Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill Lynch”).

ABOUT THE RETIREMENT ASSET SAVINGS PROGRAM

[2] The Retirement Asset Savings Program (“RASP”) is a feature of retirement plan accounts for which Merrill Lynch is custodian (each a “Retirement Plan Account”). These include Individual Retirement Accounts, Roth Individual Retirement Accounts, Individual Retirement Rollover Accounts, Simplified Employee Pension, SIMPLE IRA, Coverdell Education Savings Accounts, and Basic™ Plan accounts. (The Internal Revenue Code does not allow RASP to be used in connection with Retirement Selector® Account-403(b)(7)-custodial accounts.)

[3] The RASP feature makes available to you a money market deposit account (“Deposit Account”), for each Retirement Plan Account which is opened on your behalf at one or more participating depository institutions, the deposits of which are insured by the Federal Deposit Insurance Corporation, an independent agency of the U.S. Government (“FDIC”).

[4] A minimum deposit of $1 is required to open an account through RASP. However, no deposit relationship shall be deemed to exist prior to the receipt and acceptance of your funds by a participating depository institution.

[5] Each deposit into a Deposit Account is a direct obligation of the depository institution at which the Deposit Account is established and is not directly or indirectly an obligation of Merrill Lynch. Merrill Lynch does not guarantee in any way the financial condition of any institution at which you may establish accounts through RASP. Upon request, you will be provided with the publicly available summary financial information relating to participating institutions. Merrill Lynch is not a bank and securities offered by Merrill Lynch are not backed or guaranteed by any bank nor are they insured by the FDIC.

[6] Deposits at each depository institution in which your funds are deposited through RASP are insured by the FDIC to a maximum amount of $250,000 (including principal and accrued interest) for all qualifying retirement account deposits held in the same legal capacity, except for Coverdell Education Savings Accounts, which are FDIC insured in the irrevocable trust ownership category. Your federal deposit insurance protection takes effect as soon as a depository institution receives your deposit. Any deposits, including certificates of deposit (“CDs”), that you maintain in the same legal capacity as your Retirement Plan Account directly with a particular depository institution, through other Merrill Lynch accounts or through another intermediary would be aggregated with the deposits maintained in the Deposit Accounts at that institution for purposes of the FDIC insurance limit. Since there may be more than one depository institution at which you may establish a Deposit Account, you may have more than the Standard Maximum Deposit Insurance Amount in federal deposit insurance protection for funds deposited through RASP.

[7] You are responsible for monitoring the total amount of deposits that you hold with one depository institution, in a single legal capacity, including deposits maintained through RASP, deposits (including CDs) held through other Merrill Lynch accounts and deposits held directly with the depository institution.
How the RASP feature works

[8] Your money is remitted initially for deposit by Merrill Lynch, acting as your agent, into a Deposit Account at the primary depository institution. The primary depository institution is Bank of America, N.A. (BANA). The secondary depository institution is Bank of America California, N.A. (BA-CA) (and together with BANA, are the Merrill Lynch Affiliated Banks, the “Merrill Lynch Banks”) (which will accept deposits once you exceed $246,000 in the Deposit Account at the primary institution as described below).

[9] From time to time, one or more of the participating depository institutions may be replaced with a new institution, including one that may not have been previously included. Also, new depository institutions may be added and the depository sequence changed. You will receive notification in advance of such movement, inclusion or change before any funds you have in a Deposit Account are moved to another institution. Notification may be by means of a letter, an entry on your Retirement Plan Account statement, or the delivery to you of a new listing of available depository institutions.

