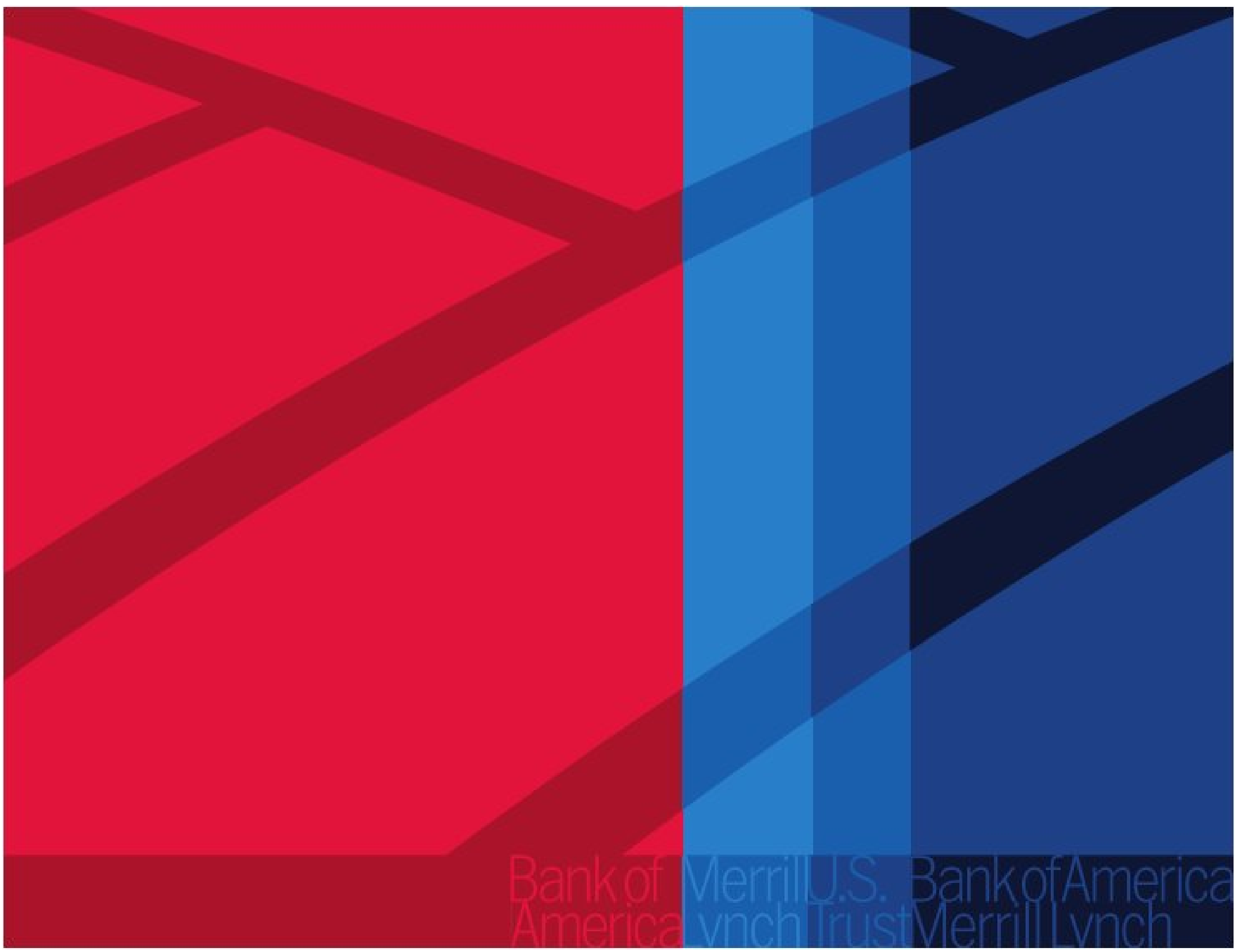
Bank of America Corporation Resolution Plan
Bank of America, N.A. Resolution Plan
FIA Card Services, N.A. Resolution Plan

Public Executive Summary
July 1, 2014



Where you can find more information:

