

Subject to Completion  
 Preliminary Term Sheet dated December 23, 2009

This Term Sheet amends and restates the Term Sheet filed on December 22, 2009

<p>Units          Capped Leveraged Index Return Notes<sup>®</sup>          Linked to the Rogers International Commodity Index<sup>®</sup> – Excess Return<sup>SM</sup>,          due February , 2012          \$10 principal amount per unit          Term Sheet No.</p>	<p>Expected Pricing Date* January , 2010          Settlement Date* February , 2010          Maturity Date* February , 2012          CUSIP No.</p>
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## Capped Leveraged Index Return Notes<sup>®</sup>

- 200% leveraged upside exposure to increases in the level of the Rogers International Commodity Index<sup>®</sup> – Excess Return<sup>SM</sup> (the "Index"), subject to a cap of 23% to 27%
- 1-to-1 downside exposure to decreases in the level of the Index in excess of a Threshold Value with up to 90% of the principal amount at risk
- A maturity of approximately 24 months
- Payment of the Redemption Amount at maturity is subject to the credit risk of Bank of America Corporation
- No periodic interest payments
- No listing on any securities exchange
- This debt is **not** guaranteed under the Federal Deposit Insurance Corporation's Temporary Liquidity Guarantee Program

**STRUCTURED INVESTMENTS**

- PRINCIPAL PROTECTION
- ENHANCED INCOME
- MARKET PARTICIPATION
- ENHANCED PARTICIPATION

**Bank of America**



The LIRNs are being offered by Bank of America Corporation ("BAC"). The LIRNs will have the terms specified in this term sheet as supplemented by the documents indicated below under "Additional Terms" (together, the "Note Prospectus"). Investing in the LIRNs involves a number of risks. **There are important differences between the LIRNs and a conventional debt security, including different investment risks. See "Risk Factors" and "Additional Risk Factors" beginning on page TS-5 of this term sheet and "Risk Factors" beginning on page S-10 of product supplement LIRN-2. LIRNs:**

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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In connection with this offering, each of Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") and its broker-dealer affiliate First Republic Securities Company, LLC ("First Republic") is acting in its capacity as principal for your account.

None of the Securities and Exchange Commission (the "SEC"), any state securities commission, or any other regulatory body has approved or disapproved of these securities or determined if this Note Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Unit	Total
Public offering price (1)	\$10.00	\$
Underwriting discount (1)	\$ 0.20	\$
Proceeds, before expenses, to Bank of America Corporation	\$ 9.80	\$

(1) The public offering price and underwriting discount for any purchase of 500,000 or more units in a single transaction by an individual investor will be \$9.95 per unit and \$0.15 per unit, respectively.

\*Depending on the date the LIRNs are priced for initial sale to the public (the "pricing date"), which may be in January or February 2010, the settlement date may occur in January or February 2010, and the maturity date may occur in January or February 2012. Any reference in this term sheet to the month in which the pricing date, settlement date, or maturity date will occur is subject to change as specified above.

**Merrill Lynch & Co.**

January , 2010



## Summary

The Capped Leveraged Index Return Notes® Linked to the Rogers International Commodity Index® – Excess Return<sup>SM</sup>, due February , 2012 (the “LIRNs”) are our senior unsecured debt securities and are not guaranteed or insured by the Federal Deposit Insurance Corporation or secured by collateral. **The LIRNs will rank equally with all of our other unsecured and unsubordinated debt, and any payments due on the LIRNs, including any repayment of principal, will be subject to the credit risk of BAC.** The LIRNs provide a leveraged return for investors, subject to a cap, if the level of the Rogers International Commodity Index® – Excess Return<sup>SM</sup> (the “Index”) increases moderately from the Starting Value of the Index, determined on the pricing date, to the Ending Value of the Index, determined on a calculation day shortly before the maturity date. Investors must be willing to forgo interest payments on the LIRNs and be willing to accept a return that is capped or a repayment that is less, and potentially significantly less, than the Original Offering Price.

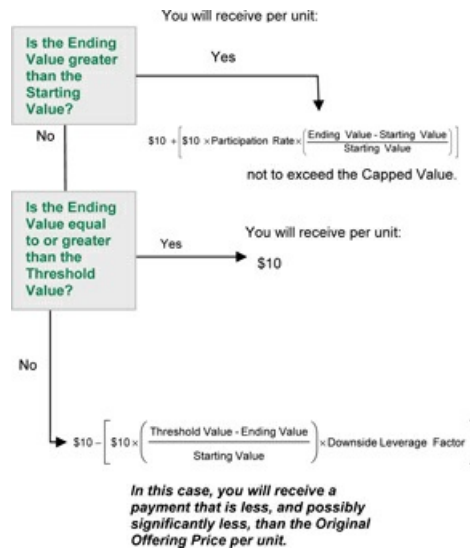
Capitalized terms used but not defined in this term sheet have the meanings set forth in product supplement LIRN-2. Unless otherwise indicated or unless the context requires otherwise, all references in this document to “we,” “us,” “our,” or similar references are to BAC.

## Terms of the LIRNs

<b>Issuer:</b>	Bank of America Corporation (“BAC”)
<b>Original Offering Price:</b>	\$10.00 per unit
<b>Term:</b>	Approximately 24 months
<b>Market Measure:</b>	Rogers International Commodity Index® – Excess Return <sup>SM</sup> (Bloomberg symbol: “ROGRER”)
<b>Starting Value:</b>	The closing level of the Index on the pricing date, subject to the Starting Value Commodity-Based Market Measure Disruption Calculation, as more fully described in product supplement LIRN-2. The Starting Value will be set forth in the final term sheet that will be made available in connection with sales of the LIRNs.
<b>Ending Value:</b>	The closing level of the Index on the calculation day. If it is determined that the scheduled calculation day is not a Market Measure Business Day, or if a Market Disruption Event occurs on the scheduled calculation day, the Ending Value will be determined as more fully described in product supplement LIRN-2.
<b>Threshold Value:</b>	90% of the Starting Value (rounded to two decimal places)
<b>Capped Value:</b>	\$12.30 to \$12.70 per unit of the LIRNs, which represents a return of 23% to 27% over the Original Offering Price. The actual Capped Value of the LIRNs will be determined on the pricing date and set forth in the final term sheet that will be made available in connection with sales of the LIRNs.
<b>Participation Rate:</b>	200%
<b>Downside Leverage Factor:</b>	100%
<b>Calculation Day:</b>	The fifth scheduled Market Measure Business Day immediately prior to the maturity date, determined on the pricing date and set forth in the final term sheet that will be made available in connection with sales of the LIRNs.
<b>Calculation Agent:</b>	MLPF&S, a subsidiary of BAC

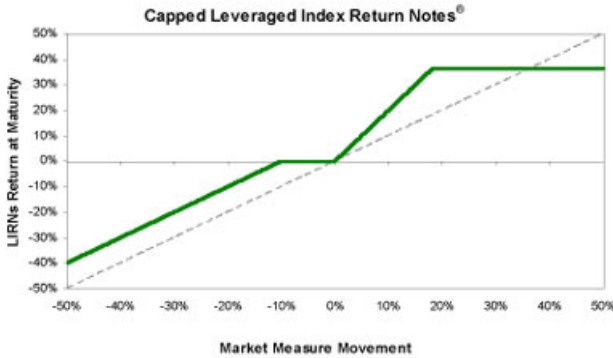
## Determining the Redemption Amount for the LIRNs

On the maturity date, you will receive a cash payment per unit (the “Redemption Amount”) calculated as follows:





## Hypothetical Payout Profile



This graph reflects the **hypothetical** returns on the LIRNs at maturity, based on the Participation Rate of 200%, a Threshold Value equal to 90% of the Starting Value, and a **hypothetical** Capped Value of \$12.50 (a 25% return), the midpoint of the Capped Value range of \$12.30 to \$12.70. The green line reflects the **hypothetical** returns on the LIRNs, while the dotted gray line reflects the **hypothetical** returns of a direct investment in the components of the Index.

