



## **Important information regarding changes to the Merrill Lynch Bank Deposit Programs**

We are writing to let you know about some pending changes to the Merrill Lynch Bank Deposit Programs and to share any potential impacts these changes may have for you.

On or about Oct. 1, 2014, FIA Card Services, N.A. (FIA), will merge with Bank of America, N.A. (BANA), an FDIC-insured institution. Bank of America, N.A., is a subsidiary of Bank of America Corporation and an affiliate of Merrill Lynch.

On Sept. 2, 2014, the following bank deposit programs and your deposits in these programs will automatically be transferred from FIA to BANA:

- Merrill Lynch Bank Deposit Program
- Retirement Asset Savings Programs
- Merrill Lynch Business Deposit Program
- Merrill Lynch Direct Deposit Program

For the Insured Savings Account™ (ISA®) Program, deposits in FIA will be transferred to other participating banks in accordance with ISA Program guidelines.

These changes may impact your level of FDIC coverage, so we want to make sure you have the information you need and know where to go for help with any questions you may have. As always, your financial advisor is available to assist you.

Please note that your deposits will continue to be governed by the terms described in your brokerage account agreement. If you don't have a copy of your agreement, you can get a copy from your financial advisor.

Please take a few minutes to review the FDIC coverage details below because this change may impact your FDIC coverage.

### **FDIC coverage: What you need to know**

The FDIC currently insures deposit accounts up to \$250,000 per depositor, per ownership category (for example, individual, joint, trust), per bank. To apply the \$250,000 coverage limit, the FDIC will add together all of your deposit accounts held at the same bank in the same legal ownership category, whether directly, through Merrill Lynch accounts or through any other intermediary. Deposit balances at different banks will be insured separately, up to the applicable limits.

On Sept. 2, 2014, your FIA deposits will become deposits with Bank of America, N.A. As a result, these deposits, along with any other deposits you may have at Bank of America, N.A., now or in the future, will be aggregated for deposit insurance purposes. After that change, we encourage you to review your deposit solutions at Merrill Lynch as well as any deposit accounts you may have at Bank of America, N.A.

To help you understand how this change may potentially impact your FDIC coverage, please see the example on the next page. If you have any questions, please contact your financial advisor.

### Example

An individual account holder has a \$300,000 deposit balance in the Merrill Lynch Bank Deposit Program and a \$200,000 deposit balance in a BANA savings account, for a total of \$500,000 in deposits.

| Pre-merger   | Depository bank |           |          |
|--|-----------------|-----------|----------|
|  | BANA            | FIA       | BA-CA*   |
| Merrill Lynch Bank Deposit Program – Individual Owner† | N/A             | \$250,000 | \$50,000 |
| BANA Savings Account – Individual Owner                | \$200,000       | N/A       | N/A      |
| Total  | \$200,000       | \$250,000 | \$50,000 |
| FDIC uninsured amount                                  | \$0             | \$0       | \$0      |

\*Bank of America California, N.A.

†The FDIC provides coverage up to \$250,000 per bank in the individual ownership category. The joint ownership (owned by two depositors) category would provide coverage up to \$500,000.

Deposits are across three banks (BANA, FIA and BA-CA), and the depositor is insured up to \$250,000 per bank for the individual ownership category. Therefore, the deposits of \$500,000 are fully FDIC insured.

| Post-merger  | Depository bank |     |          |
|--|-----------------|-----|----------|
|  | BANA            | FIA | BA-CA    |
| Merrill Lynch Bank Deposit Program – Individual Owner* | \$250,000       | N/A | \$50,000 |
| BANA Savings Account – Individual Owner                | \$200,000       | N/A | N/A      |
| Total  | \$450,000       | N/A | \$50,000 |
| FDIC uninsured amount                                  | \$200,000       | N/A | \$0      |

\*The FDIC provides coverage up to \$250,000 per bank in the individual ownership category. The joint ownership (owned by two depositors) category would provide coverage up to \$500,000.

