

# Notice of election to use average basis method

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I elect to use the average basis method to determine the cost or other basis of shares of stock in the regulated investment companies (RICs) or mutual funds that I own or may subsequently own. I make this notification to Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S) for the account, RICs and funds listed below.

**Merrill Lynch Account No.** \_\_\_\_\_

**List all names as they appear on this account.**

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\_\_\_\_\_

- I would like to average all eligible mutual funds that are traded in this account.
- I would like to average the mutual funds listed below that are traded in this account.

**Provide the mutual fund symbol(s), description(s) or Merrill Lynch security number(s).**  
**For more than eight securities, please use multiple forms.**

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By executing this *Notice of election to use average basis method*:

1. I acknowledge that my average basis method election shall be effective upon receipt of this notice by MLPF&S.
2. I acknowledge that any tax lots for which MLPF&S does not have cost basis information will not be included in the average cost basis method calculation.
3. I acknowledge that MLPF&S has not made the "single account" election to treat noncovered shares of stock as covered shares. Therefore, cost of shares acquired before Jan. 1, 2012 (noncovered), will be calculated as First In, First Out (FIFO) original cost separately from shares acquired after Dec. 31, 2011 (covered), which will begin to calculate average cost. The average cost of covered shares will be reported to the IRS on Form 1099-B when the covered shares are sold.

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4. I acknowledge that MLPF&S will report the average cost calculated for covered shares of stock to the IRS if such shares are sold while held by MLPF&S. I acknowledge that MLPF&S will report the average cost calculated for covered shares of stock to the recipient of the shares (transferee broker) if such shares are transferred out of MLPF&S.
5. I acknowledge the following:
  - a. My average basis method election applies to all future acquisitions of shares of stock in any mutual funds having been specifically listed above (this includes an acquisition of such shares by purchase, transfer, reinvestment or corporate action); OR
  - b. If my average basis method election applies to all mutual funds in an account (if box is checked above), then my election applies to all future acquisitions of shares of stock in any mutual fund in that account (this includes an acquisition of such shares by purchase, transfer, reinvestment or corporate action).
6. I acknowledge that, prior to the date of the first sale, transfer or disposition of any shares of stock in any of the mutual funds subject to my average basis method election, I may revoke my average basis method election through written notice delivered to MLPF&S. I also acknowledge that, after the date of the first sale, transfer or disposition of any shares of stock in any of the mutual funds subject to my average basis method election, I may change the basis determination method from the average basis method to another method through written notice delivered to MLPF&S, provided, however, that any such change in the basis determination method would only apply prospectively to subsequent acquisitions of any shares of stock in the mutual funds.
7. I state that, with respect to any shares of stock in a mutual fund that I acquire by gift which had an adjusted cost basis that was greater than the fair market value of the shares at the time of the gift, I will treat the cost basis of any such shares as the fair market value of the shares at the time I acquire the shares for purposes of the average cost basis calculation.

By executing this *Notice of election to use average basis method*, I agree with the above statements and conditions.

**All account holders or authorized signers of the account listed on this form must sign below.**

Printed name	Signature	Date
Printed name	Signature	Date

**Please return this completed form to:**

Merrill Edge  
 P.O. Box 29002  
 Hot Springs, AR 71903

Merrill Edge® is available through Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), and consists of the Merrill Edge Advisory Center (investment guidance) and self-directed online investing.

MLPF&S is a registered broker-dealer, Member SIPC and a wholly owned subsidiary of Bank of America Corporation.

Investment products:

<b>Are Not FDIC Insured</b>	<b>Are Not Bank Guaranteed</b>	<b>May Lose Value</b>
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