This graph has been prepared for purposes of illustration only. Your actual return will depend on the actual Starting Value, Ending Value, Capped Value, Threshold Value, and the term of your investment.

## Hypothetical Redemption Amounts

### Examples

Set forth below are four examples of Redemption Amount calculations (rounded to two decimal places) payable at maturity, based upon the Participation Rate of 200%, the Downside Leverage Factor of 100%, a **hypothetical** Starting Value of 2,367.54 (the closing level of the Index on December 8, 2009), a **hypothetical** Threshold Value of 2,130.79, and a **hypothetical** Capped Value of \$12.50 (per unit), the midpoint of the Capped Value range of \$12.30 to \$12.70.

**Example 1** — The **hypothetical** Ending Value is 70% of the **hypothetical** Starting Value and is less than the **hypothetical** Threshold Value:

**Hypothetical** Starting Value: 2,367.54  
**Hypothetical** Ending Value: 1,657.28  
**Hypothetical** Threshold Value: 2,130.79

$$\$10 - \left[ \$10 \times \left( \frac{2,130.79 - 1,657.28}{2,367.54} \right) \times 100\% \right] = \$8.00$$

Redemption Amount (per unit) = \$8.00

**Example 2** — The **hypothetical** Ending Value is 95% of the **hypothetical** Starting Value and is greater than the **hypothetical** Threshold Value:

**Hypothetical** Starting Value: 2,367.54  
**Hypothetical** Ending Value: 2,249.16  
**Hypothetical** Threshold Value: 2,130.79

Redemption Amount (per unit) = \$10.00

If the Ending Value is less than or equal to the Starting Value but is greater than or equal to the Threshold Value, the Redemption Amount will equal the Original Offering Price.

**Example 3** — The **hypothetical** Ending Value is 110% of the **hypothetical** Starting Value:

**Hypothetical** Starting Value: 2,367.54  
**Hypothetical** Ending Value: 2,604.29

$$\$10 + \left[ \$10 \times 200\% \times \left( \frac{2,604.29 - 2,367.54}{2,367.54} \right) \right] = \$12.00$$

Redemption Amount (per unit) = \$12.00

**Example 4** — The **hypothetical** Ending Value is 150% of the **hypothetical** Starting Value:

**Hypothetical** Starting Value: 2,367.54  
**Hypothetical** Ending Value: 3,551.31

$$\$10 + \left[ \$10 \times 200\% \times \left( \frac{3,551.31 - 2,367.54}{2,367.54} \right) \right] = \$20.00$$

Redemption Amount (per unit) = \$12.50 (The Redemption Amount cannot be greater than the Capped Value.)



# Capped Leveraged Index Return Notes®

Linked to the Rogers International Commodity Index® – Excess Return<sup>SM</sup>, due February , 2012

STRUCTURED INVESTMENTS

PRINCIPAL PROTECTION  
ENHANCED INCOME  
MARKET PARTICIPATION  
ENHANCED PARTICIPATION

The following table illustrates, for a **hypothetical** Starting Value of 2,367.54 (the closing level of the Index on December 8, 2009), a Threshold Value of 90% of the **hypothetical** Starting Value, and a range of **hypothetical** Ending Values of the Index:

- the percentage change from the **hypothetical** Starting Value to the **hypothetical** Ending Value;
- the **hypothetical** Redemption Amount per unit of the LIRNs (rounded to two decimal places);
- the total rate of return to holders of the LIRNs;
- the pretax annualized rate of return to holders of the LIRNs; and
- the pretax annualized rate of return of a **hypothetical** direct investment in any futures contracts or the commodities included in or tracked by the Index (the Index Components and the Index Commodities (each as defined below)).

The table below is based on the Participation Rate of 200%, the Downside Leverage Factor of 100%, and a **hypothetical** Capped Value of \$12.50 (per unit), the midpoint of the Capped Value range of \$12.30 to \$12.70.

Hypothetical Ending Value	Percentage Change from the Hypothetical Starting Value to the Hypothetical Ending Value	Hypothetical Redemption Amount per Unit	Total Rate of Return on the LIRNs	Pretax Annualized Rate of Return on the LIRNs(1)	Pretax Annualized Rate of Return of the Index Components and the Index Commodities(1)(2)
1,183.77	-50.00%	\$6.00	-40.00%	-24.04%	-31.90%
1,420.52	-40.00%	\$7.00	-30.00%	-17.11%	-24.04%
1,657.28	-30.00%	\$8.00	-20.00%	-10.88%	-17.11%
2,012.41	-15.00%	\$9.50	-5.00%	-2.56%	-7.98%
2,130.79(3)	-10.00%	\$10.00	0.00%	0.00%	-5.21%
2,272.84	-4.00%	\$10.00	0.00%	0.00%	-2.04%
2,320.19	-2.00%	\$10.00	0.00%	0.00%	-1.01%
2,367.54(4)	0.00%	\$10.00	0.00%	0.00%	0.00%
2,485.92	5.00%	\$11.00	10.00%	4.84%	2.46%
2,604.29	10.00%	\$12.00	20.00%	9.35%	4.84%
2,722.67	15.00%	\$12.50(5)	25.00%	11.51%	7.13%
2,841.05	20.00%	\$12.50	25.00%	11.51%	9.35%
2,959.43	25.00%	\$12.50	25.00%	11.51%	11.51%
3,077.80	30.00%	\$12.50	25.00%	11.51%	13.60%
3,196.18	35.00%	\$12.50	25.00%	11.51%	15.63%
3,314.56	40.00%	\$12.50	25.00%	11.51%	17.60%
3,432.93	45.00%	\$12.50	25.00%	11.51%	19.53%
3,551.31	50.00%	\$12.50	25.00%	11.51%	21.40%

(1) The annualized rates of return specified in this column are calculated on a semi-annual bond equivalent basis and assume an investment term from December 15, 2009 to December 13, 2011, a term expected to be similar to that of the LIRNs.

(2) This rate of return assumes:

- a percentage change in the aggregate price of the Index Components and the Index Commodities that equals the percentage change in the level of the Index from the **hypothetical** Starting Value to the relevant **hypothetical** Ending Value; and
- no transaction fees or expenses.