[10] For each Retirement Plan Account, the following rules apply: Funds up to $246,000 are remitted to the Deposit Account established for you at the primary depository institution, BANA. If the balance in your Deposit Account at BANA reaches $246,000, then your funds are remitted for deposit in the same manner to a Deposit Account established for you at BA-CA, until the balance in your Deposit Account at BA-CA reaches $246,000. If the balance in your Deposit Accounts at BA-CA reaches $246,000, subsequent funds are deposited in your Deposit Account at BANA, even if the amounts then deposited in your Deposit Account at BANA exceed $246,000. This may cause the amount deposited in BANA through RASP to exceed the Standard Maximum Deposit Insurance Amount. All deposits at an institution held in the same legal capacity are protected by federal insurance up to a maximum of the Standard Maximum Deposit Insurance Amount. Amounts on deposit at BANA or BA-CA held in the same legal capacity, including deposits maintained through RASP, in excess of the Standard Maximum Deposit Insurance Amount, will not be covered by federal deposit insurance.

[11] It is important for you to monitor the amounts of your total deposits with each participating depository institution, so that you will know the extent of federal deposit insurance available to you for such deposits (see the following section, Additional Information on Federal Deposit Insurance).

[12] Generally, funds will be transferred to the next priority depository institution, if any, in the priority sequence established. However, there may be exceptions if a depository institution is closed for the day, or if it reaches the aggregate deposit limit it will accept from Merrill Lynch clients. If a depository institution in which you have a Deposit Account chooses to no longer make its accounts available through RASP, funds in your Deposit Account at that institution will be transferred, after notification to you, to another participating depository institution.

[13] Available free credit balances of $1 or more will be automatically deposited in your Deposit Account on a daily basis, except for Saturdays, Sundays and legal holidays. All such deposits will be made only in whole dollar amounts.

Transfers and withdrawals

[14] Merrill Lynch, as your agent, will make withdrawals from your Deposit Accounts as necessary to satisfy any debits in the Retirement Plan Account. However, as required by federal regulations, each depository institution at which Deposit Accounts may be established reserves the right to require seven days prior notice before
permitting a withdrawal out of an individual account.

[15] If you have funds on deposit at both BANA and BA-CA, withdrawals will be made from your Deposit Accounts in the reverse of the order in which deposits are made to the Deposit Accounts.

[16] Payment out of your account may be delayed when funds placed in an account on your behalf had as their original source a check, draft or similar instrument given to Merrill Lynch. Merrill Lynch may delay the deposit of funds into a Deposit Account until funds submitted to your Retirement Plan Account have cleared.

[17] The Deposit Accounts established at the Merrill Lynch Affiliated Banks are not transferable.

Interest

[18] The rate paid for RASP will be established periodically as determined by the Merrill Lynch Affiliated Banks, and other participating depositories. For accounts established through RASP, the Merrill Lynch Affiliated Banks, and any other participating depositories, will set interest rates based on economic and business conditions. For RASP interest rates will be tiered based upon your relationship with Merrill Lynch as determined by the value of assets in your eligible Retirement Plan Account(s), Deposit Account(s) and accounts linked through the Merrill Lynch Statement Link service. For these tiered Deposit Accounts, deposits of clients in higher Asset Tiers (as defined below) generally will receive higher interest rates than deposits of clients in lower Asset Tiers.

[19] Your interest rate generally will correspond with your Asset Tier as determined by the value of assets in your eligible Retirement Plan Account(s), Deposit Account(s) and accounts linked through the Merrill Lynch Statement Link service. Retirement Plan Accounts enrolled in a Merrill Lynch investment advisory program, or any other Managed Solutions program will receive the interest rate that corresponds to the highest Asset Tier. For more information on the Merrill Lynch Statement Link service, please refer to the description in this booklet. The following Asset Tier levels took effect on September 30, 2005:

- $10,000,000 or more
- $1,000,000 to $9,999,999
- $250,000 to $999,999
- less than $250,000

[20] In general, Merrill Lynch will determine your Asset Tier towards the end of each month (the “Valuation Date”) for application the next statement month. The valuation procedure generally will work like this:

- Your Asset Tier(s) will be based on Merrill Lynch’s determination of the long market value of assets and Deposit Account balances in your eligible Retirement Plan; including other eligible accounts linked through the Merrill Lynch Statement Link service.

