

Subject to Completion
Preliminary Term Sheet dated March 25, 2011

Units Relative Value Strategic Accelerated Redemption Securities® Linked to the Performance of the SPDR® Gold Trust versus the PowerShares DB U.S. Dollar Index Bullish Fund, due May , 2012 \$10 principal amount per unit Term Sheet No.	Expected Pricing Date* April , 2011 Settlement Date* May , 2011 Maturity Date* May , 2012 CUSIP No.
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Relative Value Strategic Accelerated Redemption Securities®

- The Call Premium will be between 11% and 15% of the Original Offering Price per annum if the notes are called on the third Observation Date (equivalent to between 5.50% and 7.50% if the notes are called on the first Observation Date, or between 8.25% and 11.25% if the notes are called on the second Observation Date)
- The notes will be called if, on any Observation Date, the performance of the SPDR® Gold Trust is greater than or equal to the performance of the PowerShares DB U.S. Dollar Index Bullish Fund
- If the notes are not called prior to maturity, you will receive an amount per unit that is less than the Original Offering Price, based on the percentage difference between the performance of SPDR® Gold Trust and the PowerShares DB U.S. Dollar Index Bullish Fund
- A maturity of approximately one year
- Payments on the notes are subject to the credit risk of Bank of America Corporation
- No periodic interest payments
- No listing on any securities exchange

Market Downside Protection

Enhanced Income

Market Access

Enhanced Return

Enhanced Return

The notes are being offered by Bank of America Corporation ("BAC"). The notes 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 notes involves a number of risks. **There are important differences between the notes and a conventional debt security, including different investment risks. See "Risk Factors" and "Additional Risk Factors" beginning on page TS-7 of this term sheet and "Risk Factors" beginning on page S-10 of product supplement STR-2. The notes:**

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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In connection with this offering, Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") 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⁾	\$10.000	\$
Underwriting discount ⁽¹⁾	\$ 0.125	\$
Proceeds, before expenses, to Bank of America Corporation	\$ 9.875	\$

⁽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 \$9.975 per unit and \$0.10 per unit, respectively. The public offering price and underwriting discount for any purchase by certain fee-based trusts and fee-based discretionary accounts managed by U.S. Trust operating through Bank of America, N.A. will be \$9.875 per unit and \$0.00 per unit, respectively.

*Depending on the date the notes are priced for initial sale to the public (the "pricing date"), which may be in April 2011 or May 2011, the settlement date may occur in April 2011 or May 2011, the maturity date may occur in April 2012 or May 2012 and the Observation Dates may be adjusted accordingly. Any reference in this term sheet to the month in which the pricing date, settlement date, maturity date, or any Observation Date will occur is subject to change as specified above.

Merrill Lynch & Co.

April , 2011





Summary

The Relative Value Strategic Accelerated Redemption Securities[®] Linked to the Performance of the SPDR[®] Gold Trust versus the PowerShares DB U.S. Dollar Index Bullish Fund, due May 1, 2012 (the "notes"), are our senior unsecured debt securities. The notes are not guaranteed or insured by the Federal Deposit Insurance Corporation or secured by collateral. **The notes will rank equally with all of our other unsecured and unsubordinated debt, and any payments due on the notes, including any repayment of principal, will be subject to the credit risk of BAC.**

The notes are linked to the performance of the SPDR[®] Gold Trust ("GLD") versus the PowerShares DB U.S. Dollar Index Bullish Fund ("UUP"). The notes provide for an automatic call if the Performance of GLD on any Observation Date is greater than or equal to the Performance of UUP. If the notes are called on any Observation Date, you will receive the Original Offering Price of the notes plus the applicable Call Premium (the "Call Amount"). If your notes are not called, the amount you will receive on the maturity date will be less than the Original Offering Price per unit and will be based on the percentage difference between the Performance of GLD and the Performance of UUP.

Investors should be of the view that GLD will perform moderately better than UUP over the term of the notes. Investors must be willing to forgo interest payments on the notes and be willing to accept a repayment that may be less, and potentially significantly less, than the Original Offering Price of the notes. Investors also must be prepared to have us call their notes on any Observation Date. Investors' gain or loss generally will be long-term capital gain or loss if the notes are held for more than one year, and otherwise will be short-term capital gain or loss. Accordingly, if the notes are called on the first or second Observation Date, any capital gain or loss generally will be short-term capital gain or loss. Any such gain or loss is subject to certain tax implications, set forth under "Summary Tax Consequences" and "Certain U.S. Federal Income Taxation Considerations."

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

Terms of the Notes

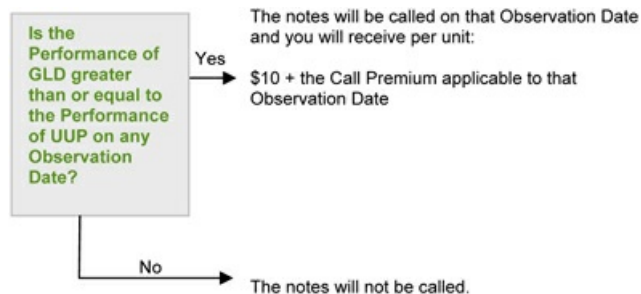
Issuer:	Bank of America Corporation ("BAC")	Price Multiplier:	The Price Multiplier for each of the Market Measures will be set to 1 on the pricing date, and is subject to adjustment for certain corporate events relating to each Market Measure. See the section entitled "Description of the Notes—Anti-Dilution and Discontinuance Adjustments for Exchange Traded Fund Linked Notes" beginning on page S-33 of product supplement STR-2.
Original Offering Price:	\$10.00 per unit	Observation Dates:	October 1, 2011, January 1, 2012, and April 1, 2012 (the final Observation Date). The Observation Dates will occur approximately six, nine, and twelve months after the pricing date.
Term:	Approximately one year	Call Amounts (per Unit):	\$10.550 - \$10.750 if called on October 1, 2011, \$10.825 - \$11.125 if called on January 1, 2012, and \$11.100 - \$11.500 if called on April 1, 2012. The actual Call Amounts 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 the sale of the notes.
Market Measures:	SPDR [®] Gold Trust (Bloomberg symbol: "GLD") and PowerShares DB U.S. Dollar Index Bullish Fund (Bloomberg symbol: "UUP")	Call Premium:	11% - 15% of the Original Offering Price per annum. The actual Call Premium 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 the sale of the notes.
Performance of GLD:	$\left(\frac{\text{Final GLD Price} - \text{Initial GLD Price}}{\text{Initial GLD Price}} \right)$	Call Settlement Date:	The fifth Banking Business Day following an Observation Date, if the notes are called on that Observation Date, subject to postponement as described on page TS-11; provided however, that the Call Settlement Date related to the final Observation Date will be the maturity date.
Performance of UUP:	$\left(\frac{\text{Final UUP Price} - \text{Initial UUP Price}}{\text{Initial UUP Price}} \right)$	Redemption Amount:	If your notes are not called on any Observation Date, you will receive less than the Original Offering Price because the Performance of GLD will be less than the Performance of UUP on the Final Observation Date. You will receive per unit: $\$10 + [\$10 \times (\text{Performance of GLD} - \text{Performance of UUP})]$ However, the amount you receive will not be less than zero.
Call Feature:	The notes will be called if the Performance of GLD is greater than or equal to the Performance of UUP on any Observation Date.	Leverage Factor:	100%
Initial Price:	The Initial Price of each Market Measure will equal the Closing Market Price of the Market Measure on the pricing date. However, if a Market Disruption Event occurs on the pricing date, the Initial Price will be determined as set forth on page TS-11.	Calculation Agent:	MLPF&S, a subsidiary of BAC
Final Price:	The Final Price of each Market Measure will equal the Closing Market Price of the Market Measure on the applicable Observation Date. However, if a Market Disruption Event occurs on an Observation Date, the Final Price will be determined as set forth beginning on page TS-11.		