(3) This is the **hypothetical** Threshold Value. The actual Threshold Value will be determined on the pricing date and will be set forth in the final term sheet that will be made available in connection with sales of the LIRNs.

(4) This is the **hypothetical** Starting Value, which was the closing level of the Index on December 8, 2009. The actual Starting Value will be determined on the pricing date and will be set forth in the final term sheet that will be made available in connection with sales of the LIRNs.

(5) The Redemption Amount per unit of the LIRNs cannot exceed the **hypothetical** Capped Value of \$12.50 (the midpoint of the Capped Value range of \$12.30 to \$12.70). The actual Capped Value will be determined on the pricing date and will be set forth in the final term sheet that will be made available in connection with sales of the LIRNs.

The above figures are for purposes of illustration only. The actual amount you receive and the resulting total and pretax annualized rates of return will depend on the actual Starting Value, Ending Value, Capped Value, Threshold Value, and the term of your investment.



## Risk Factors

There are important differences between the LIRNs and a conventional debt security. An investment in the LIRNs involves significant risks, including those listed below. You should carefully review the more detailed explanation of risks relating to the LIRNs in the "Risk Factors" sections included in product supplement LIRN-2 and the MTN prospectus supplement identified below under "Additional Terms." We also urge you to consult your investment, legal, tax, accounting, and other advisors before you invest in the LIRNs.

- Your investment may result in a loss; there is no guaranteed return of principal.
- Your yield may be less than the yield on a conventional debt security of comparable maturity.
- Your investment return, if any, is limited to the return represented by the Capped Value.
- Your investment return, if any, may be less than a comparable investment directly in the Index or its components.
- You must rely on your own evaluation of the merits of an investment linked to the Index.
- In seeking to provide you with what we believe to be commercially reasonable terms for the LIRNs while providing the selling agents with compensation for their services, we have considered the costs of developing, hedging, and distributing the LIRNs.
- A trading market is not expected to develop for the LIRNs.
- The Redemption Amount will not be affected by all developments relating to the Index.
- The RIC<sup>®</sup> Committee (as defined below) chaired by James Beeland Rogers, Jr. ("Rogers"), may adjust the Index in a way that affects its level, and neither the RIC<sup>®</sup> Committee nor Rogers have any obligation to consider your interests.
- Ownership of the LIRNs will not entitle you to any rights with respect to the Index Components or the Index Commodities.
- If you attempt to sell the LIRNs prior to maturity, their market value, if any, will be affected by various factors that interrelate in complex ways, and their market value may be less than the Original Offering Price.
- Payments on the LIRNs are subject to our credit risk, and changes in our credit ratings are expected to affect the value of the LIRNs.
- The prices of the Index Components or the Index Commodities may change unpredictably, affecting the value of the LIRNs in unforeseeable ways.
- Suspensions or disruptions of market trading in the Index Components or the Index Commodities may adversely affect the value of the LIRNs.
- The LIRNs will not be regulated by the U.S. Commodity Futures Trading Commission.
- The Index includes futures contracts traded on foreign exchanges that may be less regulated than U.S. markets.
- Purchases and sales by us and our affiliates of futures or options contracts included in the Index may affect your return.
- Our trading and hedging activities may create conflicts of interest with you.
- Our hedging activities may affect your return on the LIRNs and their market value.
- There may be potential conflicts of interest involving the calculation agent for the LIRNs. We have the right to appoint and remove the calculation agent.
- The U.S. federal income tax consequences of the LIRNs are uncertain, and may be adverse to a holder of the LIRNs. See "Summary Tax Consequences" and "Certain U.S. Federal Income Taxation Considerations" below and "U.S. Federal Income Tax Summary" in product supplement LIRN-2.

## Additional Risk Factors

### Higher future prices of the Index Components and the Index Commodities relative to their current prices may decrease the Redemption Amount.

The Index is composed of futures contracts on physical commodities. Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts have a set expiration date and normally specify a certain date for delivery of the underlying physical commodity. In the case of the Index, as the exchange-traded futures contracts that comprise the Index approach the month before expiration, they are replaced by contracts that have a later expiration. This process is referred to as "rolling." If the market for these contracts is (putting aside other considerations) in "backwardation," where the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the nearer delivery month contract would take place at a price that is higher than the price of the distant delivery month contract, thereby creating a positive "roll yield". There is no indication that these markets will consistently be in backwardation or that there will be roll yield in future performance. Instead, these markets may trade in "contango." Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. Certain of the commodities included in the Index have historically traded in contango markets. These "roll yields" could adversely affect the level of the Index and decrease the value of the LIRNs.

### The LIRNs include the risk of concentrated positions in one or more commodity sectors.

The exchange-traded physical commodities underlying the futures contracts included in the Index from time to time are heavily concentrated in a limited number of sectors, particularly energy and agriculture. An investment in the LIRNs may therefore carry risks similar to a concentrated securities investment in a limited number of industries or sectors. For example, of the initial weights of the Index, as announced by Beeland Interests, Inc. ("Beeland"), approximately 44.00% of the component commodities of the Index are energy-oriented, including 21.00% in crude oil contracts.



## Capped Leveraged Index Return Notes<sup>®</sup>

Linked to the Rogers International Commodity Index<sup>®</sup> – Excess Return<sup>SM</sup>, due February , 2012

### STRUCTURED INVESTMENTS

PRINCIPAL PROTECTION  
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MARKET PARTICIPATION  
ENHANCED PARTICIPATION

Accordingly, a decrease in the value of these raw materials would adversely affect the performance of the Index. Technological advances or the discovery of new oil reserves could lead to increases in worldwide production of oil and corresponding decreases in the price of crude oil. In addition, further development and commercial exploitation of alternative energy sources, including solar, wind, or geothermal energy, could reduce the demand for crude oil products and result in lower prices. Absent amendment of the Index to lessen or eliminate the concentration of existing energy contracts in the Index or to broaden the Index to account for such developments, the level of the Index, and therefore, the value of the LIRNs could decline.

#### The composition of the Index is controlled by Rogers and changes to the Index may affect the value of the LIRNs and the Redemption Amount.

The Index is overseen and managed by a committee (the "RICI<sup>®</sup> Committee"). Rogers chairs the RICI<sup>®</sup> Committee and controls its decisions.

Rogers, through the RICI<sup>®</sup> Committee, has a significant degree of discretion regarding the composition and management of the Index, including additions, deletions, and the weights of the Index Commodities or exchange-traded futures contracts on the Index Commodities. Any of these factors could affect the Index and, therefore, could affect the Redemption Amount and the market value of the LIRNs prior to maturity. Rogers and the RICI<sup>®</sup> Committee do not have any obligation to take the needs of any parties to transactions involving the Index, including the holders of the LIRNs, into consideration when reweighting or making any other changes to the Index.

#### The LIRNs are linked to the Rogers International Commodity Index<sup>®</sup> – Excess Return<sup>SM</sup>, not the Rogers International Commodity Index<sup>®</sup> – Total Return<sup>SM</sup>.