Deposits in the Merrill Lynch Bank Deposit Program moved from FIA to BANA, and when aggregated with other BANA deposits caused the excess over \$250,000 to become uninsured. Deposits are now across two banks – BANA and BA-CA. Deposits of \$300,000 are fully insured (\$250,000 in BANA and \$50,000 in BA-CA); \$200,000 in BANA is uninsured.

You are responsible for monitoring the total amount of your deposits to determine the extent of insurance coverage available to you.

If you have any questions or need additional information about how to maximize your deposit insurance coverage, please contact your financial advisor or visit [www.FDIC.gov](http://www.FDIC.gov).

## **Benefits of bank deposits to Merrill Lynch**

Deposits held at BANA, FIA, BA-CA and Merrill Lynch International Bank (the Merrill Lynch Affiliated Banks) are financially beneficial to Merrill Lynch and its affiliates. For example, the Merrill Lynch Affiliated Banks use bank deposits to fund current and new lending, investments, and other business activities. Like 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 up to \$100 per year for each account that sweeps to the Merrill Lynch Bank Deposit (MLBD) Program, Merrill Lynch Business Deposit Program, Merrill Lynch Direct Deposit Program, Retirement Asset Savings Programs (RASP or RASP II). Merrill Lynch also receives a fee from the ISA banks of up to 2% per annum of the average daily balances. This compensation is subject to change from time to time, and Merrill Lynch may waive all or part of it.

Merrill Lynch financial advisors are compensated based on their clients' total deposits held in the Merrill Lynch Affiliated Banks (excludes RASP and RASP II).

## **Interest rates and yields**

The interest rates you earn for the MLBD Program, Merrill Lynch Business Deposit Program, Merrill Lynch Direct Deposit Program, RASP and RASP II will not be affected as a result of the bank change.

You can obtain current interest rate information on MyMerrill.com® (see the "Deposit Account & Money Fund Rates" link at the bottom of each page) or by contacting your financial advisor.

## **Alternative primary money accounts: Money market mutual funds**

You may be able to choose a money market mutual fund as a primary money account instead of a bank deposit program depending on a variety of factors, including account type and asset level. Money market mutual funds and bank deposit programs have different types of protection/insurance coverage. Funds invested in money market mutual funds through Merrill Lynch are protected by the Securities Investor Protection Corporation (SIPC) as described below. Money market mutual funds typically invest in government securities, certificates of deposit, commercial paper of companies, or other highly liquid and lower-risk securities. An investment in money market mutual funds is not a bank deposit, and is not insured or guaranteed by Bank of America, N.A., or any of its affiliates, or by the FDIC or any other government agency. Although money market mutual funds seek to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in money market mutual funds. Yields may vary daily.

Please ask your financial advisor for a current prospectus and/or, if available, summary prospectus, and read them carefully. Before investing, carefully consider the investment objectives, risks, and charges and expenses of the fund. This and other information may be found in the fund's prospectus and/or, if available, summary prospectus.

## **SIPC and excess-SIPC coverage**

The securities and cash that Merrill Lynch holds in your brokerage account are protected by the SIPC up to a maximum of \$500,000 per client for securities, inclusive of up to \$250,000 per client for cash. In addition, Merrill Lynch has obtained excess-SIPC coverage from a Lloyd's of London syndicate for large client accounts.

Please note that money market mutual funds and bank deposits are not "cash" for purposes of SIPC account protection. Rather, money market mutual funds receive SIPC and excess-SIPC protection as securities and bank deposits are protected by FDIC insurance. SIPC and excess-SIPC coverage do not protect against investment losses from market action. For additional information on the SIPC, visit [www.SIPC.org](http://www.SIPC.org).

The charts below outline the sweep options that may be available to you.