Determining Payment on the Notes

Automatic Call Provision:

The notes will be automatically called on any Observation Date if the Performance of GLD is greater than or equal to the Performance of UUP. If the notes are called, you will receive on the Call Settlement Date the Call Amount per unit applicable to that Observation Date, which will be equal to the Original Offering Price per unit plus the applicable Call Premium.



Payment at Maturity:

If the notes are not called on any Observation Date because the Performance of GLD is less than the Performance of UUP on each Observation Date, you will receive the Redemption Amount per unit on the maturity date, calculated as follows:

You will receive per unit:

$$\$10 + [\$10 \times (\text{Performance of GLD} - \text{Performance of UUP})]$$

However, the amount that you receive will not be less than zero.

In this case, you will receive a Redemption Amount that is less, and possibly significantly less, than the Original Offering Price per unit.

Hypothetical Payments

Set forth below are four **hypothetical** examples of payment calculations (with **hypothetical** Call Amounts and **hypothetical** Redemption Amounts rounded to three decimal places), based on:

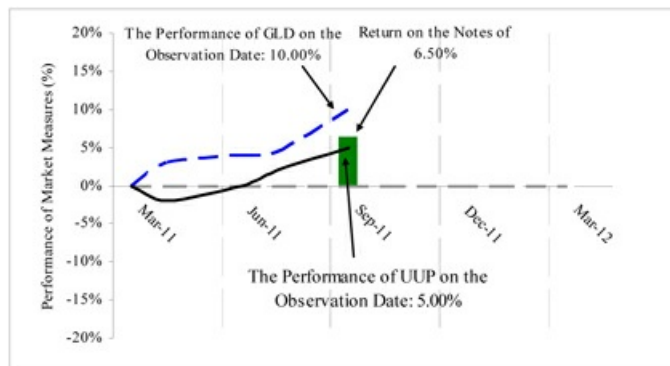
- 1) the **hypothetical** Initial GLD Price of 136.24 (the Closing Market Price of GLD on March 16, 2011);
- 2) the **hypothetical** Initial UUP Price of 22.01 (the Closing Market Price of UUP on March 16, 2011);
- 3) a **hypothetical** term of the notes from March 22, 2011 to March 29, 2012, a term expected to be similar to that of the notes;
- 4) a **hypothetical** Call Premium of 13% of the Original Offering Price per unit per annum, the midpoint of the Call Premium range of 11% to 15% of the Original Offering Price per annum;
- 5) **hypothetical** Observation Dates occurring on September 22, 2011, December 22, 2011, and March 22, 2012; and
- 6) The dotted blue line reflects the **hypothetical** Performance of GLD while the black line reflects the **hypothetical** Performance of UUP.

The Notes Are Called on One of the Observation Dates

The notes have not been previously called and the Performance of GLD on the relevant Observation Date is equal to or greater than the Performance of UUP. Consequently, the notes will be called at the Call Amount per unit equal to \$10.000 plus the applicable Call Premium.

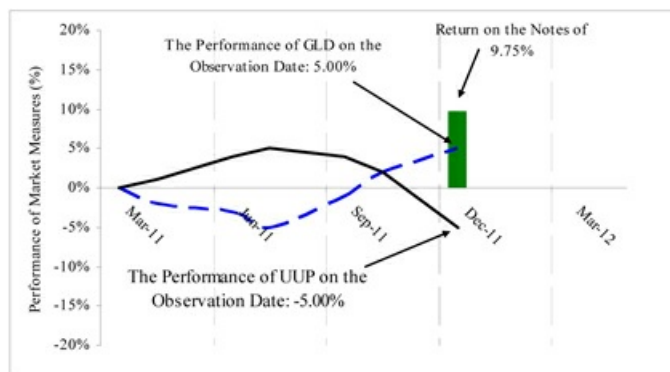
Example 1

If the call is related to the **hypothetical** Observation Date of September 22, 2011, the **hypothetical** Call Amount per unit will be: \$10.000 plus the Call Premium of \$0.650 = \$10.650 per unit.



Example 2

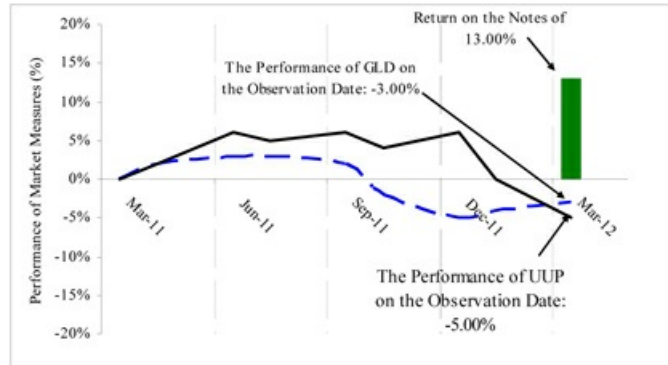
If the call is related to the **hypothetical** Observation Date of December 22, 2011, the **hypothetical** Call Amount per unit will be: \$10.000 plus the Call Premium of \$0.975 = \$10.975 per unit.





Example 3

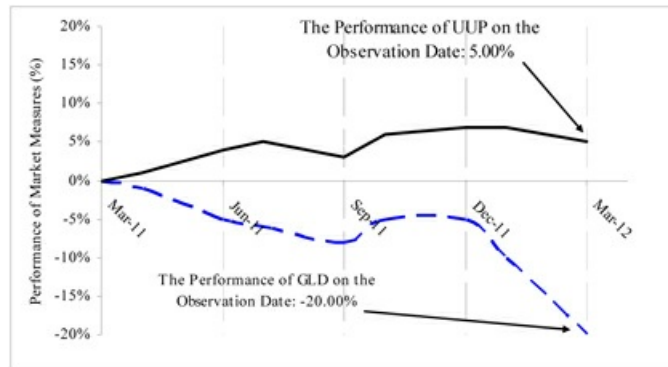
If the call is related to the **hypothetical** Observation Date of March 22, 2012, the **hypothetical** Call Amount per unit will be: \$10.000 plus the Call Premium of \$1.300 = \$11.300 per unit.



The Notes Are Not Called on any of the Observation Dates

Example 4

The notes are not called on any of the **hypothetical** Observation Dates because the **hypothetical** Performance of GLD on each Observation Date is less than the **hypothetical** Performance of UUP. The **hypothetical** Redemption Amount will be less, and possibly significantly less, than the Original Offering Price per unit.



If the **hypothetical** Performance of GLD is -20.00% and the **hypothetical** Performance to UUP is 5.00%, the **hypothetical** Redemption Amount will be:

$$\$10 + [\$10 \times (-20.00\% - 5.00\%)] = \$7.500 \text{ per unit}$$



These examples have been prepared for purposes of illustration only. Your actual return will depend on the actual Performance of GLD and Performance of UUP on each Observation Date, the actual Call Premium, and the term of your investment.

Summary of the Hypothetical Examples

Notes Are Called on an Observation Date

	Hypothetical Observation Date on September 22, 2011	Hypothetical Observation Date on December 22, 2011	Hypothetical Observation Date on March 22, 2012 ⁽¹⁾
Hypothetical Initial GLD Price	136.24	136.24	136.24
Hypothetical Final GLD Price	149.86	143.05	132.15
Hypothetical Performance of GLD	10.00%	5.00%	-3.00%
Hypothetical Initial UUP Price	22.01	22.01	22.01
Hypothetical Final UUP Price	23.11	20.91	20.91
Hypothetical Performance of UUP	5.00%	-5.00%	-5.00%
Hypothetical Return of the Notes	6.50%	9.75%	13.00%
Hypothetical Call Amount per Unit	\$10.650	\$10.975	\$11.300

Notes Are Not Called on Any Observation Date

**Performance of GLD Is Less than
Performance of UUP**

Hypothetical Initial GLD Price	136.24
Hypothetical Final GLD Price	108.99
Hypothetical Performance of GLD on the final Observation Date	-20.00%
Hypothetical Initial UUP Price	22.01
Hypothetical Final UUP Price	23.11
Hypothetical Performance of UUP on the final Observation Date	5.00%
Hypothetical Return on the Notes	-25.00%
Hypothetical Redemption Amount per Unit	\$7.500

(1) In this example, even though the Final GLD Price decreased from the Initial GLD Price, the notes will be called because the Performance of GLD is greater than the Performance of UUP.



