

OCTOBER 2015

IMPORTANT INFORMATION REGARDING U.S. TRUST FIDUCIARY SERVICES FOR  
MERRILL LYNCH CLIENTS

**Important Notice to Clients Who Are Executive Officers, Directors and Control Owners of U.S. Public Companies (Section 16 Affiliates)**

The Sarbanes-Oxley Act of 2002 and other reforms of recent years have created a host of new responsibilities for executive officers and directors of U.S. public companies and for financial services firms, like Merrill Lynch, Pierce, Fenner & Smith, Incorporated (“Merrill Lynch”) that provide services to such public companies and their affiliates. It is important that individual clients who are executive officers, directors and 10% owners of U.S. public companies (“Section 16 affiliates”) make their status known to their financial advisors so that transactions that require compliance with federal securities and other laws are handled properly and in accordance with the law. Section 16 affiliates should be aware of the following in particular:

1) When you open an account or otherwise establish a business relationship with Merrill Lynch for investment or other financial services involving your or your family’s personal assets or any collective investment account in which you own a beneficial interest, you have an affirmative obligation to disclose to Merrill Lynch your status as a Section 16 affiliate.

2) Whenever you have a change in status, such as a change of employment or election to the board of directors of a U.S. public company, such that

you become a Section 16 affiliate, you have an affirmative obligation to notify Merrill Lynch of your new status.

3) Unless notified otherwise, Merrill Lynch will consider that all funds and assets maintained in your or your family’s personal accounts are solely your property. Your continued maintenance of an account with Merrill Lynch shall constitute your representation that no other person or entity has any interest in your account(s). In addition, you agree that at no time will any funds or assets of the U.S. public company of which you are an affiliate will be invested through your account(s).

Please note that you are a Section 16 affiliate if you are required to file Forms 3 and 4 ownership reports with the U.S. Securities and Exchange Commission (SEC) with respect to your share holdings in a U.S. public company. As a Section 16 Officer or Director, you can also enroll for our Officer and Director Equity Service, a complimentary service which provides pre-trade clearance and post-trade e-mail confirmation for open market purchase and sale transactions done through Merrill Lynch. Speak with your financial advisor about this service to assist you with making timely SEC reporting of your transactions.

**Mutual Fund Disclosure Pamphlet Available**

*Mutual Fund Investing at Merrill Lynch* provides information about the fees and expenses related to mutual funds available at Merrill Lynch, as well as the compensation that Merrill Lynch earns with respect to those funds. This pamphlet also discusses sales charge discounts and waivers that may be available based on the fund’s prospectus and/or statement of additional information. Notify Merrill Lynch if you believe you qualify for any discounts or waivers. For a copy of this client disclosure pamphlet, please visit [ml.com/funds](http://ml.com/funds).

## **Merrill Lynch Balance Sheet Available Online**

The most recent consolidated balance sheet of Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill Lynch”) and its subsidiaries is available for viewing online at: <http://totalmerrill.com/mlpfs>. As a registered broker-dealer and Futures Commission Merchant, Merrill Lynch is subject to the net capital Requirements of Securities Exchange Commission (SEC) Rule 15c3-1, and Commodity Futures Trading Commission (CFTC) Regulation 1.17. Merrill Lynch has elected to compute the minimum capital requirement in accordance with the “Alternative Net Capital Requirement” as permitted by SEC Rule 15c3-1. At June 30, 2015, Merrill Lynch’s regulatory net capital as defined by Rule 15c3-1 was \$9.490 billion and exceeded the

minimum requirement of \$1.456 billion by \$8.034 billion. In accordance with the Alternative Net Capital Requirements, Merrill Lynch is required to maintain tentative net capital in excess of \$1 billion, net capital in excess of \$500 million, and notify the SEC in the event its tentative net capital is less than \$5 billion. As of June 30, 2015, Merrill Lynch had tentative net capital and net capital in excess of the minimum and notification requirements.

For additional information, our most recent annual audit report is available for examination at One Bryant Park, New York, NY 10036 and at the Northeast Regional Office of the SEC.

## **Statement Values for Certain Specialty Assets**

Market values on your statements for any Real Property and Closely Held Business investments are approximations based on periodic appraisals, assessments or common practices for these types of assets. Such values are updated at intervals set in accordance with our procedures and may differ from a value derived today by the same method.