- Your Asset Tier(s) will not change until the next Valuation Date even if you open new accounts or link accounts.

- If you have accounts enrolled in the Merrill Lynch Statement Link service on the Valuation Date, then the valuation will reflect the dollar value of assets in those linked accounts (except excluded accounts) to determine your Asset Tier.

- If your accounts are not linked on the Valuation Date, then the assets in each Retirement Plan Account will be valued individually to determine your Asset Tier for that account.

- New Retirement Plan Accounts are not valued until the next applicable Valuation Date. In the First month, deposit balances in all new accounts will receive the interest rate that corresponds to the Asset Tier that ranges from $250,000 to $999,999. This Asset Tier may be adjusted, as appropriate, on the next Valuation Date.

[21] Without notice, interest rates may change daily, the interest rate differential between Asset Tiers may change, and Asset Tiers may also change. To learn the current or new interest rate for RASP offered in connection with your Retirement Plan Account, call your Merrill Lynch advisor.
The rates of return paid with respect to the Deposit Accounts may be higher or lower than the rates of return available to other depositors of the participating depository institution for comparable accounts. Of course, you should compare the terms, rates of return, required account minimums, charges and other features of a Deposit Account with other accounts and alternative investments before deciding to maintain a Deposit Account.

Interest will accrue on the balances in a Deposit Account from the day funds are deposited with a participating depository institution to (but not including) the date of withdrawal, and will be compounded daily and credited monthly.

Client statements

All of your transactions will be confirmed and will appear in chronological sequence on your Merrill Lynch Retirement Plan Account statement. The statement will show the total of your opening and closing Deposit Account balances, along with a breakdown of your Deposit Account balance at each individual depository institution (if more than one depository institution is participating in RASP and your funds are deposited in more than one depository institution). The statement will also show interest earned for the statement period.

Your relationship with Merrill Lynch

Merrill Lynch is acting as agent and messenger for its Retirement Plan Account clients who establish accounts through RASP. The separate accounts established by Merrill Lynch on its records on behalf of its Retirement Plan Account clients will be evidenced by a book entry on the account record of the participating depository institution. No evidence of ownership, such as a passbook or certificate, will be issued to the Retirement Plan Account clients who establish accounts through RASP, nor will any depository institution be given the names of Retirement Plan Account clients. In addition, all transactions are effected through Merrill Lynch, as agent, and not directly between a client and the participating depository institution.

You may obtain information about your Deposit Accounts, including the names of each depository institution in which your funds are currently being deposited, balances, the current interest rate and the names and priority of the other institutions at which Deposit Accounts are currently available, by calling your Merrill Lynch advisor.

Each participating depository institution, in its sole discretion and without notice, may change the conditions of or terminate a client’s Deposit Account. If Merrill Lynch does not wish to continue to act as your agent or custodian with respect to your Deposit Account(s), you may deal directly with each depository institution (subject to its rules in effect at that time) with respect to maintaining such an account.

Similarly, if you decide that you no longer wish to have Merrill Lynch act as your agent and messenger with respect to the Deposit Account established for you at a depository institution, you may establish a direct depository relationship with the depository institution (subject to its rules in effect at that time) with respect to maintaining such an account.

This may result in the severing of your Deposit Account at that depository institution account from the Retirement Plan Account service.

Benefits to Merrill Lynch

The Merrill Lynch Affiliated Banks use bank deposits to fund current and new lending, investment and other business activities. Like many other depository institutions, the profitability of the Merrill Lynch Affiliated Banks is determined in large part by the difference between the interest paid and other costs incurred by them on bank deposits, and the interest or other income earned on their
loans, investments and other assets. The deposits provide a stable source of funding for the Merrill Lynch Affiliated Banks, and borrowing costs incurred to fund the business activities of the Merrill Lynch Affiliated Banks have been reduced by the use of deposits from Merrill Lynch clients.