Bank of America Corporation (the "Company") files annual, quarterly, and special reports, proxy statements, and other information with the SEC, including reports that are filed under Sections 13(a), 13(c), 14, and 15(d) of the Securities Exchange Act of 1934. Any document that is filed with the SEC at the Public Reference Room of the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549 may be read and copied. The filings may be inspected over the Internet at the SEC's website, www.sec.gov. The reports and other information filed by the Company with the SEC also are available at its website, www.bankofamerica.com, and a copy of any filings referred to above (excluding exhibits), may be requested, at no cost, by contacting the Company at the following address:

Bank of America Corporation
Fixed Income Investor Relations
100 North Tryon Street
Charlotte, North Carolina 28255-0065
1-866-607-1234

Except as specifically incorporated by reference into this document, information contained in those filings is not part of this document. Certain information in this document has been extracted from the Company's Annual Report on Form 10-K for the year ended December 31, 2013 (the "2013 Form 10-K") and the Quarterly Report for the period ended March 31, 2014 (the "First Quarter Form 10-Q") filed with the SEC. Information contained in reports and other filings the Company makes or had made with the SEC subsequent to the date of the 2013 Form 10-K and First Quarter Form 10-Q may modify or update and supersede the information contained in the 2013 Form 10-K, the First Quarter Form 10-Q and provided in this document. It should be assumed that the information appearing in this document that was extracted from the 2013 Form 10-K is accurate only as of the date of the 2013 Form 10-K and that the information appearing in this document that was extracted from the First Quarter Form 10-Q is accurate only as of the date of the First Quarter Form 10-Q. Business, financial position and results of operations may have changed since those dates.

Forward Looking Statements:

This document, or as incorporated by reference, may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements can be found by looking for words such as "plan," "believe," "expect," "intend," "anticipate," "estimate," "project," "potential," "possible," or other similar expressions, or future or conditional verbs such as "will," "should," "would," and "could."

All forward-looking statements, by their nature, are subject to risks and uncertainties. Actual results may differ materially from those set forth in the forward-looking statements. As a large, international financial services company, the Company faces risks that are inherent in the businesses and market places in which it operates. Information regarding important factors that could cause its future financial performance to vary from that described in the forward-looking statements is contained in the 2013 Form 10-K and the First Quarter Form 10-Q, as well as in subsequent filings made with the SEC.

Reliance should not be placed on any forward-looking statements, which speak only as of the dates they are made. Except to the extent required by applicable law or regulation, the Company undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

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INTRODUCTION AND SUMMARY OF RESOLUTION STRATEGY

Bank of America Corporation (together with its consolidated subsidiaries, "Bank of America" or the "Company") is one of the world's largest financial institutions, serving individual consumers, small-and middle-market businesses and large corporations with a full range of banking, investing, asset management, and other financial and risk management products and services. The Company serves approximately 49 million consumer and small business relationships with over 5,100 retail banking offices and approximately 16,200 ATMs and award-winning online banking with 30 million active online users and more than 14 million mobile users.

Bank of America is among the world's leading wealth management companies and is a global leader in corporate and investment banking and trading across a broad range of assets classes, serving corporations, governments, institutions, and individuals around the world. The Company serves clients through operations in more than 40 countries. Bank of America Corporation stock (NYSE: BAC) is listed on the New York Stock Exchange.

Over the past five years, Bank of America has made progress in key strategic areas, including the following:

Simplified the Company - Bank of America is committed to streamlining and simplifying its operations to focus on serving three customer groups - people, companies and institutional investors. Since 2010, non-core asset sales have generated more than $70 billion in gross proceeds. Also, the number of legal entities has been reduced, thus simplifying Bank of America's organizational structure. In October 2013, the merger of Merrill Lynch & Co., Inc. into Bank of America Corporation ("BAC" or the "Parent Company") was completed.

Fortified the Balance Sheet - Preparing for the implementation of new capital rules is a top strategic priority for the Company. Over the past several years, Bank of America has fortified its balance sheet by significantly increasing capital and liquidity and reducing long-term debt.

On a fully phased-in basis, Bank of America estimates that for the first quarter ended March 31, 2014, the common equity Tier 1 capital ratio under the Basel 3 Standardized approach was 9.0 percent and the estimate for the common equity Tier 1 capital ratio under the Basel 3 Advanced approach was 9.6 percent. Both of these ratios exceed the Company's estimated 2019 minimum common equity Tier 1 ratio requirement, including buffers of 8.5 percent.