The Rogers International Commodity Index<sup>®</sup> – Excess Return<sup>SM</sup> reflects returns that are potentially available through an unleveraged investment in the Index Components and the Index Commodities. By comparison, the Rogers International Commodity Index<sup>®</sup> – Total Return<sup>SM</sup> is a total return index which, in addition to reflecting the same returns of the Rogers International Commodity Index<sup>®</sup> – Excess Return<sup>SM</sup>, also reflects interest that could be earned on cash collateral invested in three-month U.S. Treasury bills. Because the LIRNs are linked to the Rogers International Commodity Index<sup>®</sup> – Excess Return<sup>SM</sup> and not the Rogers International Commodity Index<sup>®</sup> – Total Return<sup>SM</sup>, the return from an investment in the LIRNs will not reflect this total return feature.

#### Trading and other transactions by Rogers in the futures contracts comprising the Index and the underlying commodities may affect the level of the Index.

Rogers, individually or through an entity controlled by Rogers, has in the past actively traded commodities and/or futures contracts on physical commodities, including underlying commodities and/or futures contracts on physical commodities included in the Index, and over-the-counter contracts having values which derive from or are related to such commodities. Rogers now invests in commodities only through products based on Rogers indices, but could begin trading individual commodities and/or futures contracts on physical commodities again in the future. With respect to any of these activities, neither Rogers nor any of the entities controlled by Rogers has any obligation to take the needs of any buyers, sellers, or holders of the LIRNs into consideration at any time. These trading and hedging activities, by any of these parties, may affect the level of the Index and therefore the market value of the LIRNs.

## Investor Considerations

#### You may wish to consider an investment in the LIRNs if:

- You anticipate that the level of the Index will increase moderately from the Starting Value to the Ending Value.
- You accept that your investment will result in a loss, which could be significant, if the level of the Index decreases from the Starting Value to an Ending Value that is less than the Threshold Value.
- You accept that the return on the LIRNs will not exceed the return represented by the Capped Value.
- You are willing to forgo interest payments on the LIRNs, such as fixed or floating rate interest paid on traditional interest bearing debt securities.
- You seek exposure to the Index with no expectation of any rights with respect to any of the commodities or futures contracts included in or tracked by the Index.
- You are willing to accept that a trading market is not expected to develop for the LIRNs. You understand that secondary market prices for the LIRNs, if any, will be affected by various factors, including our actual and perceived creditworthiness.
- You are willing to make an investment, the payments on which depend on our creditworthiness, as the issuer of the LIRNs.

#### The LIRNs may not be an appropriate investment for you if:

- You anticipate that the level of the Index will decrease from the Starting Value to the Ending Value or that the level of the Index will not increase sufficiently over the term of the LIRNs to provide you with your desired return.
- You seek 100% principal protection or preservation of capital.
- You seek a return on your investment that will not be capped at a percentage that will be between 23% and 27% over the Original Offering Price.
- You seek interest payments or other current income on your investment.
- You want to have rights with respect to the commodities and futures contracts included in or tracked by the Index.
- You seek assurances that there will be a liquid market if and when you want to sell the LIRNs prior to maturity.
- You are unwilling or are unable to assume the credit risk associated with us, as the issuer of the LIRNs.



## Other Provisions

We may deliver the LIRNs against payment therefor in New York, New York on a date that is greater than three business days following the pricing date. Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, if the initial settlement of the LIRNs occurs more than three business days from the pricing date, purchasers who wish to trade the LIRNs more than three business days prior to the original issue date will be required to specify alternative settlement arrangements to prevent a failed settlement.

If you place an order to purchase the LIRNs, you are consenting to each of MLPF&S and its broker-dealer affiliate First Republic acting as a principal in effecting the transaction for your account.

## Supplement to the Plan of Distribution

MLPF&S and First Republic, each a broker-dealer subsidiary of BAC, are members of the Financial Industry Regulatory Authority, Inc. (formerly the National Association of Securities Dealers, Inc. (the "NASD")) and will participate as selling agents in the distribution of the LIRNs. Accordingly, offerings of the LIRNs will conform to the requirements of NASD Rule 2720. Under our distribution agreement with the selling agents, MLPF&S will purchase the LIRNs from us on the issue date as principal at the purchase price indicated on the cover of this term sheet, less the indicated underwriting discount. In the original offering of the LIRNs, the LIRNs will be sold in minimum investment amounts of 100 units.

MLPF&S and First Republic may use this Note Prospectus for offers and sales in secondary market transactions and market-making transactions in the LIRNs but are not obligated to engage in such secondary market transactions and/or market-making transactions. MLPF&S and First Republic may act as principal or agent in these transactions, and any such sales will be made at prices related to prevailing market prices at the time of the sale.





## The Index

All disclosures contained in this term sheet regarding the Rogers International Commodity Index® (the RIC<sup>®</sup>) including its make-up, method of calculation and how components may be changed, are derived from information prepared by Beeland. Neither we nor any of the selling agents has independently verified such information, and neither Beeland nor Beeland's affiliates or agents makes any representation as to the accuracy or completeness of such information. The consequences of Beeland discontinuing publication of the RIC<sup>®</sup> or the Index are discussed in the section of product supplement LIRN-2 entitled "Description of LIRNs—Discontinuance of a Market Measure." None of us, MLPF&S, Beeland nor Beeland's affiliates or agents accepts any responsibility for the calculation, maintenance or publication of the RIC<sup>®</sup> Indices (as defined below) or any successor indices.

"Jim Rogers", "James Beeland Rogers, Jr.", "Rogers", "Rogers International Commodity Index® – Excess Return<sup>SM</sup>", "RIC<sup>®</sup> – Excess Return<sup>SM</sup>", "Rogers International Commodity Index® – Total Return<sup>SM</sup>" and "RIC<sup>®</sup> – Total Return<sup>SM</sup>" are trademarks and service marks of, and "Rogers International Commodity Index" and "RIC" are registered trademarks and service marks of, Beeland Interests, Inc., which is owned and controlled by James Beeland Rogers, Jr., and are used subject to license. The name and likeness of Jim Rogers/James Beeland Rogers, Jr. are owned and licensed by James Beeland Rogers, Jr.

The RIC<sup>®</sup> may be calculated as either a total return index or an excess return index, and we refer to these indices collectively as the RIC<sup>®</sup> Indices.

### Overview

The RIC<sup>®</sup> Indices are composite, U.S. dollar-based, indices created by Rogers in the late 1990's. Rogers and Beeland are not affiliated with us or MLPF&S. None of us, the calculation agent, or MLPF&S is affiliated with Rogers or Beeland, or participate in designing the RIC<sup>®</sup> Indices. Merrill Lynch Commodities International, an affiliate of MLPF&S, is a representative on the RIC<sup>®</sup> Committee. The level of each of the RIC<sup>®</sup> Indices is calculated by CQG, Inc. in its capacity as the Official Global Calculation Agent of the RIC<sup>®</sup> Indices.

The Index represents the value of a basket of commodities consumed in the global economy (the "Index Commodities"). The value of each component is based on closing prices of the corresponding futures contracts, each of which is valued as part of a fixed-weight portfolio (the "Index Components").