Merrill Lynch receives compensation from the Merrill Lynch Affiliated Banks of up to $85 per year for each Retirement Plan Account that has uninvested cash balances automatically swept to the Merrill Lynch Affiliated Banks under the RASP program. The amount of this fee is subject to change from time to time, and Merrill Lynch may waive all or part of it. Other than the Retirement Plan Account fees, no charge, fee or commission will be imposed on you with respect to your participation in RASP in connection with your Retirement Plan Account. Merrill Lynch pays a fee to advisors based on total client deposits swept to the Merrill Lynch Affiliated Banks.

Additional information

You will always know where your money is by referring to the information in the section titled Your relationship with Merrill Lynch, this page, in conjunction with your Retirement Plan Account statement. Additionally, by calling your advisor, you can confirm the name of the depository institution that has accepted your most recent deposit. Upon request, you will be provided with the publicly available information that Merrill Lynch has relating to the participating depository institutions.

ADDITIONAL INFORMATION ON FEDERAL DEPOSIT INSURANCE

In the event that federal deposit insurance payments become necessary, the FDIC is required to pay principal plus unpaid and accrued interest to the date of the closing of the relevant depository institution, as prescribed by law and applicable regulations. Since there is no specific time period during which the FDIC must make available such insurance payments, you should be prepared for the possibility of an indeterminate delay in obtaining insurance payments. In addition, you may be required to provide certain documentation to the FDIC and to Merrill Lynch before any insurance payouts are released to you. For example, you may be required to furnish affidavits and indemnities regarding the payout. Merrill Lynch will not be obligated to you for amounts not covered by deposit insurance and will not be obligated to you in advance of payment from the FDIC.

Since deposit insurance coverage is based on a customer’s funds on deposit in any one depository institution, coverage can change if two or more institutions where you have funds on deposit merge. In this case, deposits maintained through RASP continue to be separately insured for six months from the date that the merger takes effect. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquirer held in the same legal ownership category for purposes of federal deposit insurance. Any deposit opened at the acquired institution after the acquisition will be aggregated with deposits established with the acquirer for purposes of federal deposit insurance.

Special rules for Retirement Plan Accounts

You may have interests in various retirement and employee benefit plans and accounts that have deposits in a depository institution. The amount of deposit insurance you will be entitled to will vary depending on the type of plan or account and on whether deposits held by the plan or account will be treated separately or aggregated with deposits in the same depository institution held by other plans or accounts. It is therefore important to understand the type of plan or account holding the deposit. The following sections entitled Pass-through deposit insurance for retirement and employee benefit plan deposits and Aggregation of Retirement and Employee Benefit Plans and Accounts generally discuss the rules that apply to deposits of retirement and employee benefits plans and accounts.

On February 8, 2006, the President of the United States signed the Deficit Reduction Act of 2005 (the “Act”), which contains provisions affecting federal deposit insurance coverage. The principal amount of your deposits held in
Qualified Retirement Accounts (as defined below), plus accrued interest, together with any other deposits held at the issuing depository institution through such Qualified Retirement Accounts, are protected by federal deposit insurance and backed by the U.S. government to a maximum amount of $250,000 for the total amount of all such deposits held by you in the same ownership capacity at the depository institution. Retirement accounts that qualify for this increased coverage are: (i) any individual retirement accounts ("IRAs") described in section 408(a) of the Internal Revenue Code of 1986, as amended ("Code"); (ii) any eligible deferred compensation plan described in section 457 of the Code; (iii) any individual account plan described in section 3(34) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), to the extent the participants and beneficiaries under such plans have the right to direct the investment assets held in the accounts; and (iv) any plan described in section 401(d) of the Code, to the extent the participants and beneficiaries under such plans have the right to direct the investment assets held in the accounts (each, a "Qualified Retirement Account").