At March 31, 2014, the Company reported total Global Excess Liquidity Sources of $427 billion, up from $214 billion on December 31, 2009, and long-term debt of $255 billion, down from $523 billion on December 31, 2009.

Reduced Risk Profile - In recent years, the Company has seen improvements in credit quality across all major portfolios, reflecting a gradually strengthening economy and a continued focus on enhanced underwriting standards.

Net charge-offs declined to $1.4 billion in the first quarter of 2014 from $38.7 billion for the year ended December 31, 2009, and the Company's provision for credit losses declined to $1.0 billion in the first quarter of 2014, compared to $48.6 billion for the full year ended December 31, 2009.

In addition, the Company continued to make significant progress in resolving legacy mortgage-related issues with the number of residential mortgage loans in the Company's portfolio that are more than 60 days past due declining to approximately 277,000 loans at March 31, 2014, down from a peak of 1.4 million at December 31, 2010.

Delivering One Company - Bank of America is using the strength of its balance sheet and leading talent and capabilities to deepen relationships with three customer groups - people, companies, and institutional investors.

- **People** benefit from the Company's focus on helping them achieve their goals. Both deposits and total client balances are at record levels. During 2013, Bank of America issued nearly four million new credit cards and helped 365,000 customers purchase or refinance a home. The wealth management business had a strong year in 2013 with record revenue, pretax margin and net income.

- **Companies** understand the value of Bank of America's relationship approach. During 2013, the Company extended $10.7 billion in credit to small business clients, an increase of 24% over the previous year. Bank of America had strong commercial loan growth, and global banking loan flows grew for six consecutive quarters. The investment banking team has had a consistent No. 2 global ranking for the past several years.

- **Institutional Investors** realize the importance of Bank of America's size, scale, and global markets capabilities. The Company was the No. 1 research firm in the world for the third straight year and has a strong sales and trading platform.

Recovery and Resolution Planning

As illustrated above, over the past several years, Bank of America has significantly strengthened its balance sheet and simplified its organization. As a result, the Company is resilient and the likelihood of resolution is very low. Notwithstanding, Bank of America has developed and continues to maintain a plan of action to recover the Company in periods of stress and a contingency plan for an orderly resolution. Bank of America has ensured that recovery and resolution planning is integrated into core risk management routines.

The Resolution Plan

The Company has developed Resolution Plans for Bank of America Corporation ("BAC"), Bank of America, National Association ("BANA") and FIA Card Services, National Association ("FIA") (collectively referred to as the "Plan") as required of all large financial institutions under:

- The Board of Governors of the Federal Reserve System's ("Federal Reserve's") and Federal Deposit Insurance Corporation's ("FDIC's") Joint Resolution Plan Rule as required under Title I, Section 165 (d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"); and

- The FDIC's Resolution Plan Rule for Covered Insured Depository Institutions ("IDI Rule").

The Plan is required by a provision of the Dodd-Frank Act, which mandates that bank holding companies with assets of $50 billion or more develop a contingency plan for an orderly resolution. The purpose of this provision is to provide bank regulators with plans that would enable them to resolve failing financial companies that pose a significant risk to the financial stability of the United States in a manner that mitigates such risk, minimizes moral hazard and obviates the need for taxpayer support.

The Plan is Bank of America's third annual submission to the Federal Reserve and the FDIC, and provides a detailed roadmap for the orderly resolution of Bank of America. Importantly, the Plan does not rely on the provision of extraordinary support by the United States, or any other government.

The Plan includes consideration of multiple strategies that could be used to resolve the Company and its material entity subsidiaries ("Material Entities"). Under one resolution strategy, BAC, the parent holding company, would enter bankruptcy by initiating a Chapter 11 proceeding. After receiving certain capital or liquidity contributions from BAC, the operating subsidiaries would continue as going concerns while BAC is restructured, thereby maximizing value and systemic stability. This strategy would be the simplest approach; however, certain changes to the bankruptcy code and other laws and regulations may be required to facilitate this resolution strategy. This strategy is commonly referred to as a “Single Point of Entry” resolution strategy.