Below is a list of the futures contracts included in the RIC<sup>®</sup> Indices (the Index Components), together with their respective symbols, exchanges, currencies and Initial Weights (as defined below):

Contract	Symbol	Exchange	Currency	Initial Weight*
Crude Oil	CL	NYMEX	USD	21.00%
Brent	BRN	ICE <sup>1</sup> EU	USD	14.00%
Wheat	W	CBOT	USD	7.00%
Corn	C	CBOT	USD	4.75%
Cotton	CT	ICE US	USD	4.20%
Aluminum	AH	LME <sup>2</sup>	USD	4.00%
Copper	CA	LME	USD	4.00%
Soybeans	S	CBOT	USD	3.35%
Gold	GC	COMEX	USD	3.00%
Natural Gas	NG	NYMEX	USD	3.00%
RBOB Gasoline	RB	NYMEX	USD	3.00%
Soybean Oil	BO	CBOT	USD	2.17%
Coffee	KC	ICE US	USD	2.00%
Lead	PB	LME	USD	2.00%
Live Cattle	LC	CME	USD	2.00%
Silver	SI	COMEX	USD	2.00%
Sugar	SB	ICE US	USD	2.00%
Zinc	ZS	LME	USD	2.00%
Heating Oil	HO	NYMEX	USD	1.80%
Platinum	PL	NYMEX	USD	1.80%
Gas Oil	GAS	ICE EU	USD	1.20%
Cocoa	CC	ICE US	USD	1.00%
Lean Hogs	LH	CME	USD	1.00%
Lumber	LB	CME	USD	1.00%
Nickel	NI	LME	USD	1.00%
Rubber	81	TOCOM	JPY	1.00%
Tin	SN	LME	USD	1.00%
Canola	RS	ICE CA	CAD	0.77%
Soybean Meal	SM	CBOT	USD	0.75%
Orange Juice	OJ	ICE US	USD	0.66%
Oats	O	CBOT	USD	0.50%
Rice	RR	CBOT	USD	0.50%
Palladium	PA	NYMEX	USD	0.30%
Azuki Beans	101	TGE	JPY	0.15%
Greasy Wool	GW	SFE	AUS	0.10%

\* The weights shown above are the weights of each RIC<sup>®</sup> Index Component set at the August 2009 roll period.

<sup>1</sup> ICE Futures through its affiliate ICE Data LLP provides the pricing data for the ICE components of the RIC<sup>®</sup> and such data is used subject to license by ICE Futures and ICE Data LLP; but for such license, Beeland Interests, Inc. would not have the right to use such pricing data in providing the Index Values through its Official Global Calculation Agent, CQG, Inc. The ICE pricing data is provided "as is" and without representation or warranty.

<sup>2</sup> The London Metal Exchange Limited provides the pricing data for the LME components of the RIC<sup>®</sup>. All references to the LME pricing data are used with the permission of the LME and LME has no involvement with and accepts no responsibility for any RIC<sup>®</sup> product or any part of the Rogers International Commodity Index®, Rogers International Commodity Index® – Metals, Rogers International Commodity Index® – Industrial Metals, their suitability as the basis for an investment, or their future performance.



## The RICI<sup>®</sup> Committee

The RICI<sup>®</sup> Indices are maintained and reviewed by the members of the Rogers International Commodity Index<sup>®</sup> Committee (the “RICI<sup>®</sup> Committee”). For the sake of transparency, consistency, and stability, composition changes are rare, and generally occur only after significant shifts in the world economy or markets. When such an event necessitates that one component be modified, the entire RICI<sup>®</sup> Indices are reviewed. The RICI<sup>®</sup> Committee members monitor the RICI<sup>®</sup> Indices daily in case of needed changes. The RICI<sup>®</sup> Committee bases its selection on world consumption patterns and liquidity.

## Index Composition

### *The Process*

The contracts chosen for the basket of commodities that are included in the RICI<sup>®</sup> Indices are required to fulfill the various conditions described below. Generally, the selection and weights of the items in the RICI<sup>®</sup> Indices are reviewed annually by the RICI<sup>®</sup> Committee, and weights for the next year are assigned every December. The composition of the RICI<sup>®</sup> Indices are modified only in rare occasions, in order to maintain investability and stability, and the composition of the RICI<sup>®</sup> Indices generally will not be changed unless severe circumstances in fact occur. Such “severe circumstances” may include (but are not restricted to):

- continuous adverse trading conditions for a single contract (e.g., trading volume collapses); or
- critical changes in the global consumption pattern (e.g., scientific breakthroughs that fundamentally alter consumption of a commodity).

To date, there have been few changes in the composition of the RICI<sup>®</sup> Indices.

### *Exchanges and Non-Traded Items*

All commodities included in the RICI<sup>®</sup> Indices must be publicly traded on recognized exchanges in order to ensure ease of tracking and verification. The 11 international exchanges currently recognized by the RICI<sup>®</sup> Committee are:

1. Chicago Mercantile Exchange (U.S.)
2. Chicago Board of Trade (U.S.)
3. ICE Futures US (U.S.)
4. NYMEX (U.S.)
5. ICE Futures Canada (Canada)
6. ICE Futures Europe (U.K.)
7. London Metal Exchange (U.K.)
8. Sydney Futures Exchange (Australia)
9. COMEX (U.S.)
10. The Tokyo Commodity Exchange (Japan)
11. Tokyo Grain Exchange (Japan)

### *General Contract Eligibility*

A commodity may be considered suitable for inclusion in the RICI<sup>®</sup> Indices if it plays a significant role in worldwide (developed and developing economies) consumption. “Worldwide consumption” is measured by tracking international import and export patterns, and domestic consumption environments of the world’s prime commodity consumers. Only raw materials that reflect the current state of international trade and commerce are eligible to be included in the RICI<sup>®</sup> Indices. Commodities that are merely linked to national consumption patterns will not be considered. The RICI<sup>®</sup> Indices are not related to any commodities production data.

### *Commodity Screening Process*

Data of private and governmental providers concerning the world’s most consumed commodities is actively monitored and analyzed by the members of the RICI<sup>®</sup> Committee throughout the year. In order to obtain the most accurate picture of international commodities consumption, a wide range of sources on commodities demand and supply is consulted. The findings of this research are then condensed into the different commodities contracts weights included in the RICI<sup>®</sup> Indices. Sources of data as to global commodity consumption include:

- Industrial Commodity Statistics Yearbook, United Nations (New York)
- Commodity Trade Statistics Database, United Nations Statistics Division (New York)



- Copper Bulletin Yearbook, International Copper Study Group (Lisbon)
- Foreign Agricultural Service's Production, Supply and Distribution Database, U.S. Department of Agriculture (Washington, D.C.)
- Manufactured Fiber Review, Fiber Economics Bureau, Inc. (Arlington, VA)
- Monthly Bulletin, International Lead and Zinc Study Group (London)
- Quarterly Bulletin of Cocoa Statistics, International Cocoa Organization (London)
- Rubber Statistical Bulletin, International Rubber Study Group (London)
- Statistical Bulletin Volumes, Arab Gulf Cooperation Council (GCC) (Saudi Arabia)
- Sugar Yearbook, International Sugar Organization (ISO) (London)
- World Agriculture Assessments of Intergovernmental Groups, Food & Agriculture Organization of the United Nations (Rome)
- World Commodity Forecasts, Economist Intelligence Unit (London)
- World Cotton Statistics, International Cotton Advisory Committee (Washington, D.C.)
- World Metals Statistics, World Bureau of Metal Statistics (London)

#### *Contract Characteristics*

In order to determine whether a specific commodity contract is actually investable, the RIC<sup>®</sup> Committee screens the volume and liquidity data of international exchanges, published on a regular basis by the American Futures Industry Association (Washington D.C., United States). Additionally, individual exchange data on contracts may also be included in the process.

