

Subject to Completion  
Preliminary Term Sheet dated May 29, 2009

<p><i>Units</i> Leveraged Index Return Notes® Linked to the Rogers International Commodity Index®—Agriculture Excess Return<sup>SM</sup>, due , 2012 \$10 principal amount per unit Term Sheet No.</p>	<p><i>Expected Pricing Date*</i> June , 2009 <i>Settlement Date*</i> July , 2009 <i>Maturity Date*</i> , 2012 CUSIP No.</p>
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## Leveraged Index Return Notes®

- 130% leveraged upside exposure to increases in the level of the Rogers International Commodity Index®—Agriculture Excess Return<sup>SM</sup> (the "Index")
- A maturity of approximately 36 to 42 months
- 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
- 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



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 herein under "Additional Terms" (together the "Note Prospectus"). Investing in the LIRNs involves a number of 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.

Unless otherwise indicated or unless the context requires otherwise, all references in this document to "we," "us," "our," or similar references are to BAC. References to "MLPF&S" are to Merrill Lynch, Pierce, Fenner & Smith Incorporated.

In connection with this offering, each of MLPF&S, its broker-dealer affiliate First Republic Securities Company, LLC ("First Republic"), and Banc of America Investment Services, Inc. ("BAI") is acting as our selling agent. Each of MLPF&S and First Republic is acting in its capacity as principal, and BAI will use its best efforts to sell the LIRNs.

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	\$
Selling discount (1)	\$ 0.225	\$
Proceeds, before expenses, to Bank of America Corporation	\$ 9.775	\$

(1) The public offering price and selling discount for any purchase of 500,000 units or more in a single transaction by an individual investor will be \$9.950 per unit and \$0.175 per unit, respectively.

\*Depending on the date the LIRNs are priced for initial sale to the public (the "pricing date"), which may be in June or July 2009, the settlement date may occur in June or July 2009. The maturity date will occur between July 2012 and January 2013, and will be determined on the pricing date. 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.

"Leveraged Index Return Notes®" and "LIRNs®" are registered service marks of our subsidiary, Merrill Lynch & Co., Inc.

"Jim Rogers", "James Beeland Rogers, Jr.", "Rogers", "Rogers International Commodity Index®—Excess Return<sup>SM</sup>", "Rogers International Commodity Index®—Agriculture Excess Return<sup>SM</sup>", "Rogers International Commodity Index®—Agriculture Total Return<sup>SM</sup>", "RICI®—Excess Return<sup>SM</sup>" and "RICI®—Agriculture Excess Return<sup>SM</sup>" are trademarks and service marks of, and "Rogers International Commodity Index" and "RICI" 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 trademarks and service marks of James Beeland Rogers, Jr.

Merrill Lynch & Co.

Banc of America Investment Services, Inc.

June , 2009



## Summary

The Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>–Agriculture Excess Return<sup>SM</sup>, due \_\_\_\_\_, 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 if the level of the Rogers International Commodity Index<sup>®</sup>–Agriculture Excess Return<sup>SM</sup> (the “Index”) increases from the Starting Value of the Index, determined on the pricing date, to the Ending Value of the Index, determined on the calculation day. Investors must be willing to forgo interest payments on the LIRNs and be willing to accept a repayment that is less, and potentially significantly less, than the Original Offering Price of the LIRNs.

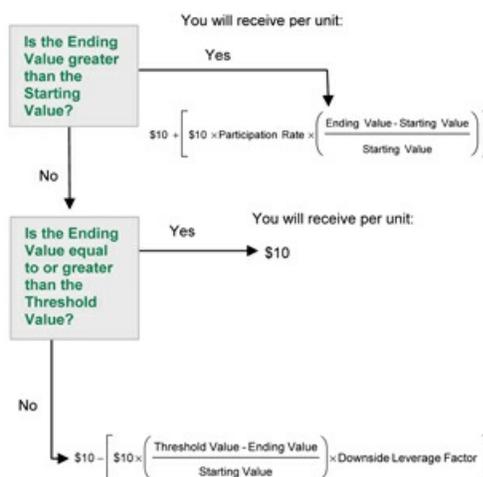
Capitalized terms used but not defined in this term sheet have the meanings set forth in product supplement LIRN-2.