**Table A: Primary money accounts for U.S. residents/U.S. citizens**

| Account type*  | Automatic cash sweep options – Bank deposit programs |   | Automatic cash sweep options – Money market mutual funds   |
|--|--|---|--|
|  | Name   | Participating banks as of 9/2/2014                |  |
| Cash Management Account® (CMA® Account), CMA SubAccount®, Cash Management Account® for Trust | MLBD Program   | BANA and BA-CA                                    | Clients with \$250,000 or more in eligible statement-linked assets may also designate one of the following as an automatic cash sweep option: <ul style="list-style-type: none"> <li>•BIF Tax-Exempt Fund</li> <li>•A state fund under the BIF Multi-State Municipal Series Trust<sup>†</sup></li> <li>•BofA Tax-Exempt Reserves – Investor Class</li> <li>•A tax-exempt state fund under the BofA Funds Series Trust<sup>‡</sup></li> </ul> |
| Health Savings Account (HSA) and Medical Savings Accounts                                    | MLBD Program   | BANA and BA-CA                                    | Not available  |
| IRA, ROTH, Rollover, SEP, SIMPLE and BASIC   | RASP   | BANA and BA-CA                                    | Not available  |
| Education Savings Account (ESA)  | RASP   | BANA and BA-CA                                    | Not available  |
| Merrill Edge® Self-Directed CMA  | Merrill Lynch Direct Deposit Program                 | BANA  | Clients with \$250,000 or more in eligible statement-linked assets may also designate one of the following as an automatic cash sweep option: <ul style="list-style-type: none"> <li>•BIF Tax-Exempt Fund</li> <li>•A state fund under the BIF Multi-State Municipal Series Trust<sup>†</sup></li> </ul>   |
| Merrill Edge Self-Directed IRA, ROTH, Rollover, SEP and SIMPLE                               | RASP II  | BANA and BA-CA                                    | Not available  |
| Retirement Cash Management Account (RCMA®) and RCMA SubAccount (for Investment Only)         | ISA®§  | BANA, BA-CA and Non-Affiliated Banks <sup>±</sup> | <ul style="list-style-type: none"> <li>•BIF Government Securities Fund</li> <li>•BIF Money Fund</li> <li>•BIF Treasury Fund</li> </ul>   |
|  | MLBD Program   | BANA and BA-CA                                    | <ul style="list-style-type: none"> <li>•BofA Government Plus Reserves – Investor Class</li> </ul>  |

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| Account type*   | Automatic cash sweep options – Bank deposit programs |                                    | Automatic cash sweep options – Money market mutual funds   |
|---|--|------------------------------------|--|
|   | Name   | Participating banks as of 9/2/2014 |  |
| Self-Direct Brokerage (SDB) Accounts held within a qualified retirement plan at Merrill Lynch | MLBD Program   | BANA and BA-CA                     | •BIF Money Fund  |
| Business Investor Account (BIA)   | Merrill Lynch Business Deposit Program               | BANA and BA-CA                     | Not available  |
| Working Capital Management Account (WCMA® Account), WCMA SubAccount)                          | MLBD Program   | BANA and BA-CA                     | <ul style="list-style-type: none"> <li>•BBIF Government Securities Fund</li> <li>•BBIF Money Fund</li> <li>•BBIF Treasury Fund</li> <li>•BBIF Tax-Exempt Fund</li> <li>•BofA Cash Reserves – Daily Class</li> <li>•BofA Government Reserves – Daily Class</li> <li>•BofA Government Plus Reserves – Daily Class</li> <li>•BofA Treasury Reserves – Daily Class</li> <li>•BofA Tax-Exempt Reserves – Daily Class</li> </ul> |
| Endowment Management Account™ (EMA®), EMA II, EMA SubAccount®                                 | MLBD Program   | BANA and BA-CA                     | <p>Clients with \$250,000 or more in eligible statement-linked assets may also designate one of the following as an automatic cash sweep option:</p> <ul style="list-style-type: none"> <li>•A state fund under the BIF Multi-State Municipal Series Trust<sup>†</sup></li> <li>•BofA Tax-Exempt Reserves – Investor Class</li> <li>•A tax-exempt state fund under the BofA Funds Series Trust<sup>‡</sup></li> </ul>      |
| Merrill Edge Self-Directed BIA  | Merrill Lynch Business Deposit Program               | BANA and BA-CA                     | Not available  |

\*If you have a managed account through Merrill Lynch's Investment Advisory Program or are enrolled in Money Manager Services, your cash sweep options may differ.