Under another resolution strategy, BAC would enter bankruptcy, while other operating subsidiaries would enter relevant resolution regimes applicable to each such operating subsidiary. This strategy contemplates Bank of America’s U.S. banking subsidiaries, including BANA and FIA, under a hypothetical resolution scenario, being placed into FDIC receiverships. Certain assets and liabilities would be transferred to a bridge bank that would emerge from resolution as a viable going concern. Bank of America’s other Material Entities that entered resolution, including its U.S. and foreign broker-dealer subsidiaries, would be wound down in an orderly manner. This strategy is commonly referred to as a “Multiple Point of Entry” resolution strategy.

Finally, the Plan contemplates a third strategy that is a hybrid of the two previously described strategies. This strategy involves BAC entering Chapter 11 bankruptcy while certain other subsidiaries enter their respective resolution proceedings. At the same time, certain banking and other operating subsidiaries would be recapitalized, as necessary, and continue to operate. Similar to the first strategy, this approach would allow for the Company’s most systemically significant critical operations to continue operating and maximize value and systemic stability.

The Plan addresses certain actions needed to ensure continuity of certain core business lines and critical operations during the hypothetical resolution of certain Bank of America entities. Those actions incorporate the importance of continued access to critical services including, but not limited to, technology, employees, facilities, intellectual property, and supplier relationships. The Plan also outlines certain restructuring actions that have already been completed, or would be required, in order to support the resolution strategies contemplated in the Plan.

The Orderly Liquidation Authority set out in Title II of the Dodd-Frank Act provides the FDIC with the ability to resolve systemically important financial institutions when bankruptcy would have serious adverse effects on financial stability in the U.S. The FDIC has been developing a Single Point of Entry strategy to implement its authority. In December 2013, the FDIC published a notice describing this strategy in greater detail. BAC could also be resolved under Title II of the Dodd-Frank Act in which the FDIC would use its power to create a bridge bank and hold shareholders, debt holders, and management accountable for the failure of the firm.

NAMES OF MATERIAL ENTITIES

In the Resolution Plan, Bank of America identifies certain Material Entities for the purposes of resolution planning. The Resolution Plan includes an analysis of each Material Entity and the resolution regime and strategy that would be applicable. The Material Entities in the Resolution Plan are:

Bank of America Corporation (“BAC”) is a bank holding company. It is a Covered Company for the purposes of Section 165(d) of the Dodd-Frank Act and is the Parent Company for the purposes of the implementing regulations.

BAC North America Holding Company (“BACNA”) is an intermediate holding company. It owns BANA Holding Company which currently owns several Material Entities, including BANA and FIA.

Bank of America, National Association (“BANA”) is the flagship national full service commercial bank and primary operating subsidiary of BAC and is an insured depository institution (“IDI”). It operates in all 50 states and the District of Columbia and has foreign branches in more than 25 countries.

Bank of America Merrill Lynch International Limited (“BAMLI”), an operating subsidiary of BANA, is a bank located in the U.K. It offers a range of corporate financial / banking activities.

Bank of America, N.A. - London Branch (“BANA - London”) is a key foreign branch of BANA. Its principal businesses and operations are Corporate Banking, International Treasury, and Global Markets.

Bank of America, N.A. - Frankfurt Branch (“BANA - Frankfurt”) is a foreign branch of BANA. It provides critical services supporting global wholesale payment operations.

FIA Card Services, National Association (“FIA”) is an IDI and is primarily a credit card lender.

Bank of America California, National Association (“BACANA”) is a limited purpose bank (“Bankers’ Bank”). It purchases mortgage loan participations from BANA to support borrowing capacity with its Federal Home Loan Bank.

Countrywide Financial Corporation (“CFC”) is a holding company whose subsidiaries engaged in mortgage lending, banking and other real estate finance-related businesses. Most of the mortgage-related and banking activities that historically operated out of CFC’s subsidiaries are now primarily conducted through BANA, to the extent such activities continue.

Countrywide Home Loans, Inc. (“CHL”) is a fully-owned subsidiary of CFC, although many mortgage-origination activities of the Countrywide enterprise were transferred to Countrywide Bank prior to the acquisition of Countrywide by BAC. Countrywide Bank has subsequently been merged into BANA. CHL’s activities are now limited to managing its representation and warranties exposure and its owned inventory, serving as a master servicer for certain securitizations, marketing loans held for sale, and addressing litigation concerns related to its past mortgage activities.