## 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 36 to 42 months. The maturity date (which will be between July 2012 and January 2013) will be determined on the pricing date and will be set forth in the final term sheet made available in connection with sales of the LIRNs.
<b>Market Measure:</b>	Rogers International Commodity Index <sup>®</sup> –Agriculture Excess Return <sup>SM</sup> (Index symbol: “ROGRAGER”)
<b>Starting Value:</b>	The closing level of the Index on the pricing date. The Starting Value will be determined on the pricing date and will be set forth in the final term sheet 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>	The Threshold Value will be set to 90% of the Starting Value, rounded to two decimal places.
<b>Participation Rate:</b>	130%
<b>Downside Leverage Factor:</b>	100%
<b>Calculation Day:</b>	The fifth scheduled Market Measure Business Day immediately prior to the maturity date, determined as of 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

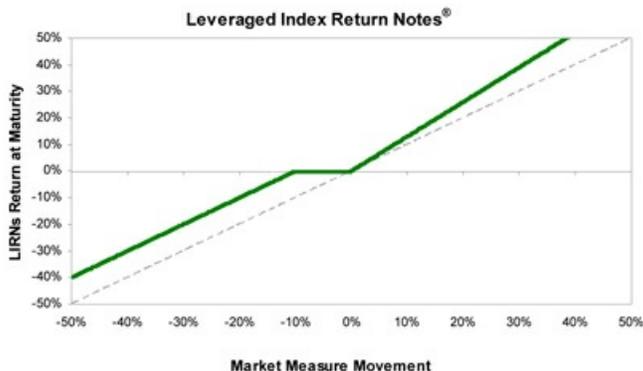
On the maturity date, you will receive a cash payment per unit (the “Redemption Amount”) calculated as follows:



*In this case, you will receive a payment that is less, and possibly significantly less, than the \$10.00 Original Offering Price per unit.*



## Hypothetical Payout Profile



This graph reflects the **hypothetical** returns on the LIRNs, based on the Participation Rate of 130% and a Threshold Value equal to 90% of the Starting Value. The green line reflects the **hypothetical** returns on the LIRNs, while the dotted gray line reflects the return of a **hypothetical** 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, Threshold Value, and the term of your investment.

## Hypothetical Redemption Amounts

### Examples

Set forth below are three examples of Redemption Amount calculations (rounded to two decimal places) payable at maturity, based upon the Participation Rate of 130%, the Downside Leverage Factor of 100%, a **hypothetical** Starting Value of 853.32 (the closing level of the Index on May 19, 2009), and a **hypothetical** Threshold Value of 767.99.

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

Hypothetical Starting Value: 853.32  
 Hypothetical Ending Value: 597.32  
 Hypothetical Threshold Value: 767.99

$$\$10 - \left[ \$10 \times \left( \frac{767.99 - 597.32}{853.32} \right) \times 100\% \right] = \$8.00$$

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: 853.32  
 Hypothetical Ending Value: 810.65  
 Hypothetical Threshold Value: 767.99

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 (per unit) will equal the \$10 Original Offering Price.

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

Hypothetical Starting Value: 853.32  
 Hypothetical Ending Value: 938.65

$$\$10 + \left[ \$10 \times 130\% \times \left( \frac{938.65 - 853.32}{853.32} \right) \right] = \$11.30$$

Redemption Amount (per unit) = \$11.30



# Leveraged Index Return Notes®

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

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The following table illustrates, for the **hypothetical** Starting Value of 853.32 (the closing level of the Index on May 19, 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 the components of the Index.

The table below reflects the Participation Rate of 130% and the Downside Leverage Factor of 100%.