Pass-through deposit insurance for retirement and employee benefit plan deposits

Subject to the limitations discussed below, under FDIC regulations, an individual's non-contingent interest in the deposits of one depository institution held by certain types of employee benefit plans are eligible for insurance on a "pass-through" basis up to the Standard Maximum Deposit Insurance amount for that type of plan. This means that, instead of an employee benefit plan's deposits at one depository institution being entitled to only the applicable Standard Maximum Deposit Insurance Amount in total per depository institution, each participant in the employee benefit plan is entitled to insurance of his or her interest in the employee benefit plan's deposits of up to the applicable Standard Maximum Deposit Insurance Amount per institution (subject to the aggregation of the participant's interests in different plans, as discussed below). The pass-through insurance provided to an individual as an employee benefit plan participant is in addition to the deposit insurance allowed on other deposits held by the individual at the issuing institution. However, pass-through insurance is aggregated across certain types of accounts (see the following section, Aggregation of Retirement and Employee Benefit Plans and Accounts).

A deposit held by an employee benefit plan that is eligible for pass-through insurance is not insured for an amount equal to the number of plan participants multiplied by the applicable Standard Maximum Deposit Insurance Amount. For example, assume an employee benefit plan that is a Qualified Retirement Account (i.e., a plan that is eligible for deposit insurance coverage up to $250,000 per qualified beneficiary) owns $500,000 in deposits at one institution and the plan has two participants, one with a vested non-contingent interest of $350,000 and one with a vested non-contingent interest of $150,000. In this case, the individual with the $350,000 interest would be insured up to the $250,000 limit, and the individual with the $150,000 interest would be insured up to the full value of such interest.

Moreover, the contingent interests of employees in an employee benefit plan and overfunded amounts attributed to any employee defined benefit plan are not insured on a pass-through basis. Any interests of an employee in an employee benefit plan deposit which are not capable of evaluation in accordance with FDIC rules (i.e., contingent interests) will be aggregated with the contingent interest of other participants and insured up to the applicable Standard Maximum Deposit Insurance Amount. Similarly, overfunded amounts are insured, in the aggregate for all participants, up to the applicable Standard Maximum Deposit Insurance Amount separately from the insurance provided for any other funds owned by or attributable to the employer or an employee benefit plan participant.
AGGREGATION OF RETIREMENT AND EMPLOYEE BENEFIT PLANS AND ACCOUNTS

Self-directed retirement accounts
The principal amount of deposits held in Qualified Retirement Accounts described above, plus accrued but unpaid interest, if any, are protected by FDIC insurance up to a maximum of $250,000 for all such deposits held by you at the issuing depository institution together with other accounts held in the same capacity. The FDIC sometimes generically refers to Qualified Retirement Accounts as “self-directed retirement accounts.” Supplementary FDIC materials indicate that Roth IRAs, self-directed Keogh Accounts, Simplified Employee Pension plans, and self-directed defined contribution plans are intended to be included within this group of Qualified Retirement Accounts. Accordingly, all accounts that participate in RASP, other than Coverdell Education Savings Accounts, should qualify for $250,000 of FDIC insurance in the aggregate.

Other employee benefit plans
Any employee benefit plan, as defined in Section 3(3) of ERISA, described in Section 401(d) of the Code, or eligible deferred compensation plan under section 457 of the Code, that does not constitute a Qualified Retirement Account—for example, certain employer-sponsored profit sharing plans—can still satisfy the requirements for pass-through insurance with respect to non-contingent interest of individual plan participants, provided that FDIC requirements for record-keeping and account titling are met (“Non-Qualifying Benefit Plans”). For Non-Qualifying Benefit Plans, the Standard Maximum Deposit Insurance Amount (“SMDIA”) applies. Under FDIC regulations, an individual’s interests in Non-Qualifying Benefit Plans maintained by the same employer or employee organization (e.g., a union) which are holding deposits at the same institution will be insured up to the SMDIA in the aggregate, separate from other accounts held at the same depository institution in other ownership capacities.

If you have questions about the FDIC insurance coverage of your account, please contact your Merrill Lynch advisor or visit the FDIC website at fdic.gov for more information.