If a commodity contract trades on more than one exchange, the most liquid contract globally, in terms of volume and open interest combined, is then selected for inclusion in the RIC<sup>®</sup> Indices, taking legal considerations into account. Beyond liquidity, the RIC<sup>®</sup> Committee seeks to include the contract representing the highest quality grade of a specific commodity.

#### **Index Weights**

##### *Initial Weights*

The Initial Weights of the futures contracts in the RIC<sup>®</sup> Indices were effective as of the August 2009 roll period and are set forth in the chart above.

##### *Changes in Weights and/or Index Composition*

As noted, the RIC<sup>®</sup> Committee reviews the selection and weights of the futures contracts in the RIC<sup>®</sup> Indices annually. Thus, weights are potentially reassigned during each month of December for the following year, if the RIC<sup>®</sup> Committee so determines in its sole discretion that it is necessary.

##### *Monthly Rolling of Contracts*

All of the futures contracts used to calculate the RIC<sup>®</sup> Indices are rolled according to rules set forth in The RIC<sup>®</sup> Handbook: The Guide to the Rogers International Commodity Index<sup>®</sup>. The RIC<sup>®</sup> Indices usually roll over three days and the "roll period" usually starts on the day prior to the last RIC<sup>®</sup> Business Day (as defined below) of the month and ends on the first RIC<sup>®</sup> Business Day of the following month. On the last day of the roll period, the roll is completed unless the roll period is extended for a RIC<sup>®</sup> Indices component as a result of a RIC<sup>®</sup> Market Disruption Event (as defined below). Generally, if the next calendar month of a futures contract includes a first notice day, a delivery day or historical evidence that liquidity migrates to a next contract month during this period, then the next contract month is intended to be applied to calculate each of the RIC<sup>®</sup> Indices, taking legal constraints into account. For example, at the end of November, the January crude oil contract is replaced by the February crude oil contract.

##### *RIC<sup>®</sup> Market Disruption Events*

A "RIC<sup>®</sup> Market Disruption Event" will be deemed to have occurred on any day upon which the trading of a contract involved in the Index calculation is disrupted or the fair determination of its price is interfered with, subject to the following:

- a. The contract trades at the price set by the exchange to be the limit of its permissible trading range at any point in the last fifteen minutes of trading.
- b. No settlement price for that contract is determined by midnight on the day of trading in the time zone in which the exchange is located.
- c. The exchange upon which the contract trades closes trading in that contract at a time prior to the published closing time, unless the altered closing time was brought to public attention by the closing time on the trading day prior to the day in question.
- d. The settlement closing price published by the exchange is not deemed, in the opinion of the RIC<sup>®</sup> Committee, to properly reflect the fair price of that contract as determined by its free and fair trading on that exchange.



If a RIC<sup>®</sup> Market Disruption Event occurs during the roll or rebalancing period for one or more commodities, the specific contracts involved are neither rolled nor rebalanced on that day. For those contracts, the roll weights and the Monthly Contract Weights (“MCWs”) remain identical to the values they had on the RIC<sup>®</sup> Business Day immediately preceding the RIC<sup>®</sup> Market Disruption Event. The roll period and the rebalancing period will be extended for this or these particular commodities only until the next available business day upon which no RIC<sup>®</sup> Market Disruption Event occurs for that or those commodities. Outside of the roll and rebalancing period, the Index is calculated using the last trading price available on the exchange. In particular, the calculation of the MCWs will, in the normal course of events, take place using the last price available regardless of whether a RIC<sup>®</sup> Market Disruption Event has occurred. However, under extreme conditions, the RIC<sup>®</sup> Committee reserves the right to adjust any prices used in the Index calculation. This may occur if the settlement price is deemed to materially differ from the fair price for that commodity determined by trading on that day and that use of the official settlement price would not be in the interest of Index investors. In this case, an alternative settlement price or prices may be determined and used for the Index calculation until fair trading is resumed and the exchange quoted settlement price can again be relied upon. In this case, the prices used in the calculation of the Index and the calculation of MCWs will be published along with the mechanism for their determination. Should any exchange amend the settlement price for a contract involved in the Index calculation and do so in a timely manner, the RIC<sup>®</sup> Committee may, if deemed appropriate, reflect this change by adjusting the published level of the Index.

A “RIC<sup>®</sup> Business Day” is a day on which all United States based exchanges that list futures contracts included in the RIC<sup>®</sup> are open for business (including half-day opening).

#### *Rebalancing of the Index Components*

The RIC<sup>®</sup> Indices are rebalanced monthly during each roll period towards the Initial Weights.

#### *Data Source*

Each of the RIC<sup>®</sup> Indices calculations is based on the official commodity exchanges’ prices of the futures contracts used.

#### *Exceptional Occurrences*

If, for any reason, one of the components included in the RIC<sup>®</sup> Indices ceases to exist or its liquidity decreases to unacceptable levels, or any other similar event occurs with similar consequences, as determined at the discretion of the RIC<sup>®</sup> Committee, the RIC<sup>®</sup> Committee will call an exceptional meeting to assess the situation and decide on a replacement for this component or on a change in the weight. For example, following the fall of the Malaysian ringgit in 1998, the liquidity of the palm oil futures contract on the Kuala Lumpur Commodity Exchange decreased to a point where it became impossible to trade it. In that case, the RIC<sup>®</sup> Committee called an exceptional meeting at which it was determined that the palm oil futures contract would be replaced by the soybean oil contract that trades on the Chicago Board of Trade.

#### *Reference Rates*

The foreign exchange rates used to convert the value of the futures contracts denominated in its original currency into U.S. dollars are determined according to market standards and practices and is adjusted by a “CRY Factor”. The “CRY Factor” is the adjusting factor used in the foreign currency conversion, and is either +1 or -1 depending on the currency.

If applicable, the daily reference rate used to calculate the RIC<sup>®</sup> Indices is a function of the available reference rate, which is the 91-Day U.S. Treasury Bill (3 months) auction rate, designated as “High Rate” as published in the “Treasury Security Auction Results” report, published by the Bureau of Public Debt and available on Bloomberg USB3MTA Index <GO> or Reuters USAUCTION9. The rate is generally published once per week on Monday and effective on the RIC<sup>®</sup> Business Day immediately following.