Risk Factors

There are important differences between the notes and a conventional debt security. An investment in the notes involves significant risks, including those listed below. The following is a list of certain of the risks involved in investing in the notes. You should carefully review the more detailed explanation of risks relating to the notes in the "Risk Factors" sections beginning on page S-10 of product supplement STR-2 and page S-4 of 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 notes.

- If the notes are not called prior to maturity, your investment will result in a loss; there is no guaranteed return of principal.
- Your return, if any, is limited to the return represented by the Call Premium.
- Your yield may be less than the yield on a conventional debt security of comparable maturity.
- Your investment return may be less than the return on a comparable investment directly in the Market Measures.
- You must rely on your own evaluation of the merits of an investment linked to the performance of the Market Measures.
- In seeking to provide you with what we believe to be commercially reasonable terms for the notes while providing MLPF&S with compensation for its services, we have considered the costs of developing, hedging, and distributing the notes.
- A trading market is not expected to develop for the notes. MLPF&S is not obligated to make a market for, or to repurchase, the notes.
- The amount that you receive at maturity or upon a call will not be affected by all developments relating to the Market Measures.
- Changes in the performance of the Market Measures may offset each other. For example, increases in the price of GLD may be offset by greater increases in the price of UUP.
- We cannot control actions by GLD's sponsor or UUP's managing owner, which may adjust these exchange traded funds in a way that could adversely affect the value of the notes and the amount payable on the notes, and these entities have no obligation to consider your interests.
- The sponsor of the index tracked by UUP may adjust that index in a way that affects its level and has no obligation to consider your interests.
- You will have no rights as a securityholder of the Market Measures, and you will not have the right to receive any distributions with respect to the shares of the Market Measures.
- You will have no rights of a holder of any gold held by GLD, or any of the futures contracts or other assets held by UUP.
- There are liquidity and management risks associated with the Market Measures.
- The performance of the Market Measures and the performance of the assets in which they invest may vary.
- Risks associated with the underlying assets represented by the Market Measures or the Market Measures will affect the share prices of the Market Measures and hence, the value of the notes.
- If you attempt to sell the notes 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 their Original Offering Price.
- Payments on the notes are subject to our credit risk, and changes in our credit ratings are expected to affect the value of the notes.
- Suspensions or disruptions of market trading in assets tracked by the Market Measures may adversely affect the value of the notes.
- The notes will not be regulated by the U.S. Commodity Futures Trading Commission.
- Purchases and sales by us and our affiliates of the underlying assets represented by the Market Measures 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 notes and their market value.
- Our business activities relating to the underlying commodities or futures contracts may create conflicts of interest with you.
- There may be potential conflicts of interest involving the calculation agent. We have the right to appoint and remove the calculation agent.
- The U.S. federal income tax consequences of the notes are uncertain, and may be adverse to a holder of the notes. See "Summary Tax Consequences" and "Certain U.S. Federal Income Taxation Considerations" below and "U.S. Federal Income Tax Summary" beginning on page S-43 of product supplement STR-2.

Additional Risk Factors

Additional Risk Factor Relating to the Terms of the Notes

The return on the notes is based on the relative performance of GLD and UUP and does not directly track a positive position in GLD. You may receive a lower return on the notes than you could receive by directly investing in GLD. Even if GLD appreciates, you may not earn a positive return over the term of the notes. The return on the notes is based on the performance of GLD relative to the performance of UUP as determined on each Observation Date. On any Observation Date, in order for you to receive a positive return upon a call of the notes, GLD must either (a) have increased by a percentage that is equal to or greater than any percentage increase of UUP or (b) decreased by a percentage that is less than or equal to any percentage decrease of UUP. If the notes are not called prior to maturity and UUP has performed better than GLD as of the final Observation Date, you will receive a Redemption Amount that is less than the Original Offering Price, even if the price of GLD has increased over the term of the notes.

Additional Risk Factor Relating to Gold and GLD

The price of shares of GLD is linked closely to the price of gold, which may change unpredictably and affect the value of the notes in unforeseeable ways. GLD attempts to mirror as closely as possible, before fees and expenses, the performance of the price of gold bullion. As a result, the value of the shares of GLD relates directly to the value of the gold held by GLD. Investments in securities linked to an exchange traded fund such as the GLD, which is linked to the price of a single commodity, may be considered speculative. The gold markets are generally subject to temporary distortions or other disruptions due to various factors, including a lack of liquidity in the markets, the participation of speculators, and government regulation and intervention.

The price of gold used to determine the value of the gold held by GLD is derived from a principals' market which operates as an over-the-counter physical commodity market. Certain features of U.S. futures markets are not present in the context of trading on such principals' markets. For example, there are no daily price limits that would otherwise restrict the extent of daily fluctuations in the prices of the commodities in such markets. In a declining market, therefore, it is possible that prices would continue to decline without limitation within a trading day or over a period of trading days.

Gold prices are subject to volatile price movements over short periods of time and are affected by numerous factors. These include economic factors, including the structure of and confidence in the global monetary system, expectations of the future rate of inflation, the relative strength of, and confidence in, the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates and gold borrowing and lending rates, and global or regional economic, financial, political, regulatory, judicial, or other events. Gold prices may also be affected by industry factors such as industrial and jewelry demand, lending, sales and purchases of gold by the official sector, including central banks and other governmental agencies and multilateral institutions that hold gold, levels of gold production and production costs, and short-term changes in supply and demand because of trading activities in the gold market. It is not possible to predict the aggregate effect of all or any combination of these factors.

Investing in GLD is not the same as investing directly in gold. The performance of GLD may not fully replicate the performance of the price of gold due to the fees and expenses charged by the sponsor of GLD, restrictions on access to gold, or other circumstances. GLD does not generate any income and as GLD regularly sells gold to pay for its ongoing expenses, the amount of gold represented by each share of GLD has gradually declined over time. GLD sells gold to pay expenses on an ongoing basis irrespective of whether the trading price of the shares rises or falls in response to changes in the price of gold. GLD currently has an expense ratio of approximately 0.40% per year. GLD reported total expenses of \$57.24 million for the three months ended December 31, 2010, and the market value of its investment in gold as of that date was \$58.39 billion. The sale of GLD's gold to pay expenses at a time of low gold prices could adversely affect the value of GLD. Additionally, there is a risk that part or all of GLD's gold could be lost, damaged or stolen due to war, terrorism, theft, natural disaster, or other events.

Changes in the methodology used to calculate the gold spot price or changes in laws or regulations which affect the price of gold may affect the value of the notes. Members of the London Bullion Market Association (the "LBMA") set the fixings of gold (the "gold spot price") used to determine the value of gold held by GLD, and may adjust the determination of the gold spot price in a way that adversely affects the value of the notes. In setting the gold spot price, the LBMA has no obligation to consider your interests. The LBMA may from time to time change any rule or bylaw or take emergency action under its rules, any of which could affect the gold spot price. Any change of this kind could cause a decrease in the gold spot price, which would adversely affect the value of the notes.

In addition, the price of gold could be adversely affected by the promulgation of new laws or regulations or by the reinterpretation of existing laws or regulations (including, without limitation, those relating to taxes and duties on commodities or commodity components) by one or more governments, governmental agencies, courts, or other official bodies. Any event of this kind could adversely affect the gold spot price and, as a result, could adversely affect the value of the notes.