Market values on your statements for any Oil, Gas and Mineral interests are calculated from the most recent 12 months’ net income from producing interests and include a nominal value for non producing properties. These market values should not be used or relied on for transactional, tax or any purposes other than general information.

## **Let Us Know if Your Circumstances Have Changed**

In order to serve you better, please promptly notify your financial advisor or Trust Officer if there have been any changes in your financial or personal circumstances, or the information you have previously provided, that might affect the

manner in which your assets or your trust’s assets should be invested. Also, please let us know of such changes that may affect distributions being made to you from a trust.

## **Notice to Traditional IRA Owners**

If you receive distributions from your traditional IRA, federal and state income taxes will be withheld according to your most recent written election made by you on the IRA Distribution Form that is on file with us. Any election you previously made will remain in effect until you revoke it. If you elect not to have withholding apply to your distributions, you may be

responsible for the payment of estimated tax. You may also incur penalties if your withholding and estimated taxes are insufficient. Please consult with your tax advisor or attorney for help with this matter. If you wish to change or revoke your prior tax withholding election please contact your financial advisor or Trust Officer.

## **Notification of changes to your Agency Agreement and/or Custody Agreement.**

Effective January 2, 2016, your Agency Agreement and/or Custody Agreement will be amended to include an acknowledgment that you and any entity you represent or for whom

you are acting are in compliance with applicable laws. If you have questions, please contact your Merrill Lynch advisor or your trust officer.

### **Amendment**

You represent that you and any entity you represent or for whom you are acting have (has) complied, and you agree that you and any such entity you represent or for whom you are acting will comply for so long as this Agreement is in effect, with all applicable laws (including obligations related to tax payments and reporting, and to currency exchange controls) related to (i) the assets deposited, acquired or otherwise held in accounts with us now or in the future or (ii) any other transaction you or any entity you represent

or for whom you are acting enter into with us or our affiliates. You further agree and acknowledge that you and any entity you represent or for whom you are acting are responsible for timely paying any taxes owed to any tax authority and for timely filing all relevant tax returns in relation to assets held in accounts with us now or in the future or any other transaction you and any entity you represent or for whom you are acting enter into with us or our affiliates.

## **Notification of changes to your Agency Agreement and/or Custody Agreement pertaining to Substitute Payments**

Effective January 2, 2016, your Agency Agreement and/or Custody Agreement will be amended regarding the making of substitute dividend or interest payments, as provided below. If you have questions, please contact your Merrill Lynch financial advisor or your trust officer.

**Substitute Payments** - Although Merrill Lynch attempts to minimize the situations where you receive substitute payments, it is possible for you to receive a substitute payment in lieu of an issuer dividend or interest payment. You may receive a substitute payment in cases where there are insufficient positions at the Depository

Trust Company to ensure that all holders receive the actual issuer payment. In such cases, an internal lottery system goes into effect, and Merrill Lynch randomly assigns the substitute payment. Normal business activities create these temporary shortfalls. Merrill Lynch is committed to ensuring that you are not adversely impacted by the receipt of a substitute payment. Therefore, Merrill Lynch will “gross up” substitute payments (to compensate you for any federal tax liabilities that might be incurred), including an amount equal to the tax liability on the gross up itself, in accordance with Merrill Lynch’s policies, a copy of which will be provided upon request.



## Merrill Lynch

Bank of America Corporation

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Neither Merrill Lynch nor its financial advisors provide tax, accounting or legal advice. Clients should review any planned financial transactions or arrangements that may have tax, accounting or legal implications with their personal professional advisors. Merrill Lynch Wealth Management makes available products and services offered by Merrill Lynch, Pierce, Fenner & Smith Incorporated (“MLPF&S”) and other subsidiaries of Bank of America Corporation.

Trust and fiduciary services are provided by U.S. Trust Company of Delaware and the Merrill Lynch Trust Company division of Bank of America, N.A., Member FDIC. Insurance and annuity products are offered through Merrill Lynch Life Agency Inc., a licensed insurance agency.

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Bank of America, N.A., Merrill Lynch Life Agency Inc. and MLPF&S, a registered broker-dealer and Member SIPC, are wholly owned subsidiaries 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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