

IMPORTANT REGULATORY DISCLOSURE*Effective as of June 18, 2015*

On June 18, 2015, Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill") and certain of its affiliated entities received an order from the Securities and Exchange Commission ("SEC") under Rule 506(d) of the Securities Act of 1933 ("Securities Act") granting a waiver of the "bad actor" disqualification provision in Rule 506(d)(1)(iv). During the disqualification period necessitating the waiver, Merrill is providing the following disclosure to customers who purchase a Rule 506 private placement offering that Merrill issues or distributes:

Pursuant to an SEC administrative order, without admitting or denying any allegations, Merrill was ordered to cease and desist from violations of Securities Act §17(a)(2) that the SEC alleged resulted from inadequate due diligence conducted by Merrill in certain offerings of municipal securities that resulted in Merrill failing to form a reasonable basis for believing the truthfulness of certain material representations in official statement issued in connection with those offerings. The SEC further alleged that, as a result, Merrill offered and sold municipal securities on the basis of materially misleading disclosure documents. Merrill was ordered to pay a civil money penalty of \$500,000 and to comply with undertakings regarding review of and recommended changes to policies and procedures for municipal underwriting due diligence.

On June 1, 2015, Merrill and Merrill Lynch Professional Clearing Corporation (the "Firms") and certain of their affiliated entities received an order from the Division of Corporation Finance of the SEC, acting pursuant to delegated authority from the SEC, under Rule 506(d) of the Securities Act, granting a waiver of the "bad actor" disqualification provision in Rule 506(d)(1)(iv). During the disqualification period necessitating the waiver, Merrill is providing the following disclosure to customers who purchase a Rule 506 private placement offering that Merrill issues or distributes:

Pursuant to an SEC administrative order (the "SHO Order"), the Firms were ordered to cease and desist from violations of Rule 203(b) of Regulation SHO under the Securities Exchange Act of 1934 (the "Exchange Act") arising from practices related to execution of short sales. The Firms acknowledged that they violated Rule 203(b) of Regulation SHO in connection with their practices related to execution of short sales. Specifically, the Firms acknowledged that they (1) accepted new short sale orders in reliance on an easy to borrow list ("ETB List") after having learned of facts indicating that such reliance was no longer reasonable and therefore orders were accepted without reasonable grounds to believe the security could be borrowed and that the locates were inaccurately documented with an ETB List locate reference, and (2) in certain instances, used data that was more than 24 hours old to construct the ETB List, which, at times, resulted in securities being included on the ETB List when they otherwise should not have been. The Firms agreed in the SHO Order to (1) cease and desist from committing or causing any violations and any future violations of Rule 203(b) of Regulation SHO; (2) be censured; (3) pay disgorgement of \$1,566,245.67 plus prejudgment interest; (4) pay a civil monetary penalty of \$9 million; and (5) comply with certain undertakings, including retaining an independent consultant within thirty (30) days of entry of the SHO Order to conduct a review of the Firms' policies, procedures and practices with respect to their acceptance of short sale orders for execution in reliance on the ETB List and procedures to monitor compliance therewith to satisfy certain of their obligations under Rule 203(b) of Regulation SHO.

On November 24, 2014, Bank of America, N.A. ("BANA"), Merrill and certain of their affiliated entities received an order from the SEC under Rule 506(d) of the Securities Act granting a waiver of the "bad actor" disqualification provision in Rule 506(d)(1)(ii). The order requires BANA and Merrill to furnish the following disclosure to their customers who purchase a Rule 506 private placement offering that BANA or Merrill issues or distributes:

Pursuant to consents executed by BANA, Banc of America Mortgage Securities, Inc. ("BOAMS"), and Merrill (successor by merger to Bank of America Securities LLC ("BAS")), and filed with the district court on November 24, 2014, BANA, BOAMS and Merrill have consented to injunctions concerning the offer and sale of certain residential mortgage-backed securities ("RMBS") to investors. Without admitting or denying the allegations, BANA, BOAMS and Merrill consented to permanent injunctions against violations of Securities Act §17(a)(2) and (3), and were ordered to pay a \$109.22 million disgorgement, \$109.22

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