The market value of the notes may be affected by price movements in distant-delivery futures contracts associated with the gold spot price. The price movements in the gold spot price may not be reflected in the market value of the notes. If you are able to sell your notes, the price you receive could be affected by changes in the values of futures contracts on gold, which have more distant delivery dates than the gold spot price. The prices for these futures contracts may not increase to the same extent as the gold spot price, or may decrease to a greater extent, which may adversely affect the value of the notes.

Additional Risk Factors Relating to Currency Exchange Rates and UUP

The performance of units of UUP depends on the applicable exchange rates, which are affected by many complex factors outside of our control. The value of any currency exchange rate may be affected by complex political and economic factors. Each exchange rate is at any moment a result of the supply and demand for the applicable base currency relative to its applicable underlying currency, and changes in an exchange rate result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the originating



country of each underlying currency or base currency, including economic, financial, regulatory, social, and political developments in other countries. Of particular importance are the relative rates of inflation, interest rate levels, the balance of payments, and the extent of governmental surpluses or deficits in those countries, all of which are in turn sensitive to the monetary, fiscal, and trade policies pursued by the governments in those countries and other countries important to international trade and finance.

Certain relevant information relating to the countries that have issued one or more of the relevant currencies may not be as well known or as rapidly or thoroughly reported in the U.S. as is comparable information relating to the U.S. economy. You should be aware of the possible lack of availability of important information that can affect the value of the applicable currencies, particularly relative to the U.S. dollar, and you may need to make special efforts to obtain that information on a timely basis.

The exchange rates tracked by UUP could be affected by the actions of the applicable governments. Foreign exchange rates either can be fixed by sovereign governments or they may be floating. Exchange rates of most economically developed nations and many developing nations are permitted to fluctuate in value relative to other currencies. However, governments sometimes do not allow their currencies to float freely in response to economic forces. The applicable governments may use a variety of techniques, such as intervention by their central bank or the imposition of regulatory controls or taxes, to affect the exchange rates of their respective currencies. They may also issue a new currency to replace an existing currency or alter an exchange rate or relative exchange characteristics by devaluing or revaluing that currency. As a result, the liquidity, market value, and the return of the notes could be affected by the actions of sovereign governments, which could change or interfere with otherwise freely determined currency valuation, fluctuations in response to other market forces, and the movement of such currencies across borders.

Even though currencies trade around-the-clock, the notes will not trade around-the-clock and the prevailing market prices for the notes may not reflect the underlying exchange rates. The interbank market in foreign currencies is a global, around-the-clock market. The market for UUP and the market for the notes will not conform to the hours during which any applicable currency is traded. Significant price and rate movements may take place in the underlying foreign exchange markets that will not be reflected immediately in the market price of UUP or the notes. The possibility of these movements should be taken into account in relating the value of the notes to movements occurring in the underlying foreign exchange markets.

There is no systematic reporting of last-sale information for foreign currencies. Reasonably current bid and offer information is available in certain brokers' offices, in bank foreign currency trading offices, and to others who wish to subscribe for this information. However, this information will not necessarily be reflected in the value of UUP and the determination of the payments on the notes. There is no regulatory requirement that those quotations be firm or revised on a timely basis. The absence of last-sale information and the limited availability of quotations to individual investors may make it difficult for you to obtain timely, accurate data about the state of the underlying foreign exchange markets.

UUP could be subject to position limits on its ownership of DX Contracts. The DX Contracts (as defined below) held by UUP are not subject to speculative position limits. There can be no assurance that the DX Contracts will not become subject to speculative position limits. If UUP becomes subject to speculative position limits with respect to its holdings of DX Contracts, UUP's ability to conduct its operations as historically conducted could be limited, including limiting the size of UUP and to reinvest its income in additional DX Contracts. Limiting the size of UUP may affect the correlation between the market price of UUP and its net asset value. As a result, the shares of UUP could trade at a premium to its net asset value, which could adversely affect your return on the notes.



Investor Considerations

You may wish to consider an investment in the notes if:

- You anticipate that GLD will perform moderately better than UUP over the term of the notes.
- You anticipate that the Performance of GLD will be equal to or greater than the Performance of UUP on any Observation Date and you seek an early exit prior to maturity at a premium.
- You are willing to receive a pre-determined return on your investment, capped at the Call Premium, in case the notes are called, regardless of the Performance of GLD relative to Performance of UUP from the pricing date to the date on which the notes are called.
- You are willing to accept that the notes may not be called prior to the maturity date, in which case your return on your investment will be less than the Original Offering Price per unit.
- You accept that your investment will result in a loss, which could be significant, if the Performance of GLD is less than the Performance of UUP on the final Observation Date.
- You are willing to forgo interest payments on the notes, such as fixed or floating rate interest paid on traditional interest bearing debt securities.
- You seek exposure to the Market Measures with no expectation of receiving distributions, interest payments, or other benefits of owning the Market Measures.
- You are willing to accept that a trading market is not expected to develop for the notes. You understand that secondary market prices for the notes, if any, will be affected by various factors, including our actual and perceived creditworthiness.
- You are willing to make an investment, the payment on which depends on our creditworthiness, as the issuer of the notes.

The notes may not be an appropriate investment for you if:

- You anticipate that UUP will perform better than GLD over the terms of the notes.
- You want to hold your notes for the full term.
- You anticipate that the Performance of UUP will be greater than the Performance of GLD on any Observation Date.
- You seek a return on your investment that will not be capped at the Call Premium.
- You seek principal protection or preservation of capital.
- You seek interest payments or other current income on your investment.
- You want to receive interest payments or other distributions paid on the Market Measures.
- You seek assurances that there will be a liquid market if and when you want to sell the notes prior to maturity.
- You are unwilling or are unable to assume the credit risk associated with us, as the issuer of the notes.

Other Terms of the Notes

Closing Market Price

The provisions of this section supersede and replace the definition of "Closing Market Price" set forth in product supplement STR-2, and will apply to the Market Measures.

The "Closing Market Price" means:

- (A) If either of GLD or UUP is listed or admitted to trading on a national securities exchange in the United States that is registered under the Securities Exchange Act of 1934 ("registered national securities exchange"), is included in the OTC Bulletin Board Service (the "OTC Bulletin Board") operated by the Financial Industry Regulatory Authority, Inc. ("FINRA"), or is quoted on a United States quotation medium or inter-dealer quotation system (e.g., the Pink-Sheets), then the Closing Market Price for any date of determination on any trading day means for one share of either of GLD or UUP (or any other security underlying either GLD or UUP for which a Closing Market Price must be determined for purposes of the notes):
- i. the last reported sale price, regular way, on that day on the principal registered national securities exchange on which that security is listed or admitted to trading (without taking into account any extended or after-hours trading session);
 - ii. if the last reported sale price is not obtainable on a registered national securities exchange, then the last reported sale price on the over-the-counter-market as reported on the OTC Bulletin Board or, if not available on the OTC Bulletin Board, then the last reported sale price on any other United States quotation medium or inter-dealer quotation system on that day (without taking into account any extended or after-hours trading session); or
 - iii. if the last reported sale price is not available for any reason on a registered national securities exchange, on the OTC Bulletin Board, or on any other United States quotation medium or inter-dealer quotation system, then the Closing Market Price shall be the arithmetic mean of the bid prices on that day from as many dealers in that security, but not exceeding three, as have made the bid prices available to the calculation agent after 3:00 p.m., local time in the principal market of the shares of either GLD or UUP (or any other security underlying either GLD or UUP for which a Closing Market Price must be determined for purposes of the notes) on that date (without taking into account any extended or after-hours trading session), or if there are no such bids available to the calculation agent, then the Closing Market Price shall be determined by the calculation agent in its sole discretion and reasonable judgment.
- (B) If GLD or UUP is not listed on a registered national securities exchange, is not included in the OTC Bulletin Board, or is not quoted on any other United States quotation medium or inter-dealer system, then the Closing Market Price for any date of determination on any trading day means for one share of either GLD or UUP, the U.S. dollar equivalent of the last reported sale price (as determined by the calculation agent in its sole discretion and reasonable judgment) on that day on a foreign securities exchange on which that security is listed or admitted to trading with the greatest volume of trading for the calendar month preceding that trading day as determined by the calculation agent; provided that if the last reported sale price is for a transaction which occurred more than four hours prior to the close of that foreign exchange, then the Closing Market Price will mean the U.S. dollar equivalent (as determined by the calculation agent in its sole discretion and reasonable judgment) of the average of the last available bid and offer price on that foreign exchange.
- (C) If GLD or UUP is not listed on a registered national securities exchange, is not included in the OTC Bulletin Board, is not quoted on any other United States quotation medium or inter-dealer quotation system, is not listed or admitted to trading on any foreign securities exchange, or if the last reported sale price or bid and offer are not obtainable, then the Closing Market Price will mean the average of the U.S. dollar value (as determined by the calculation agent in its sole discretion) of the last available purchase and sale prices in the market of the three dealers which have the highest volume of transactions in that security in the immediately preceding calendar month as determined by the calculation agent based on information that is reasonably available to it.

