

401(k) Contribution Activities A Quarterly Scorecard



RETIREMENT & BENEFIT PLAN SERVICES

As of December 31, 2010

Executive Summary

Bank of America Merrill Lynch's Retirement & Benefit Plan Services reports quarterly on plan participant contribution activities within its proprietary 401(k) business, which services \$92.1 billion in total plan assets and approximately 1.5 million actively contributing plan participants. Plan sponsor adoption of products and services designed to encourage greater plan participant use of employer-sponsored retirement savings plans is also reported. Trends observed during the most recent quarter ended December 31, 2010 and throughout last year include:

- Significant increases in plan sponsor adoption and participant utilization of 401(k) advice services, complemented by rapid adoption of new wellness reporting tool
- Year-over-year increase in positive savings actions among plan participants, with annual integration with health enrollment period producing record results in 2010

Key Statistics

Increased Plan Sponsor Adoption of Automated Programs and Participant Advice Services (year-over -year growth) **:

- 7% increase in the use of Auto Enrollment, with more than 250 plans live with this feature
- 23% increase in the use of Auto Increase, with more than 140 plans now live with this feature
- 23% increase in plan sponsor adoption of the Advice Access service, with more than 400 plans now live, as well as significant increases in plan participant interest in and use of this service:
 - 99% increase in participants accessing advice tool
 - 97% increase in participants receiving and reviewing specific advice within their 401(k) accounts

Positive Savings Actions Continue Trending Higher (as of December 31, 2010):

- Nearly 875,000 employees took a positive savings action in their 401(k) plan accounts in 2010, compared to approximately 721,000 in 2009.
- Of all participants who took some type of savings action during 2010, 77% took a positive action (started or increased contributions), versus 23% who took a negative action (stopped or decreased contributions) – compared to 70% and 30% during 2009, respectively.
- Of all participants who took some type of savings action during Q4 2010, 543,340 (84%) took a positive action (started or increased contributions), versus 101,444 (16%) who took a negative action (stopped or decreased contributions) – compared to 402,133 (80%) and 98,984 (20%) during Q4 2009, respectively.

Financial Wellness Monitor (as of December 31, 2010):

The Financial Wellness Monitor™ report was introduced in February 2010 and provides plan sponsors with an overview of the financial health of participants in their 401(k) plans based on whether or not they are exhibiting positive savings and investing behaviors that may lead to retirement success. Each participant receives a wellness score on a scale of zero to 10, with 10 being a perfect score. Points are deducted from the overall wellness scores of participants based on “symptoms” associated with “at risk” behaviors.

- Financial Wellness Monitor was rapidly adopted in 2010 among clients utilizing the Advice Access service. More than 400 plans are now live with this new reporting capability, through which plan sponsors can identify segments of their employees exhibiting behaviors that may be detrimental to retirement success and offer targeted financial education and communications programs.

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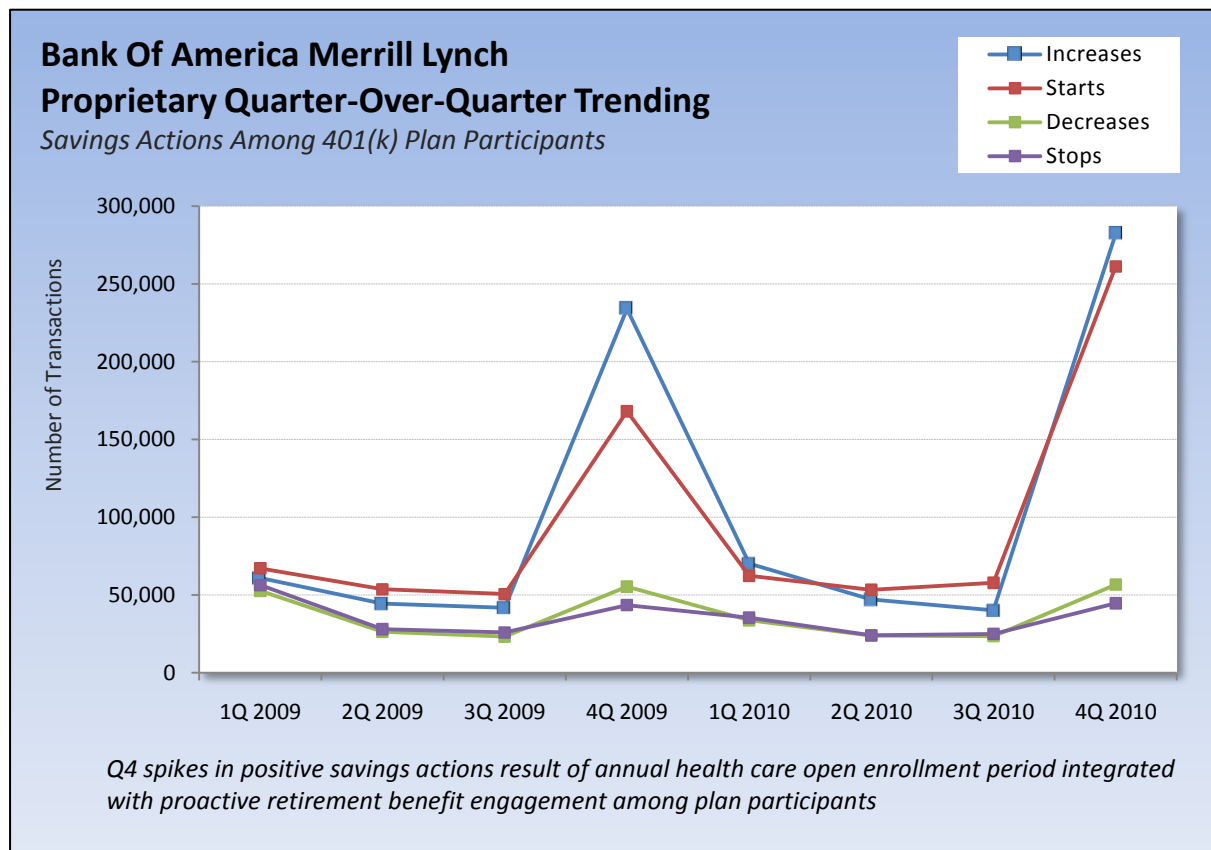
Investment products:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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Integration of 401(k) Engagement and Health Benefit Election Season Shows Record 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. Major lifts in both areas occur annually from October through December, the health care open enrollment period for most employers. In just a few years, this approach has also become an attractive one for HR departments seeking to broaden the definition or theme of their traditional benefits packages to one of “health and wellness” programs. In 2010, positive savings actions among active plan participants reached record levels largely through this approach:

- Nearly 398,000 employees changed their retirement plan elections in Q4 2010 in connection with the annual health care open enrollment period, an increase of 11% over 2009.
- Of all participants who took some type of action in connection with the annual health care open enrollment period, 93% took a positive action (started or increased contributions) versus 7% who took a negative action (stopped or decreased contributions) – compared to 85% and 15% during 2009, respectively.



* 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.

** Year-over-year growth rates — all figures are from December 31, 2009 to December 31, 2010 unless otherwise noted