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 an Investment in the Components of the Index(1)(2)
426.66	-50.00%	\$6.00	-40.00%	-15.12%	-20.23%
511.99	-40.00%	\$7.00	-30.00%	-10.68%	-15.12%
597.32	-30.00%	\$8.00	-20.00%	-6.75%	-10.68%
725.32	-15.00%	\$9.50	-5.00%	-1.57%	-4.94%
767.99(3)	-10.00%	\$10.00	0.00%	0.00%	-3.22%
819.19	-4.00%	\$10.00	0.00%	0.00%	-1.25%
836.25	-2.00%	\$10.00	0.00%	0.00%	-0.62%
853.32(4)	0.00%	\$10.00	0.00%	0.00%	0.00%
895.99	5.00%	\$10.65	6.50%	1.95%	1.51%
938.65	10.00%	\$11.30	13.00%	3.80%	2.95%
981.32	15.00%	\$11.95	19.50%	5.56%	4.35%
1,023.98	20.00%	\$12.60	26.00%	7.24%	5.69%
1,066.65	25.00%	\$13.25	32.50%	8.85%	6.99%
1,109.32	30.00%	\$13.90	39.00%	10.39%	8.24%
1,151.98	35.00%	\$14.55	45.50%	11.88%	9.45%
1,194.65	40.00%	\$15.20	52.00%	13.31%	10.63%
1,237.31	45.00%	\$15.85	58.50%	14.69%	11.77%
1,279.98	50.00%	\$16.50	65.00%	16.02%	12.87%

(1) The annualized rates of return specified in this column are calculated on a semi-annual bond equivalent basis and assume an investment term of 39 months from May 24, 2009 to August 24, 2012, the midpoint of the maturity range of 36 months to 42 months.

(2) This rate of return assumes:

- (a) a percentage change in the aggregate price of the components of the Index that equals the percentage change in the level of the Index from the **hypothetical** Starting Value to the relevant **hypothetical** Ending Value; and
- (b) 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 made available in connection with sales of the LIRNs.

(4) This is the **hypothetical** Starting Value, which is the closing level of the Index on May 19, 2009. The actual Starting Value will be determined on the pricing date and will be set forth in the final term sheet 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, Threshold Value, and the term of your investment.



## Risk Factors

An investment in the LIRNs involves significant risks. The following is a list of certain of the risks involved in investing in the LIRNs. 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, 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 your 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 the RIC<sup>®</sup> Committee and Rogers have no obligation to consider your interests.
- Ownership of the LIRNs will not entitle you to any rights with respect to any futures contracts or commodities included in or tracked by the Index (the "Index components").
- If you attempt to sell 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 their Original Offering Price.
- Payments on LIRNs are subject to our credit risk, and changes in our credit ratings are expected to affect the value of LIRNs.
- The prices of the Index components may change unpredictably, affecting the value of the LIRNs in unforeseeable ways.
- Suspensions or disruptions of market trading in the Index components and related commodity and futures markets 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 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.
- Our business activities relating to the Index components 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 LIRNs are uncertain, and may be adverse to a holder of 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 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 positive 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. The absence of backwardation in the commodity markets could result in negative "roll yields," which could adversely affect the level of the Index and, accordingly, decrease the Redemption Amount.

### The LIRNs include the risk of concentrated positions in the agriculture sector.

The exchange-traded physical commodities underlying the futures contracts included in the Index are heavily concentrated in a single sector, agriculture. An investment in the LIRNs may therefore carry risks similar to a concentrated securities investment in the agriculture sector. Accordingly, a decline in the value of agricultural raw materials would adversely affect the level of the Index. Technological advances could lead to increases in worldwide production of agricultural commodities and corresponding decreases in the price of such commodities. If worldwide production increases, absent amendment of 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 Rogers International Commodity Index<sup>®</sup>—Excess Return<sup>SM</sup> (the "RIC<sup>®</sup>—Excess Return<sup>SM</sup>"), from which the Index is derived, is overseen and managed by a committee (the "RIC<sup>®</sup> Committee"). Rogers chairs the RIC<sup>®</sup> Committee and controls its decisions.