Market Disruption Event on the Pricing Date

If, for either GLD or UUP (a "Pricing Date Affected Component"), a Market Disruption Event occurs on the pricing date, the Closing Market Price of the Market Measure that is not a Pricing Date Affected Component will be its Closing Market Price on the pricing date. For the Pricing Date Affected Component, the calculation agent will establish the Closing Market Price of that Pricing Date Affected Component (the "Affected Component Initial Closing Market Price") based on the Closing Market Price of that Market Measure on the first trading day following the pricing date on which no Market Disruption Event occurs with respect to that Pricing Date Affected Component. If a Market Disruption Event occurs with respect to a Market Measure on the pricing date and on the first and second trading day following the pricing date, the calculation agent (not later than the close of business in New York, New York on the second scheduled trading day following the pricing date) will estimate the Affected Component Initial Closing Market Price on that day in a manner that the calculation agent considers commercially reasonable under the circumstances. The final term sheet will set forth the Affected Component Initial Closing Market Price, and a brief statement of the facts relating to the establishment of the Affected Component Initial Closing Market Price (including the applicable Market Disruption Event(s)).

Market Disruption Event on an Observation Date

If, for either GLD or UUP (an "Observation Date Affected Component"), (i) a Market Disruption Event occurs on a scheduled Observation Date or (ii) the calculation agent determines that any scheduled Observation Date is not a trading day by reason of an extraordinary event, occurrence, declaration, or otherwise (any such day in either (i) or (ii) being a "non-calculation day"), the calculation agent will determine the Closing Market Price of the Observation Date Affected Component for such non-calculation day, and as a result, the value of the Market Measures, as follows:



- The Closing Market Price of the Market Measure that is not an Observation Date Affected Component will be its Closing Market Price on such non-calculation day.
- The Closing Market Price of the Observation Date Affected Component will equal the Closing Market Price of that Market Measure on the first trading day following that non-calculation day on which no Market Disruption Event occurs with respect to that Observation Date Affected Component; provided that the Closing Market Price will be determined (or, if not determined, estimated) by the calculation agent in a manner which the calculation agent considers commercially reasonable under the circumstances on a date no later than the second scheduled trading day prior to the applicable scheduled Call Settlement Date, or, in the case of the final Observation Date, no later than the second scheduled trading day prior to the maturity date, regardless of the occurrence of a Market Disruption Event on that day.

The applicable Observation Date will be deemed to occur after the calculation agent has determined the value of the Market Measures as provided above. If, due to a Market Disruption Event or otherwise, an Observation Date (other than the final Observation Date) is postponed, the applicable Call Settlement Date on which the Call Amount for such Observation Date will be paid will be the fifth Banking Business Day following the Observation Date as so postponed. However, if the final Observation Date is postponed, under no circumstances will the maturity date be postponed.



Other Provisions

We may deliver the notes 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 notes occurs more than three business days from the pricing date, purchasers who wish to trade the notes 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 notes, you are consenting to MLPF&S acting as a principal in effecting the transaction for your account.

Supplement to the Plan of Distribution; Conflicts of Interest

MLPF&S, a broker-dealer subsidiary of BAC, is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and will participate as selling agent in the distribution of the notes. Accordingly, offerings of the notes will conform to the requirements of FINRA Rule 5121. Under our distribution agreement with MLPF&S, MLPF&S will purchase the notes 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. MLPF&S will not receive an underwriting discount for the notes sold to certain fee-based trusts and fee-based discretionary accounts managed by U.S. Trust operating through Bank of America, N.A. In the original offering of the notes, the notes will be sold in minimum investment amounts of 100 units.

MLPF&S may use this Note Prospectus for offers and sales in secondary market transactions and market-making transactions in the notes but is not obligated to engage in such secondary market transactions and/or market-making transactions. MLPF&S 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 SPDR[®] Gold Trust versus the PowerShares DB U.S. Dollar Index Bullish Fund

We have derived the following information from publicly available documents published by Standard & Poor's Depository Receipts ("SPDR") and iShares, Inc., a registered investment company. We make no representation or warranty as to the accuracy or completeness of the following information. We are not affiliated with SPDR or iShares, Inc., and SPDR and iShares, Inc. will not have any obligations with respect to the notes. This term sheet relates only to the notes and does not relate to the shares or units of GLD or UUP, or the assets held by GLD or UUP. Neither we nor MLPF&S has or will participate in the preparation of the publicly available documents described below. Neither we nor MLPF&S has made any due diligence inquiry with respect to GLD or UUP in connection with the offering of the notes. There can be no assurance that all events occurring prior to the date of this term sheet, including events that would affect the accuracy or completeness of the publicly available documents described below, that would affect the trading price of the shares or units of GLD or UUP have been or will be publicly disclosed. Subsequent disclosure of any events or the disclosure of or failure to disclose material future events concerning GLD or UUP could affect the value of its shares or units on each Observation Date and therefore could affect your return on the notes.

SPDR[®] Gold Trust

GLD is an investment trust that issues SPDR[®] Gold Shares, or "shares", which represent units of fractional undivided beneficial interest in and ownership of GLD. GLD was formed on November 12, 2004 under New York law under a trust indenture. World Gold Trust Services, LLC is the sponsor of GLD. BNY Mellon Asset Servicing, a division of The Bank of New York Mellon, is the trustee of GLD, and HSBC Bank USA, N.A. is the custodian of GLD.

GLD holds gold bars and from time to time issues one or more blocks of 100,000 shares, or "baskets", in exchange for deposits of gold and to distribute gold in connection with redemptions of baskets. GLD's investment objective is for its shares to reflect the performance of the price of gold bullion, before the expenses of GLD's operations. The expenses of GLD are accrued daily and reflected in the net asset value of GLD. GLD currently is accruing ordinary operating expenses at an annual rate of 0.40%. World Gold Trust Services, LLC as the sponsor and State Street Global Markets, LLC as the marketing agent have agreed to reduce the fees payable to them from the assets of GLD to the extent required so that the estimated ordinary expenses of GLD do not exceed an amount equal to 0.40% per annum of the daily net asset value during the period ending seven years from the date of the Trust Indenture, November 12, 2004, or upon the earlier termination of the Marketing Agent Agreement.

Information provided to or filed with the SEC by GLD under the Investment Company Act of 1940, as amended, can be located at the SEC's facilities or through the SEC's website at www.sec.gov by reference to SEC CIK number 1222333. We make no representation or warranty as to the accuracy or completeness of the information or reports.

The shares of GLD trade on the NYSE Arca under the symbol "GLD."

