

401(k) Contribution Activities

A Quarterly Scorecard



RETIREMENT & BENEFIT PLAN SERVICES

As of December 31, 2011

Executive Summary

Retirement & Benefit Plan Services reports quarterly on plan participant activities within our proprietary 401(k) business, which services approximately \$92.4 billion in total plan assets and nearly 2.6 million total plan participants with balances.¹ We also report on our plan sponsors' adoption of offered products and services designed to encourage greater use of employer-sponsored retirement savings plans. Trends observed during the most recent quarter ending December 31, 2011, and throughout the last year include:

- Significant increases in plan sponsor adoption of 401(k) advice services
- Year-over-year increase in positive savings actions among plan participants
- Integration with annual health enrollment continued to produce strong positive employee engagement results in 2011

Key Statistics

Positive savings actions continue trending higher:²

- Nearly 1.5 million participants are actively contributing to their 401(k) plan.
- Over 900,000 employees took a positive savings action in their accounts in 2011, compared to approximately 875,000 in 2010.
- Of all participants who took some type of savings action during 2011, 76% took a positive action (started or increased contributions), versus 24% who took a negative action (stopped or decreased contributions) — on par with 2010 results.
- As it has for the last few years, Q4 saw the greatest percentage of positive savings actions for all of 2011, largely due to integration with the annual health enrollment period (see table on next page). Of all participants who took some type of savings action during Q4 2011, 442,470 (81%) took a positive action (started or increased contributions), versus 107,170 (19%) who took a negative action (stopped or decreased contributions) — compared to 543,340 (84%) and 101,444 (16%) during Q4 2010, respectively.

Plan sponsors continue to adopt products and services designed to encourage their employees' use of retirement savings plans, including Automated Programs and Participant Advice Services (year-over-year growth):³

- 18% increase in plan adoption of Advice Access, with over 470 plans now live with this service
 - 2% increase in plan participants using Advice Access, and 3% increase in plan participant use of managed accounts, with over 140,000 participants using managed accounts
 - Nearly 25% of active participants in plans offering Advice Access are currently using the service
- 21% increase in the adoption of Auto Increase, with over 170 plans now live with this feature
- 14% increase in the adoption of Auto Enrollment, with over 280 plans live with this feature

continued

Bank of America Merrill Lynch is a marketing name for the Retirement Services businesses of Bank of America Corporation ("BAC"). Banking and fiduciary activities are performed by wholly owned banking affiliates of BAC, including Bank of America, N.A., Member FDIC. Brokerage services are performed by wholly owned brokerage affiliates of BAC, including Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), which is a registered broker-dealer and Member SIPC.

Investment products:

Are Not FDIC Insured

Are Not Bank Guaranteed

May Lose Value

Integration of 401(k) Engagement and Health Benefit Election Results

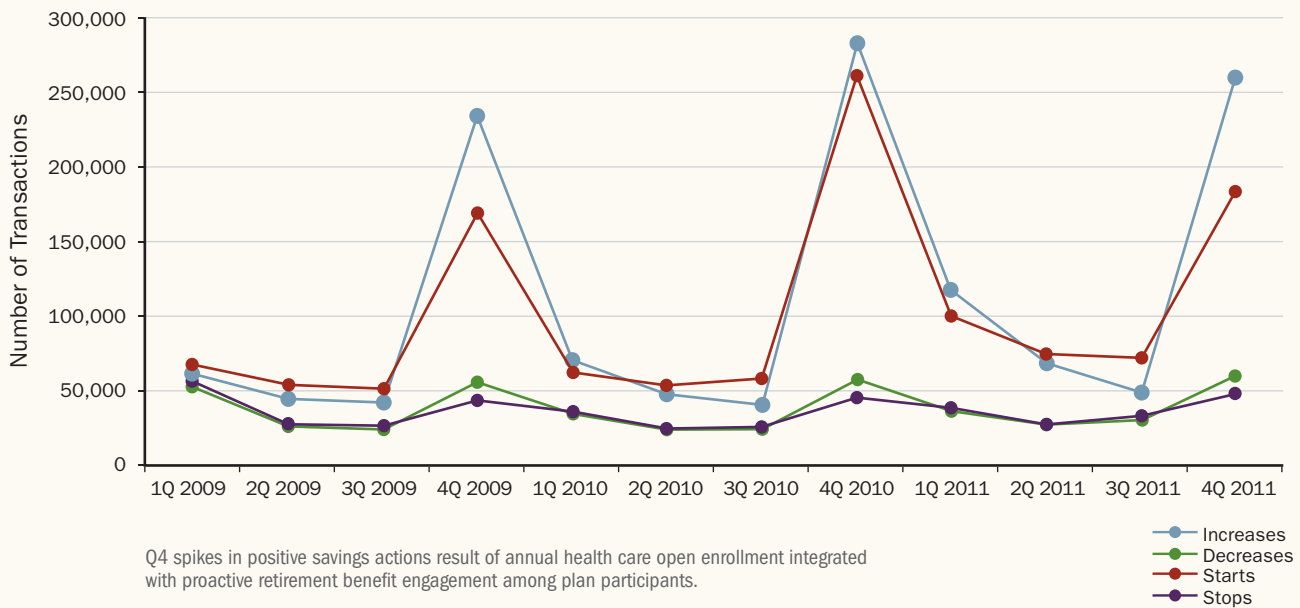
In 2007, Bank of America Merrill Lynch introduced an intuitive yet innovative approach to help employees engage with their retirement benefits through synchronization with health care open enrollment periods. Each year, most employees engage in some way with annual health benefit enrollment. When employers present employees with an easy, “one click” option to enroll in or make a contribution change to their 401(k) plan during the annual health benefit process, the approach has proven to drive significant increases in plan participation among new employees and to increase contributions among those already enrolled in a plan. Our data shows major lifts in both areas occur

annually from October through December, the health care open enrollment period for most employers. In 2011, positive savings trends among plan participants continued through this approach:

- Nearly 330,000 employees changed their retirement plan elections in Q4 2011 in connection with the annual health care open enrollment period, including 84,000 new participant enrollments.
- Among them, 90% took a positive action (started or increased contributions) versus 10% who took a negative action (stopped or decreased contributions) — nearly on par with 2010 results.

Bank of America Merrill Lynch Proprietary Quarter-Over-Quarter Trending

Savings Actions among 401(k) Participants



¹ Source: Bank of America. Bank of America Merrill Lynch's Retirement and Benefit Plan Services is part of Global Wealth and Investment Management (GWIM), the wealth and investment management division of Bank of America Corporation. As of December 31, 2011, Retirement and Benefit Plan Services had client balances of \$242.8 billion. Client Balances consists of assets under management, client brokerage assets and deposits of GWIM retirement plan participants held at Bank of America, N.A. and affiliated banks.

² Year-over-year growth rates — all figures are from December 2010 to December 2011 unless otherwise noted.

³ The Advice Access service uses a probabilistic approach to determine the likelihood that participants in the service may be able to achieve their stated goals and/or to identify a range of potential wealth outcomes that could be realized. Additionally, the recommendations provided by Advice Access do not consider an individual's comfort level with investment risk, and may include a higher level of investment risk than a participant may be personally comfortable with. Participants are strongly advised to consider their personal goals, overall risk tolerance, and retirement horizon before accepting any recommendations made by Advice Access. Participants should carefully review the explanation of the methodology used, including key assumptions and limitations, which is provided in the Advice Access disclosure statement. It can be obtained through Benefits OnLine®, or through your Bank of America Merrill Lynch representative.

IMPORTANT: The projections or other information shown in the Advice Access service regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.