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

Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup>,  
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Rogers, through the RIC<sup>®</sup> Committee, has a significant degree of discretion regarding the composition and management of the RIC<sup>®</sup>—Excess Return<sup>SM</sup>, including additions, deletions, and the weights of the Index Commodities (as defined below) 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 RIC<sup>®</sup> Committee do not have any obligation to take the interests of 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>—Agriculture Excess Return<sup>SM</sup>, not the Rogers International Commodity Index<sup>®</sup>—Agriculture Total Return<sup>SM</sup>.**

The Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup> reflects returns that are potentially available through an unleveraged investment in the Index components. By comparison, the Rogers International Commodity Index<sup>®</sup>—Agriculture 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>—Agriculture 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>—Agriculture Excess Return<sup>SM</sup> and not the Rogers International Commodity Index<sup>®</sup>—Agriculture 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 RIC<sup>®</sup>—Excess Return<sup>SM</sup>.**

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 RIC<sup>®</sup>—Excess Return<sup>SM</sup>, and over-the-counter contracts having values which derive from or are related to such commodities. Rogers now invests in commodities only through Rogers index products, 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 interests 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 RIC<sup>®</sup>—Excess Return<sup>SM</sup> 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 from the Starting Value to the Ending Value.
- You accept that your investment may 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 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 perceived creditworthiness.

**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 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.

TS-6



## Leveraged Index Return Notes®

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due 2012

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## 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 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 these offered securities, 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. MLPF&S is acting as an underwriter and/or selling agent for this offering and will receive underwriting compensation from BAC.

## Supplement to the Plan of Distribution

MLPF&S, First Republic, and BAI, 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 in the distribution of the LIRNs. Accordingly, offerings of the LIRNs will conform to the requirements of NASD Rule 2720. MLPF&S and First Republic will purchase LIRNs as principal, while BAI will use its best efforts to sell the LIRNs. In the original offering of the LIRNs, the LIRNs will be sold in minimum investment amounts of 100 units.

MLPF&S, First Republic, and BAI 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, First Republic, and BAI 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.

TS-7



## The Index

All disclosures contained in this term sheet regarding the Index, including, without limitation, its make up, method of calculation, and changes in its components, have been derived from publicly available sources. The information reflects the policies of, and is subject to change by, Beeland Interests, Inc. ("Beeland"). Beeland, which owns the copyright and all other rights to the Index, has no obligation to continue to publish, and may discontinue publication of, the RIC<sup>®</sup> or the Index. 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." Neither we, the calculation agent, Beeland and its affiliates and agents, nor MLPF&S accepts any responsibility for the calculation, maintenance, or publication of the RIC<sup>®</sup>, the Index, or any successor index.

### Overview

The Rogers International Commodity Index<sup>®</sup> (the "RIC<sup>®</sup>") may be calculated as either a total return index or an excess return index (collectively, the "RIC<sup>®</sup> Indices"). The RIC<sup>®</sup> Indices are composite, U.S. dollar-based indices created by Rogers in the late 1990s. The RIC<sup>®</sup> Indices are maintained by Beeland. Neither we, the calculation agent, nor MLPF&S are affiliated with Rogers or Beeland, or participate in designing the RIC<sup>®</sup> Indices. Merrill Lynch Commodities International is a representative on the RIC<sup>®</sup> Committee (as defined below). 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 agricultural commodities and is a sub-index of the RIC<sup>®</sup>-Excess Return<sup>SM</sup>. The selection and weighting of the portfolio that comprises the Index is reviewed by the RIC<sup>®</sup> Committee not less than annually, and weights are assigned in the December preceding the start of each year. As of February 11, 2009, 20 agricultural commodities listed on seven exchanges and quoted in four different currencies were included in the Index.

The Index represents the value of a basket of 20 agricultural commodities (the "Index Commodities"), which are used in the global economy. The value of each component of the Index 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"). The value of each component of the Index is based on closing prices of the corresponding futures contracts, listed on seven exchanges and quoted in four different currencies, included in the RIC<sup>®</sup>-Excess Return<sup>SM</sup>. Individual components qualify for inclusion in the Index on the basis of liquidity and weight in their respective underlying worldwide consumption. If a commodity contract trades on more than one exchange, then the most liquid, in terms of volume and open interest combined, is selected for inclusion in the Index. For example, wheat is traded on the Chicago Board of Trade, on the Kansas City Board of Trade, and on the Mid-America Commodity Exchange. The largest volume and open interest is consistently transacted on the Chicago Board of Trade, consequently, this contract was selected to represent wheat in the Index.