Historical Data of GLD

The following table sets forth the high and low closing prices of the shares of GLD for each calendar quarter since the first quarter in 2006. The closing prices listed below were obtained from publicly available information at Bloomberg Financial Markets, rounded to two decimal places. The historical closing prices of shares of GLD should not be taken as an indication of future performance, and we cannot assure you that the price per share of GLD will perform better than UUP. On March 16, 2011, the closing price of GLD was 136.24.

		High	Low
2006	First Quarter	58.60	52.34
	Second Quarter	71.12	55.62
	Third Quarter	65.85	56.92
	Fourth Quarter	64.39	56.37
2007	First Quarter	68.10	60.17
	Second Quarter	68.70	63.62
	Third Quarter	73.51	64.42
	Fourth Quarter	83.00	71.90
2008	First Quarter	99.17	84.77
	Second Quarter	93.27	83.99
	Third Quarter	96.17	73.08
	Fourth Quarter	89.90	70.00
2009	First Quarter	97.80	79.79
	Second Quarter	96.36	85.22
	Third Quarter	99.91	89.27
	Fourth Quarter	119.18	97.89
2010	First Quarter	112.85	104.04
	Second Quarter	122.83	110.26
	Third Quarter	127.95	113.51
	Fourth Quarter	139.11	128.46
2011	First Quarter (through March 16, 2011)	140.03	127.93



SPDR[®] is a trademark of Standard & Poor's Financial Services LLC. The notes are not sponsored, endorsed, sold, or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the notes.

PowerShares DB U.S. Dollar Index Bullish Fund

UUP, a separate series of PowerShares DB U.S. Dollar Index Trust, a Delaware statutory trust organized in two separate series, was formed on August 3, 2006 and commenced investment operations on February 15, 2007. DB Commodity Services LLC serves as the managing owner, commodity pool operator and commodity trading advisor of UUP. UUP pays the managing owner a management fee monthly in arrears, in an amount equal to 0.75% per annum of the daily net asset value of UUP.

UUP issues "units" of fractional undivided beneficial interest in and ownership of UUP. UUP establishes long positions in certain futures contracts (the "DX Contracts") with a view to tracking the changes, whether positive or negative, in the level of the Deutsche Bank Long US Dollar Index Futures Index—Excess Return (the "Index"), over time. The changes in market value over time of the DX Contracts are related to the changes in the level of the U.S. Dollar Index[®] (the "USD[®]"). The USD[®], and in turn, the Index, provides a general indication of the international value of the U.S. dollar relative to the six currencies that comprise the USD[®]—the Euro, the Japanese Yen, the British Pound, the Canadian Dollar, the Swedish Krona, and the Swiss Franc (the "Index Currencies"). The performance of UUP also is intended to reflect the excess, if any, of its interest income from its holdings of U.S. Treasury securities and other high credit quality short-term fixed income securities over the expenses of UUP.

Information provided to or filed with the SEC by UUP under the Investment Company Act of 1940, as amended, can be located at the SEC's facilities or through the SEC's Website at www.sec.gov by reference to SEC CIK number 0001383151. We make no representation or warranty as to the accuracy or completeness of the information or reports.

The units of UUP trade on the NYSE Arca under the symbol "UUP."

Index Description

The Index is designed to reflect the changes in market value over time, whether positive or negative, from investing in long positions in the first to expire DX Contracts whose changes in market value over time, whether positive or negative, in turn, are tied to the USD[®]. The first to expire DX Contracts are the futures contracts that expire in March, June, September, and December. DX Contracts are traded exclusively through ICE Futures U.S., under the symbol "DX."

The changes in market value over time, whether positive or negative, of DX Contracts are related to the Index Currencies (as described below). (Although the Index tracks the changes in market value over time, whether positive or negative, of long positions in the first to expire DX Contracts, the closing level of the Index is in effect, and in part, a reflection of the changes, whether positive or negative, in the level of the U.S. dollar relative to a basket of the underlying Index Currencies.)

The USD[®] is composed of notional amounts of each Index Currency. The notional amounts of the Index Currencies included in the USD[®] reflect a weighted average of the change in the Index Currencies' exchange rates against the U.S. dollar relative to March 1973.

The fair value of DX Contracts is based on foreign exchange futures prices for the underlying Index Currencies. The fair value of DX Contracts is calculated in the same way as a spot index. DX Contracts, similar to single currency futures contracts, will trade at a forward premium or discount based on the interest rate differential between the U.S. dollar and the Index Currencies.

The DX Contract price is sized at \$1,000 times the USD[®] closing level. Thus, if the USD[®] closing level is 100.00, the DX Contract will be valued at \$100,000. If the USD[®] closing level is 112.50, each DX Contract will have a value of \$112,500.

The sponsor of the Index is Deutsche Bank AG London (the "USD[®] Index Sponsor").

USD[®] Composition

The Index reflects the changes in market value over time, whether positive or negative, of a long position in the first to expire DX Contracts. In turn, the changes in market value over time, whether positive or negative, of DX Contracts are related to the changes, positive and negative, in the level of the USD[®].

The USD[®] provides a general indication of the international value of the U.S. dollar and is composed of notional amounts of each of the Index Currencies. The notional amounts of each Index Currency included in the USD[®] are weighted to reflect the currencies of the largest trading partners of the U.S. These largest trading partners constitute the bulk of international trade with the United States and have well-developed foreign exchange markets with rates freely determined by market participants. The USD[®] is computed 24 hours a day, seven days a week based on exchange rates supplied to Reuters by banks worldwide.

The following table reflects the index base weights (the "Index Base Weights"), of each Index Currency as of March 1973 with respect to the USD[®]:

<u>Index Currency</u>	<u>Index Base Weight (%)</u>
Euro	57.60
Japanese Yen	13.60
British Pound	11.90
Canadian Dollar	9.10
Swedish Krona	4.20
Swiss Franc	3.60
Closing Level at Inception:	100.00

The USD[®] has been calculated since inception in March 1973. The closing level at inception was 100.00.



The euro was included in the USD[®] in 1999 and replaced the following currencies that were originally included in the USD[®]: Belgian Franc, Dutch Guilder, German Mark, French Franc and Italian Lira.

Index Calculation

The Index reflects the changes in market value over time, whether positive or negative, of a long position in the first to expire DX Contract relative to the value of the dollar as of December 31, 1986, or Base Date. On the Base Date, the closing level was 100.00. Although the DX Contract started trading in 1985, the Base Date of December 31, 1986 was selected because reasonably reliable pricing data was not available prior to December 31, 1986. A quote of "105.50" means the U.S. dollar's value has risen 5.50% since the Base Date relative to the underlying basket of Index Currencies which comprise the USD[®].

The Index Sponsor calculates the closing level of the Index on both an excess return basis and a total return basis. The excess return index reflects the changes in market value over time, whether positive or negative, of the DX Contracts. The total return is the sum of the changes in market value over time, whether positive or negative, of the DX Contracts plus the return of 3-month U.S. Treasury bills. The closing levels of the Index have been calculated using historic exchange closing price data of the DX Contracts since the Base Date.

The use of long positions on DX Contracts in the construction of the Index causes the Index to rise as a result of any upward price movement in the DX Contracts. In turn, this appreciation in the long DX Contracts reflects the rise of the U.S. dollar relative to the underlying basket of Index Currencies which comprise the USD[®].

Index Rolls and Rebalancing of the USD[®]

The underlying DX Contracts of the Index are rolled quarterly over three consecutive business days starting on the Wednesday prior to the applicable IMM Date (each, an "Index Roll Day"). "IMM Date" means the third Wednesday of March, June, September, and December.

DX Contracts are rolled on each Index Roll Day as follows:

- 1/3 of the DX Contracts that will expire on the next IMM Date is sold.
- Positions in the DX Contracts that expire on the IMM Date following the next IMM Date are purchased.