FDIC regulations and interpretations governing the availability of federal deposit insurance are subject to change from time to time. Neither BANA nor BA-CA or any other depository institution participating in RASP assumes any responsibility with respect to any such changes.
You may elect to enroll in the Merrill Lynch Statement Link service (“Statement Link service”). This service allows certain types of accounts to be “linked” for various purposes, including (1) to receive statements for all linked accounts in a single package and (2) to establish your Asset Tier (defined below) for the Retirement Asset Savings Program (“RASP”).

Linking accounts for statement delivery purposes

The Statement Link service allows a Retirement Plan Account client (the “Primary Account client”) to link other Merrill Lynch accounts, usually in the same household or related to a single business, so that the monthly statements for the linked accounts are packaged together and mailed by us to the Primary Account client’s address, together with a summary page that combines account information from all linked accounts. Each client whose account is to be linked with the service appoints the Primary Account client as agent to receive the client’s monthly statements and any notices or other communications mailed with them. The assets of the linked accounts are not commingled and all of the clients retain control over their individual accounts. The individual clients also remain responsible for verifying the accuracy of their individual statements, for reading any notices that are mailed with the linked statements and for directing the activity in their individual accounts.

Asset Tiers

Interest rates in the RASP may be tiered based upon your relationship with Merrill Lynch as determined by the value of assets in your accounts, including Deposit Accounts established for you through RASP. For tiered accounts, your interest rate will correspond with your Asset Tier as determined by the value of assets in your account or accounts linked through the Statement Link service. Generally, deposits of clients in higher Asset Tiers will receive higher interest rates than deposits of clients in lower Asset Tiers. The following Asset Tier levels were in effect on September 30, 2005:

- $10,000,000 or more
- $1,000,000 to $9,999,999
- $250,000 to $999,999
- Less than $250,000

Without notice, interest rates may change daily, the interest rate differential between Asset Tiers may change and Asset Tiers may also change. Your Asset Tier will be based on Merrill Lynch’s determination of the long market value of assets in your Merrill Lynch account(s) and deposit balances with the Merrill Lynch Affiliated Banks. In general, your Asset Tier will be determined by Merrill Lynch towards the end of each month (the “Valuation Date”) for application the next statement month. The valuation procedure generally will work like this:

- Your Asset Tier(s) will not change until the next Valuation Date even if you open new accounts or link accounts.

- If you have accounts enrolled in the Merrill Lynch Statement Link service on the Valuation Date, then the valuation will reflect the dollar value of assets in those linked accounts (except accounts listed as ineligible below) to determine your Asset Tier.

- If your accounts are not linked on the Valuation Date, then the assets in each Retirement Plan Account will be valued individually to determine the Asset Tier for that account.

Important considerations for individual retirement accounts

You generally may link your Individual Retirement Account (IRA), Individual
Retirement Rollover Account (IRA), Roth Individual Retirement Account (Roth IRA), Simplified Employee Pension (SEP), Simple Retirement Account (SRA), and Coverdell Education Savings Account (ESA) with your other accounts to achieve a higher Asset Tier. Except for a SEP or a SRA, you cannot link an IRA which accepts employer contributions.

[6] You also may link your IRA with IRAs (or other accounts) of immediate family members and their spouses to achieve a higher Asset Tier. If you want to link IRAs with accounts of other persons to achieve a higher Asset Tier, you should consult your legal or tax advisor.

Ineligible accounts

[7] For regulatory or other reasons, certain types of accounts that can be linked for statement delivery purposes are not included for determining your Asset Tier. These include: Working Capital Management Accounts, Health Savings Accounts and certain retirement accounts including Retirement Cash Management Accounts, BASIC accounts, 401(k) accounts (including SIMPLE 401(k) accounts), and Retirement Selector® Accounts (403(b) accounts). For more information on enrolling in this service, please call your advisor or 1.800.MERRILL.

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