The Index is based in U.S. dollars. The non-U.S. dollar components of the Index are not hedged when calculating the Index in U.S. dollars.

Because the Index is a sub-index of the RIC<sup>®</sup>-Excess Return<sup>SM</sup>, the exact weight of each of the Index Components is the weight of such Index Component in the RIC<sup>®</sup>-Excess Return<sup>SM</sup> divided by the weight of the Agriculture segment in the RIC<sup>®</sup>-Excess Return<sup>SM</sup> (34.90%).

Below is the list of the Index Components, together with their respective symbols, exchanges, currencies, and initial weights:

Contract	Symbol	Exchange	Currency	Initial Weighting*
Wheat	W	CBOT	USD	20.057%
Corn	C	CBOT	USD	13.610%
Cotton	CT	ICE US	USD	12.034%
Soybeans	S	CBOT	USD	9.599%
Live Cattle	LC	CME	USD	5.731%
Coffee	KC	ICE US	USD	5.731%
Soybean Oil	BO	CBOT	USD	6.218%
Sugar	SB	ICE US	USD	5.731%
Lean Hogs	LH	CME	USD	2.865%
Cocoa	CC	ICE US	USD	2.865%
Rubber	81	TOCOM	JPY	2.865%
Lumber	LB	CME	USD	2.865%
Soybean Meal	SM	CBOT	USD	2.149%
Canola	RS	ICE CA	CAD	1.920%
Orange Juice	OJ	ICE US	USD	1.891%
Rice	RR	CBOT	USD	1.433%
Oats	O	CBOT	USD	1.433%
Azuki Beans	101	TGE	JPY	0.430%
Barley	AB	ICE CA	CAD	0.286%
Greasy Wool	BW	SFE	AUS	0.286%
<b>TOTAL</b>				<b>100%</b>

\*The weights shown above are the weights (rounded) of each Index Component as of January, 2009.

## The RICI® Indices

### The RICI® Committee

The RICI® Indices are maintained and reviewed by the members of the Rogers International Commodity Index® Committee (the "RICI® 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® Indices are reviewed. The RICI® Committee members monitor the RICI® Indices daily in case of needed changes. The RICI® Committee bases its selection on world consumption patterns and liquidity.

### RICI® Index Composition

#### The Process

The contracts chosen for the basket of commodities that are included in the RICI® Indices are required to fulfill the various conditions described below. Generally, the selection and weights of the items in the RICI® Indices are reviewed annually by the RICI® Committee, and weights for the next year are assigned every December. The composition of the RICI® Indices are modified only in rare occasions, in order to maintain investability and stability, and the composition of the RICI® 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 components of the RICI® Indices.

#### Exchanges and Non-Traded Items

All commodities included in the RICI® 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® 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® 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® Indices. Commodities that are merely linked to national consumption patterns will not be considered. The RICI® 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® Committee throughout the year. In order to obtain the most accurate view 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 RIC<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. 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>-Excess Return<sup>SM</sup> for 2009 were set at the end of January 2009.

##### *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 the futures contracts used to calculate the RIC<sup>®</sup> Indices, except for the contracts traded on the London Metal Exchange, are rolled each month under rules announced by Beeland. For contracts listed on the London Metal Exchange, three-month contracts are used and are rolled every three months. 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.

##### *Rebalancing of the Index Components*

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

##### *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 RIC<sup>®</sup> 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 RIC<sup>®</sup> 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 RIC<sup>®</sup> 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 RIC<sup>®</sup> Index investors. In this case, an alternative settlement price or prices may be determined and used for the RIC<sup>®</sup> 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 RIC<sup>®</sup> 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 RIC<sup>®</sup> 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 RIC<sup>®</sup> Index.



# Leveraged Index Return Notes®

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

STRUCTURED INVESTMENTS

PRINCIPAL PROTECTION  
ENHANCED INCOME  
MARKET PARTICIPATION  
ENHANCED PARTICIPATION

A "RICI® Business Day" is a day on which all United States based exchanges that list futures contracts included in the RICI® are open for business (including half-day opening).