There are no regularly scheduled adjustments or rebalancings of the USD[®].

Historical Data of UUP

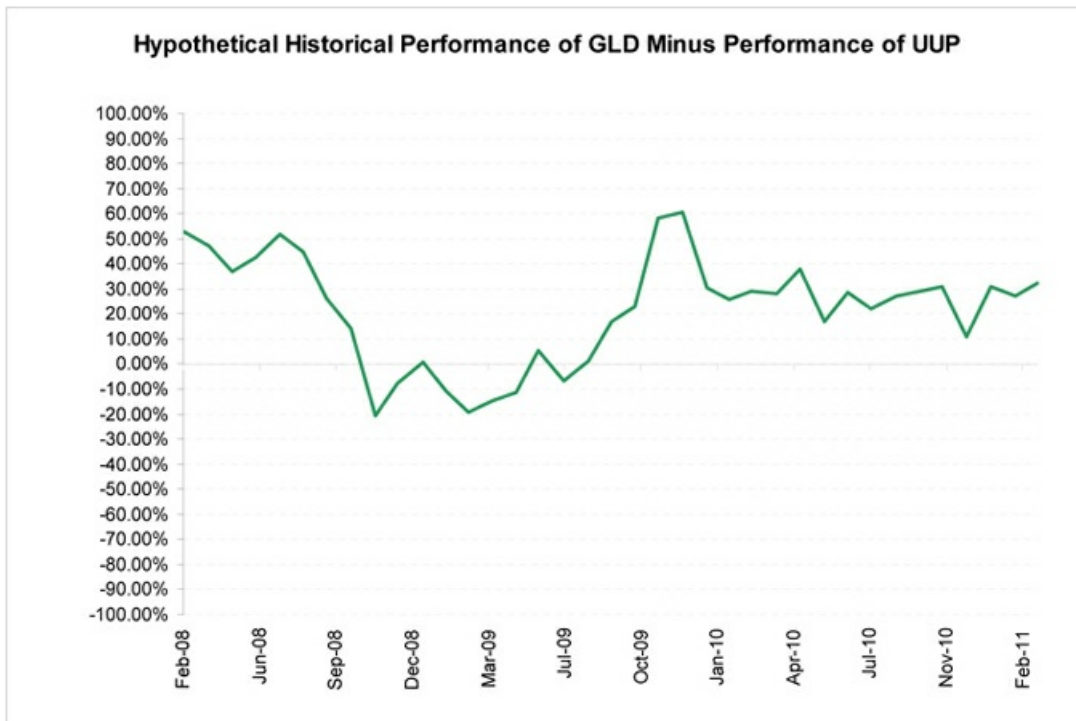
The following table sets forth the high and low closing prices of the units of UUP for each calendar quarter since the inception of UUP on February 15, 2007. The closing prices listed below were obtained from publicly available information at Bloomberg Financial Markets, rounded to two decimal places. The historical closing prices of units of UUP should not be taken as an indication of future performance, and we cannot assure you that the price per unit of UUP will perform worse than GLD. On March 16, 2011, the closing price of UUP was 22.01.

		High	Low
2007	First Quarter (beginning February 15, 2007)	25.16	24.78
	Second Quarter	25.23	24.12
	Third Quarter	25.07	24.05
	Fourth Quarter	24.38	23.26
2008	First Quarter	23.97	22.27
	Second Quarter	22.99	22.23
	Third Quarter	24.80	22.27
	Fourth Quarter	27.08	23.96
2009	First Quarter	26.75	24.74
	Second Quarter	25.97	23.45
	Third Quarter	24.05	22.60
	Fourth Quarter	23.16	22.03
2010	First Quarter	24.13	22.64
	Second Quarter	25.83	23.48
	Third Quarter	24.60	22.84
	Fourth Quarter	23.50	21.97
2011	First Quarter (through March 16, 2011)	23.36	21.92

USD[®] is a registered service mark owned by ICE Futures U.S., Inc. ("ICE"). The notes are not sponsored, endorsed, sold, or promoted by ICE and ICE makes no representation regarding the advisability of investing in the notes.

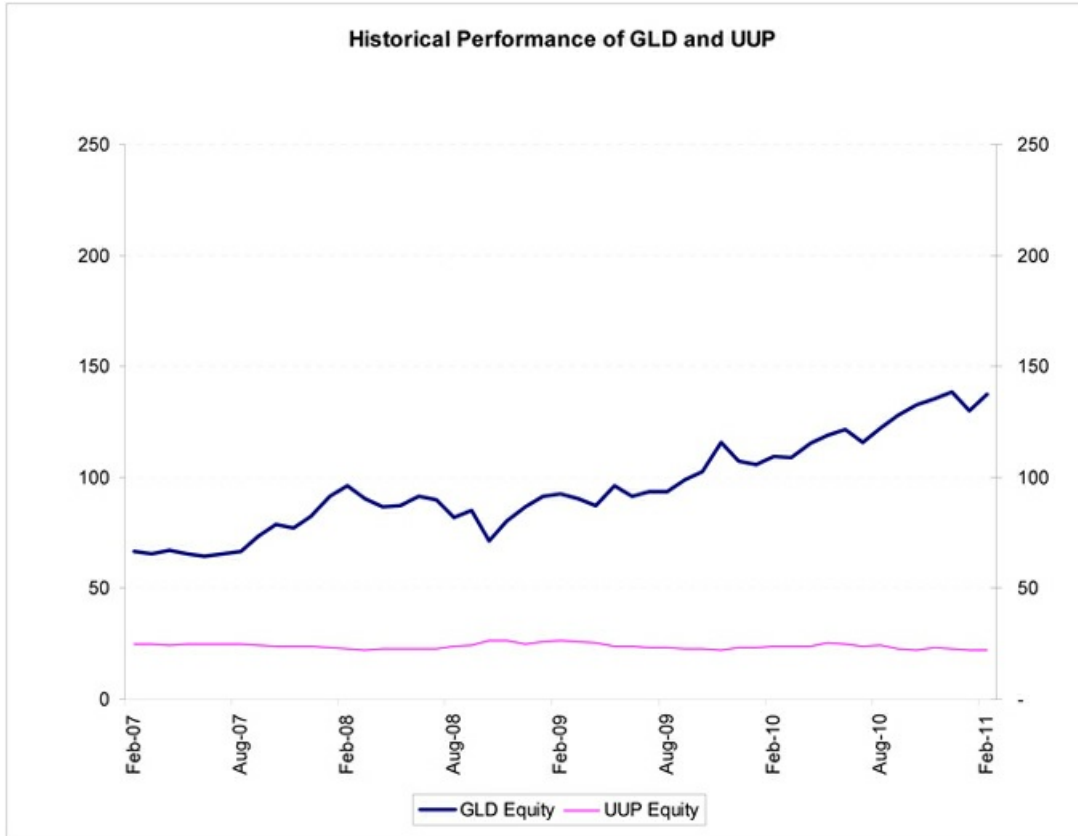


The following graph sets forth the hypothetical historical Performance of GLD minus the Performance of UUP (since the inception of UUP on February 15, 2007) from February 2008 through February 2011, taking historical month-end Closing Market Prices of the GLD and UUP during this time period. Each data point within the graph represents the hypothetical difference between the Performance of GLD and the Performance of UUP assuming the notes were priced 12 months earlier (a term expected to be similar to that of the notes). The hypothetical Performance of GLD and UUP were calculated as set forth on TS-2. Any historical upward or downward trend in the Performance of GLD versus the Performance of UUP during any period set forth below is not an indication that the Performance of GLD will exceed the Performance of UUP at any time over the term of the notes, or that the notes will be called on an Observation Date.