#### *Changes to LME Contracts*

The RIC<sup>®</sup> Committee replaced the 3-month forward LME contract with the appropriate 3rd Wednesday contract and defined a new roll matrix for each LME contract included in the RIC<sup>®</sup> Indices. For the new contracts, the real time calculation uses the last official price of the 3rd Wednesday contract adjusted by the real time change of the corresponding 3-month forward contract. This change was implemented during the January 2008 roll period.



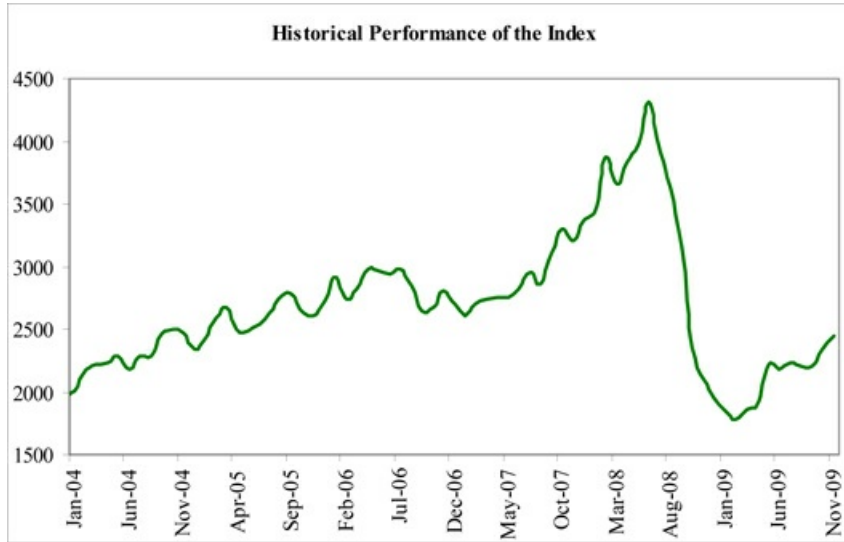
# Capped Leveraged Index Return Notes®

Linked to the Rogers International Commodity Index® – Excess Return<sup>SM</sup>, due February , 2012

STRUCTURED INVESTMENTS

PRINCIPAL PROTECTION  
ENHANCED INCOME  
MARKET PARTICIPATION  
ENHANCED PARTICIPATION

The following graph sets forth the monthly historical performance of the Index in the period from January 2004 through November 2009. This historical data on the Index is not necessarily indicative of the future performance of the Index or what the value of the LIRNs may be. Any historical upward or downward trend in the level of the Index during any period set forth below is not an indication that the level of the Index is more or less likely to increase or decrease at any time over the term of the LIRNs. On December 8, 2009, the closing level of the Index was 2,367.54.



Before investing in the LIRNs, you should consult publicly available sources for the levels and trading pattern of the Index. The generally unsettled international environment and related uncertainties, including the risk of terrorism, may result in the Index and financial markets generally exhibiting greater volatility than in earlier periods.

### License Agreement

We have entered into a non-exclusive license agreement with Beeland Interests, Inc. providing for the license to us, in exchange for a fee, of a right to use indices owned by Beeland Interests, Inc. in connection with the LIRNs.

Beeland Interests, Inc. is under no obligation to continue the RIC<sup>®</sup> Indices. The LIRNs are not sponsored, endorsed, sold, or promoted by Beeland Interests, Inc. No inference should be drawn from the information contained in this term sheet that Beeland Interests, Inc. makes any representation or warranty, implied or express, to us, MLPF&S, the holder of the LIRNs or any other person or entity regarding the advisability of investing in securities generally or in the LIRNs in particular or the ability of the LIRNs to track general commodity market performance. Beeland Interests, Inc. has no obligation to take the needs of us, MLPF&S, the holders of the LIRNs or any other person or entity into consideration in determining or composing any of the RIC<sup>®</sup> Indices. Beeland Interests, Inc. is not responsible for, and has not participated in the determination of the timing of, prices for, or quantities of, the LIRNs to be issued or in the determination or calculation of the equation by which the LIRNs are to be settled in cash. Beeland Interests, Inc. has no obligation or liability in connection with the administration or marketing of the LIRNs.

LIRNs are not sponsored, endorsed, sold, or promoted by Beeland Interests, Inc. or James Beeland Rogers, Jr.

Neither Beeland Interests, Inc. nor James Beeland Rogers, Jr. makes any representation or warranty, express or implied, nor accepts any responsibility, regarding the accuracy or completeness of this term sheet, or the advisability of investing in securities or commodities generally, or in any LIRNs or in futures particularly.

BEELAND INTERESTS, INC. DOES NOT, NOR DO ANY OF ITS AFFILIATES OR AGENTS, GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE ROGERS INTERNATIONAL COMMODITY INDEX® (RIC<sup>®</sup>), ANY SUB-INDEX THEREOF OR ANY DATA INCLUDED THEREIN. SUCH PERSON SHALL NOT HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN AND MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY OWNERS OF THE LIRNs, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE RIC<sup>®</sup>, ANY SUB-INDEX THEREOF, ANY DATA INCLUDED THEREIN OR THE LIRNs. NEITHER BEELAND INTERESTS, INC. NOR ANY OF ITS AFFILIATES OR AGENTS MAKES ANY EXPRESS OR IMPLIED WARRANTIES, AND EACH EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE RIC<sup>®</sup>, ANY SUB-INDEX THEREOF AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL BEELAND INTERESTS, INC. OR ANY OF ITS AFFILIATES OR AGENTS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSSES, EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF.



## Summary Tax Consequences

You should consider the U.S. federal income tax consequences of an investment in the LIRNs, including the following:

- You agree with us (in the absence of an administrative determination, or judicial ruling to the contrary) to characterize and treat the LIRNs for all tax purposes as a single financial contract with respect to the Index that requires you to pay us at inception an amount equal to the purchase price of the LIRNs and that entitles you to receive at maturity an amount in cash based upon the performance of the Index.
- Under this characterization and tax treatment of the LIRNs, upon receipt of a cash payment at maturity or upon a sale or exchange of the LIRNs prior to maturity, you generally will recognize capital gain or loss. This capital gain or loss generally will be long-term capital gain or loss if you held the LIRNs for more than one year.

## Certain U.S. Federal Income Taxation Considerations

Set forth below is a summary of certain U.S. federal income tax considerations relating to an investment in the LIRNs. The following summary is not complete and is qualified in its entirety by the discussion under the section entitled “U.S. Federal Income Tax Summary” in product supplement LIRN-2, which you should carefully review prior to investing in the LIRNs.

*General.* Although there is no statutory, judicial, or administrative authority directly addressing the characterization of the LIRNs, we intend to treat the LIRNs for all tax purposes as a single financial contract with respect to the Index that requires the investor to pay us at inception an amount equal to the purchase price of the LIRNs and that entitles the investor to receive at maturity an amount in cash based upon the performance of the Index. Under the terms of the LIRNs, we and every investor in the LIRNs agree, in the absence of an administrative determination or judicial ruling to the contrary, to treat the LIRNs as described in the preceding sentence. This discussion assumes that the LIRNs constitute a single financial contract with respect to the Index for U.S. federal income tax purposes. If the LIRNs did not constitute a single financial contract, the tax consequences described below would be materially different. The discussion in this section also assumes that there is a significant possibility of a significant loss of principal on an investment in the LIRNs.