<sup>†</sup>The following state funds are available as part of the BIF Multi-State Municipal Series Trust: CA, CT, MA, MI, NY, NJ, OH and PA.

<sup>‡</sup>The following tax-exempt funds are available as part of the BofA Funds Series Trust: BofA California Tax-Exempt Reserves – Investor Class, BofA Connecticut Municipal Reserves – Investor Class, BofA Massachusetts Municipal Reserves – Investor Class and BofA New York Tax-Exempt Reserves – Investor Class.

<sup>§</sup>ISA is a series of electronically linked money market deposit accounts ("MMDAs") into which funds are deposited on your behalf by Merrill Lynch. The MMDAs are held at one or more depository institutions whose deposits are insured by the FDIC, including depository institutions affiliated with Merrill Lynch and its parent company, Bank of America Corporation. The FDIC's standard maximum deposit insurance amount is \$250,000 per depositor, per ownership category, per bank. ISA is not appropriate for clients who anticipate effecting frequent third-party payments or transfers, including payments or transfers by check or through the Funds Transfer Service. ISA has a minimum opening deposit of \$1,000. This minimum does not apply for RCMA accounts that select ISA as an automatic cash sweep option.

\*Non-Affiliated Banks means banks not affiliated with Bank of America or Merrill Lynch.

**Table B: Primary money accounts for non-residents/non-U.S. citizens\***

| Account type <sup>†</sup>   | Automatic cash sweep options – Bank deposit programs |   | Automatic cash sweep options – Money market mutual funds |
|---|--|---|--|
|   | Name   | Participating banks as of 9/2/2014            |  |
| CMA®, CMA SubAccount®, Cash Management Account® for Trust, WCMA®, WCMA SubAccount | MLBD Program   | BANA and BA-CA                                | Dollar Assets Portfolio <sup>§</sup>                     |
|   | International Bank Variable Rate Deposit Facility    | Merrill Lynch International Bank <sup>‡</sup> |  |
| Business Investor Account (BIA)   | Merrill Lynch Business Deposit Program               | BANA and BA-CA                                | Not available  |
|   | International Bank Variable Rate Deposit Facility    | Merrill Lynch International Bank <sup>‡</sup> |  |

\*These primary money accounts are not available to all clients. Jurisdictional restrictions apply. Please contact your financial advisor to determine if you are eligible to participate. For additional information on these sweep options, please see the account agreement or contact your financial advisor.

<sup>†</sup>If you have a managed account through Merrill Lynch’s Investment Advisory Program, your sweep options may differ.

<sup>‡</sup>Deposits in this primary money account are placed with Merrill Lynch International Bank Limited (“MLIB”), an Irish bank in Dublin. Certain protections are afforded to eligible depositors with deposits held in MLIB under the Irish Deposit Guarantee Scheme. Payments to eligible depositors are limited to a maximum of €100,000 of an eligible depositor’s loss. Further details are available from MLIB or at the website of the Central Bank of Ireland at [www.centralbank.ie](http://www.centralbank.ie). MLIB deposits are not insured by the FDIC.

<sup>§</sup>Dollar Assets Portfolio (the “Fund”) is a no-load open-ended investment company incorporated as an exempted company under the laws of the Cayman Islands. BlackRock Investment Management, LLC, acts as the investment adviser (the “Investment Adviser”) for the Fund, with full responsibility for the selection and management of the Fund’s portfolio investments. The Investment Adviser is registered with the U.S. Securities and Exchange Commission pursuant to the U.S. Investment Advisers Act of 1940, as amended.



Merrill Lynch makes available products and services offered by Merrill Lynch, Pierce, Fenner & Smith Incorporated, a registered broker-dealer and member SIPC, and other subsidiaries of Bank of America Corporation (“BAC”).

Banking products are provided by Bank of America, N.A., and affiliated banks, members FDIC and wholly owned subsidiaries of BAC.

Investment products:

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