#### *Data Source*

Each of the RICI® 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 RICI® 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 RICI® Committee, the RICI® 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 RICI® 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 RICI® 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 by 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 RICI® Business Day immediately following.

#### *Changes to LME Contracts*

The RICI® 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 RICI® 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.



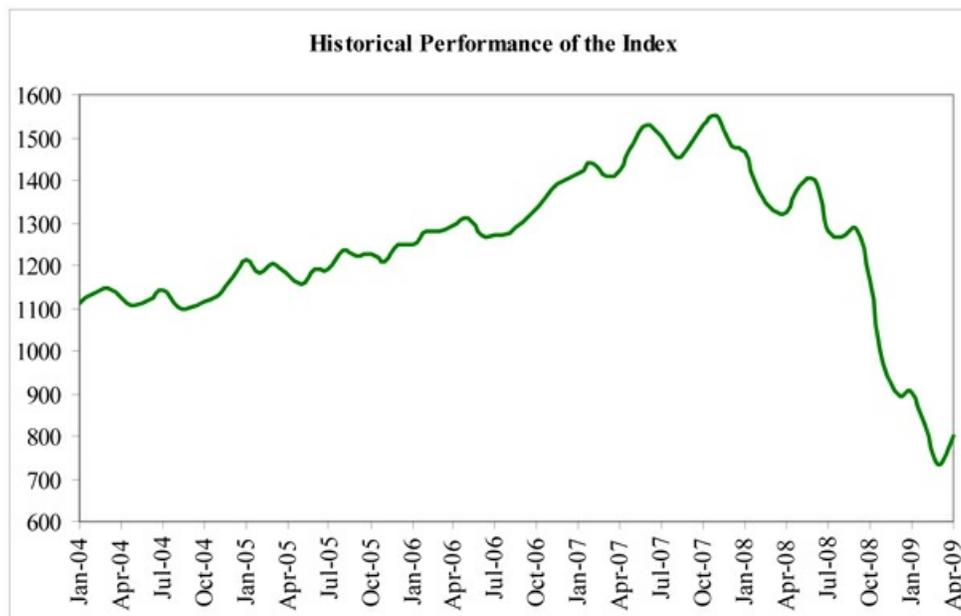
## Leveraged Index Return Notes<sup>®</sup>

Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup>,  
due 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 April 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 May 19, 2009, the closing level of the Index was 853.32.



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 Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup>.

Beeland Interests, Inc. is under no obligation to continue the RIC<sup>®</sup> Indices. The Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup> 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 Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup> or any other person or entity regarding the advisability of investing in securities generally or in the Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup> in particular or the ability of the Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup> to track general commodity market performance. Beeland Interests, Inc. has no obligation to take the needs of us, MLPF&S, the holders of the Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup> 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 Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup> 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 Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup>.

Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>—Agriculture Excess Return<sup>SM</sup> 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 Leveraged Index Return Notes<sup>®</sup> Linked to the Rogers International Commodity Index<sup>®</sup>-Agriculture Excess Return<sup>SM</sup> or in futures particularly.

NEITHER BEELAND INTERESTS, INC. NOR ANY OF ITS AFFILIATES OR AGENTS GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE 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 LEVERAGED INDEX RETURN NOTES<sup>®</sup> LINKED TO THE ROGERS INTERNATIONAL COMMODITY INDEX<sup>®</sup>-AGRICULTURE EXCESS RETURN<sup>SM</sup>, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE RIC<sup>®</sup>, ANY SUB-INDEX THEREOF, ANY DATA INCLUDED THEREIN OR THE LEVERAGED INDEX RETURN NOTES<sup>®</sup> LINKED TO THE ROGERS INTERNATIONAL COMMODITY INDEX<sup>®</sup>-AGRICULTURE EXCESS RETURN<sup>SM</sup>. 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.

TS-12



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



## 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.* 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 urge you to consult your own tax advisors concerning the impact and the significance of the above considerations. 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.

**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" 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/q18702p2e424b5.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](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 at maturity, 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 are not structured to 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 are not structured to 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.