This characterization of the LIRNs is not binding on the Internal Revenue Service (“IRS”) or the courts. No statutory, judicial, or administrative authority directly addresses the characterization of the LIRNs or any similar instruments for U.S. federal income tax purposes, and no ruling is being requested from the IRS with respect to their proper characterization and treatment. Due to the absence of authorities on point, significant aspects of the U.S. federal income tax consequences of an investment in the LIRNs are not certain, and no assurance can be given that the IRS or any court will agree with the characterization and tax treatment described in product supplement LIRN-2. Accordingly, you are urged to consult your tax advisor regarding all aspects of the U.S. federal income tax consequences of an investment in the LIRNs, including possible alternative characterizations.

*Settlement At Maturity or Sale or Exchange Prior to Maturity.* Assuming that the LIRNs are properly characterized and treated as single financial contracts with respect to the Index for U.S. federal income tax purposes, upon receipt of a cash payment at maturity or upon a sale or exchange of the LIRNs prior to maturity, a U.S. Holder (as defined in product supplement LIRN-2) generally will recognize capital gain or loss equal to the difference between the amount realized and the U.S. Holder’s basis in the LIRNs. This capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder held the LIRNs for more than one year. The deductibility of capital losses is subject to limitations.

*Possible Future Tax Law Changes.* From time to time, there may be legislative proposals or interpretive guidance addressing the tax treatment of financial instruments such as the LIRNs. We cannot predict the likelihood of any such legislation or guidance being adopted, or the ultimate impact on the LIRNs. For example, on December 7, 2007, the IRS released Notice 2008-2 (“Notice”) seeking comments from the public on the taxation of financial instruments currently taxed as “prepaid forward contracts.” This Notice addresses instruments such as the LIRNs. According to the Notice, the IRS and Treasury are considering whether a holder of an instrument such as the LIRNs should be required to accrue ordinary income on a current basis, regardless of whether any payments are made prior to maturity. It is not possible to determine what guidance the IRS and Treasury will ultimately issue, if any. Any such future guidance may affect the amount, timing, and character of income, gain, or loss in respect of the LIRNs, possibly with retroactive effect. The IRS and Treasury are also considering additional issues, including whether additional gain or loss from such instruments should be treated as ordinary or capital, whether foreign holders of such instruments should be subject to withholding tax on any deemed income accruals, whether Section 1260 of the Internal Revenue Code of 1986, as amended, concerning certain “constructive ownership transactions,” generally applies or should generally apply to such instruments, and whether any of these determinations depend on the nature of the underlying asset. We intend to continue treating the LIRNs for U.S. federal income tax purposes in the manner described herein unless and until such time as we determine, or the IRS or Treasury determines, that some other treatment is more appropriate. Further, in August 2009, legislation was introduced in the U.S. Senate that proposes to treat as short-term capital gain or loss any capital gain or loss recognized from the sale or exchange of direct or derivative interests (including instruments such as the LIRNs) in oil or natural gas (or any primary product of oil or natural gas) which is actively traded and certain indices based in whole or in part on those commodities. It is impossible to predict whether this legislation, or other similar legislation, will become law or the ultimate effective date of any such legislation. We urge you to consult your own tax advisors concerning the impact and the significance of the above considerations.

**You should consult your own tax advisor concerning the U.S. federal income tax consequences to you of acquiring, owning, and disposing of the LIRNs, as well as any tax consequences arising under the laws of any state, local, foreign, or other tax jurisdiction and the possible effects of changes in U.S. federal or other tax laws. See the discussion under the section entitled “U.S. Federal Income Tax Summary” in product supplement LIRN-2.**



## Additional Terms

You should read this term sheet, together with the documents listed below, which together contain the terms of the LIRNs and supersede all prior or contemporaneous oral statements as well as any other written materials. You should carefully consider, among other things, the matters set forth under "Risk Factors" and "Additional Risk Factors" in the sections indicated on the cover of this term sheet. The LIRNs involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting, and other advisors before you invest in the LIRNs.

You may access the following documents on the SEC Website at [www.sec.gov](http://www.sec.gov) as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC Website):

- Product supplement LIRN-2 dated April 21, 2009:  
<http://www.sec.gov/Archives/edgar/data/70858/000095014409003415/g18702p2e424b5.htm>
- Series L MTN prospectus supplement dated April 21, 2009 and prospectus dated April 20, 2009:  
<http://www.sec.gov/Archives/edgar/data/70858/000095014409003387/g18667b5e424b5.htm>

Our Central Index Key, or CIK, on the SEC Website is 70858.

We have filed a registration statement (including a product supplement, a prospectus supplement, and a prospectus) with the SEC for the offering to which this term sheet relates. Before you invest, you should read the product supplement, the prospectus supplement, and the prospectus in that registration statement, and the other documents relating to this offering that we have filed with the SEC for more complete information about us and this offering. You may get these documents without cost by visiting EDGAR on the SEC Website at [www.sec.gov](http://www.sec.gov). Alternatively, we, any agent, or any dealer participating in this offering will arrange to send you the Note Prospectus if you so request by calling MLPF&S toll-free at 1-866-500-5408.

## Structured Investments Classification

MLPF&S classifies certain structured investments (the "Structured Investments"), including the LIRNs, into four categories, each with different investment characteristics. The description below is intended to briefly describe the four categories of Structured Investments offered: Principal Protection, Enhanced Income, Market Participation, and Enhanced Participation. A Structured Investment may, however, combine characteristics that are relevant to one or more of the other categories. As such, a category should not be relied upon as a description of any particular Structured Investment.

**Principal Protection:** Principal Protected Structured Investments offer full or partial principal protection against decreases in the value of the underlying market measure (or increases in the value of an underlying market measure for bearish Structured Investments), while offering market exposure and the opportunity for a better return than may be available from comparable fixed income securities. Principal protection may not be achieved if the investment is sold prior to maturity.

**Enhanced Income:** Structured Investments offering enhanced income may offer an enhanced income stream through interim fixed or variable coupon payments. However, in exchange for receiving current income, investors may forfeit upside potential on the underlying asset. These investments generally do not include the principal protection feature.

**Market Participation:** Market Participation Structured Investments can offer investors exposure to specific market sectors, asset classes, and/or strategies that may not be readily available through traditional investment alternatives. Returns obtained from these investments are tied to the performance of the underlying asset. As such, subject to certain fees, the returns will generally reflect any increases or decreases in the value of such assets. These investments generally do not include the principal protection feature.

**Enhanced Participation:** Enhanced Participation Structured Investments may offer investors the potential to receive better than market returns on the performance of the underlying asset. Some structures may offer leverage in exchange for a capped or limited upside potential and also in exchange for downside risk. These investments generally do not include the principal protection feature.

The classification of Structured Investments is meant solely for informational purposes and is not intended to fully describe any particular Structured Investment nor guarantee any particular performance.

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