The following graph compares the historical month-end Closing Market Prices of GLD and the historical month-end Closing Market Prices of UUP from February 2007 through February 2011. This historical data is not necessarily indicative of the future performance of either GLD or UUP or what the value of the notes may be. Any historical upward or downward trend in the price of GLD and the price of UUP during any period set forth below is not an indication that the Performance of GLD will exceed the Performance of UUP at any time over the term of the notes, or that the notes will be called on an Observation Date. On March 16, 2011, the Closing Market Price of GLD was 136.24 and the Closing Market Price of UUP was 22.01.



Before investing in the notes, you should consult publicly available sources for the prices, levels and trading patterns of GLD and UUP. The generally unsettled international environment and related uncertainties, including the risk of terrorism, may result in the Market Measures and the financial markets generally exhibiting greater volatility than in earlier periods.

Summary Tax Consequences

You should consider the U.S. federal income tax consequences of an investment in the notes, 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 notes for all tax purposes as a callable single financial contract linked to the performance of the GLD versus the UUP that requires you to pay us at inception an amount equal to the purchase price of the notes and that entitles you to receive at maturity or upon earlier redemption an amount in cash linked to the performance of the GLD versus the UUP.
- Under this characterization and tax treatment of the notes, subject to the discussion below concerning the potential application of the "constructive ownership" rules under Section 1260 of the Internal Revenue Code of 1986, as amended (the "Code"), upon receipt of a cash payment at maturity or upon a sale, exchange, or redemption of the notes 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 hold the notes for more than one year and otherwise will be short-term capital gain or loss. Accordingly, if the notes are called on the first or second Observation Date, your capital gain or loss generally will be short-term capital gain or loss.

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 notes. 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" beginning on page S-43 of product supplement STR-2, which you should carefully review prior to investing in the notes.

General. Although there is no statutory, judicial, or administrative authority directly addressing the characterization of the notes, we intend to treat the notes for all tax purposes as a callable single financial contract linked to the performance of the GLD versus the UUP that requires you to pay us at inception an amount equal to the purchase price of the notes and that entitles you to receive at maturity or upon earlier redemption an amount in cash linked to the performance of the GLD versus the UUP. Under the terms of the notes, we and every investor in the notes agree, in the absence of an administrative determination or judicial ruling to the contrary, to treat the notes as described in the preceding sentence. This discussion assumes that the notes constitute a callable single financial contract linked to the performance of the GLD versus the UUP for U.S. federal income tax purposes. If the notes did not constitute a callable single financial contract, the tax consequences described below would be materially different.

This characterization of the notes is not binding on the Internal Revenue Service ("IRS") or the courts. No statutory, judicial, or administrative authority directly addresses the characterization of the notes 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 notes 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 STR-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 notes, including possible alternative characterizations. The discussion in this section and in the section entitled "U.S. Federal Income Tax Summary" in product supplement STR-2 assume that there is a significant possibility of a significant loss of principal on an investment in the notes.

Settlement at Maturity or Sale, Exchange, or Redemption Prior to Maturity. Assuming that the notes are properly characterized and treated as callable single financial contracts linked to the performance of the GLD versus the UUP for U.S. federal income tax purposes, subject to the discussion below concerning the potential application of the "constructive ownership" rules under Section 1260 of the Code, upon receipt of a cash payment at maturity or upon a sale, exchange, or redemption of the notes prior to maturity, a U.S. Holder (as defined on page S-44 of product supplement STR-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 notes. This capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder holds the notes for more than one year and otherwise will be short-term capital gain or loss. Accordingly, if the notes are called on the first or second Observation Date, a U.S. Holder's capital gain or loss generally will be short-term capital gain or loss. The deductibility of capital losses is subject to limitations.

Possible Application of Section 1260 of the Code. Because the Market Measures are the type of financial assets described under Section 1260 of the Code, while the matter is not entirely clear, there may exist a risk that an investment in the notes will be treated as a "constructive ownership transaction" to which Section 1260 of the Code applies. If Section 1260 of the Code applies, all or a portion of any long-term capital gain recognized by a U.S. Holder in respect of the notes will be recharacterized as ordinary income (the "Excess Gain"). In addition, an interest charge will also apply to any deemed underpayment of tax in respect of any Excess Gain to the extent such gain would have resulted in gross income inclusion for the U.S. Holder in taxable years prior to the taxable year of sale, exchange, redemption, or settlement (assuming such income accrued at a constant rate equal to the applicable federal rate as of the date of sale, exchange, redemption, or settlement). U.S. Holders should consult their tax advisor regarding the potential application of Section 1260 of the Code to an investment in the notes.

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 notes. We cannot predict the likelihood of any such legislation or guidance being adopted, or the ultimate impact on the notes. 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 notes. According to the Notice, the IRS and Treasury are considering whether a holder of an instrument such as the notes 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 notes, 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 the Code 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 urge you to consult your own tax advisors concerning the impact and the significance of the above considerations. We intend to continue treating the notes 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.

You should consult your own tax advisor concerning the U.S. federal income tax consequences to you of acquiring, owning, and disposing of the notes, 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" beginning on page S-43 of product supplement STR-2.



Additional Terms

You should read this term sheet, together with the documents listed below, which together contain the terms of the notes 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 notes 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 notes.

You may access the following documents on the SEC Website at 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 STR-2 dated April 21, 2009:
<http://www.sec.gov/Archives/edgar/data/70858/000095014409003417/q18702p5e424b5.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/q18667b5e424b5.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. 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.

Market-Linked Investments Classification

Market-Linked Investments come in four basic categories, each designed to meet a different set of investor risk profiles, time horizons, income requirements, and market views (bullish, bearish, moderate outlook, etc.). *The following descriptions of these categories are meant solely for informational purposes and are not intended to represent any particular Market-Linked Investment or guarantee performance. Certain Market-Linked Investments may have overlapping characteristics.*

Market Downside Protection

Market Downside Protection Market-Linked Investments combine some of the capital preservation features of traditional bonds with the growth potential of equities and other asset classes. They offer full or partial market downside protection at maturity, while offering market exposure that may provide better returns than comparable fixed-income securities. It is important to note that the market downside protection feature provides investors with protection only at maturity, subject to issuer credit risk. In addition, in exchange for full or partial protection, you forfeit dividends and full exposure to the linked asset's upside. In some circumstances, this could result in a lower return than with a direct investment in the asset.

Enhanced Income

These short- to medium-term market-linked notes offer you a way to enhance your income stream, either through variable or fixed-interest coupons, an added payout at maturity based on the performance of the linked asset, or both. In exchange for receiving current income, you will generally forfeit upside potential on the linked asset. Even so, the prospect of higher interest payments and/or an additional payout may equate to a higher return potential than you may be able to find through other fixed-income securities. Enhanced Income Market-Linked Investments generally do not include market downside protection. The degree to which your principal is repaid at maturity is generally determined by the performance of the linked asset. Although enhanced income streams may help offset potential declines in the asset, you can still lose part or all of your original investment.

Market Access

Market Access notes may offer exposure to certain market sectors, asset classes, and/or strategies that may not even be available through the other three categories of Market-Linked Investments. Subject to certain fees, the returns on Market Access Market-Linked Investments will generally correspond on a one-to-one basis with any increases or decreases in the value of the linked asset, similar to a direct investment. In some instances, they may also provide interim coupon payments. These investments do not include the market downside protection feature and, therefore, your principal remains at risk.

Enhanced Return

These short- to medium-term investments offer you a way to enhance exposure to a particular market view without taking on a similarly enhanced level of market downside risk. They can be especially effective in a flat to moderately positive market (or, in the case of bearish investments, a flat to moderately negative market). In exchange for the potential to receive better-than market returns on the linked asset, you must generally accept a degree of market downside risk and capped upside potential. As these investments are not market downside protected, and do not assure full repayment of principal at maturity, you need to be prepared for the possibility that you may lose all or part of your investment.

"Strategic Accelerated Redemption Securities[®]" is our registered service mark.