Merrill Lynch, Pierce, Fenner & Smith, Incorporated (“MLFPS”) is a U.S. broker-dealer serving corporate, institutional, retail, government and other clients with a focus on U.S clients.

Merrill Lynch Professional Clearing Corp. (“MLPRO”) is a U.S. broker-dealer. It operates Prime Brokerage Operations which provides services for hedge funds, alternative investment managers, professional traders, and proprietary trading firms.

Merrill Lynch Capital Services, Inc. ("MLCS") is a U.S. derivatives product dealer. It primarily deals with third party and affiliate counterparties for derivative financial products, including interest rate, currency and commodity swaps, caps and floors, currency options, and credit derivatives.

Merrill Lynch Commodities, Inc. ("MLCI") is the primary commodities sales and trading entity for business originated in the Americas Region. It trades in commodity indices for natural gas, power, crude oil, coal and trades physical commodities for natural gas, power, and crude oil.

Merrill Lynch International ("MLI") is a U.K.-based, regulated international broker-dealer providing a wide range of financial services globally. It supports various Global Markets businesses including investment banking activities, international debt and equity underwriting, and mergers and acquisitions. MLI also conducts a wide range of trading activities in the international equity markets, and Euro debt and money markets.

Merrill Lynch Commodities (Europe) Limited ("MLCE") is the primary trading entity for business originated outside of the Americas Region. It trades in coal, gas, liquefied natural gas, freight, power, and emissions.

Merrill Lynch International Bank Limited ("MLIB") is the primary non-U.S. banking entity. It is incorporated in Ireland and regulated by the Central Bank of Ireland. However, it operates globally and is used by the Global Markets and Global Wealth & Investment Management ("GWIM") core business lines.

Merrill Lynch Japan Securities Co., Ltd. ("MLJS") is a broker-dealer incorporated in Japan. It provides investment, financing and related services to institutional and private clients in Japan.

Merrill Lynch Global Services Pte. Ltd. ("MLGS"), located in Singapore, houses selective regional and global support functions within the Global Technology and Operations and Global Human Resources organizations. It primarily supports Global Markets and GWIM businesses.

BA Continuum India Private Limited ("BACI") provides operations and technology capabilities supporting all lines of business.

Financial Data Services, Inc. ("FDS") provides transfer agency and sub-accounting services for mutual funds.

Managed Account Advisors LLC ("MAA") is a registered investment advisor.

Deletions from the 2013 Resolution Plan

Merrill Lynch & Co., Inc. ("MLCO"), the former parent holding company for Merrill Lynch, was a public debt issuer and guarantor for its subsidiaries. It merged into BAC effective October 1, 2013. Thus, MLCO is no longer considered a Material Entity.

DESCRIPTION OF BUSINESS SEGMENTS

The Company's banking and various non-banking subsidiaries located throughout the U.S. and in international markets provide a diversified range of financial services and products to three groups of customers - people, companies, and institutional investors - through business segments. For resolution planning purposes and consistent with the Dodd-Frank Act, Bank of America has identified the following Core Business Lines.

Consumer Banking

Bank of America's consumer banking franchise stretches coast to coast through 31 states and the District of Columbia. The franchise network includes approximately 5,100 banking centers, 16,200 ATMs, nationwide call centers, and online and mobile platforms. The consumer banking franchise operates primarily through BANA and FIA. As of December 31, 2013, the businesses contributed 13% of the Company's earnings and owned 34% of the Company's assets.

Deposits - The Company offers a full range of deposit products for consumers and small businesses including traditional savings accounts, money market savings accounts, certificates of deposit, individual retirement accounts, and both non-interest and interest-bearing checking accounts.

Mortgages - The Company offers first mortgage and home equity products to applicants through direct-to-consumer channels, including its retail network of banking centers, mortgage loan officers in approximately 2,500 locations nationwide, and a sales force offering direct telephone and online access to mortgage products.

U.S. Business Lending - Bank of America offers financial solutions and advice to U.S. companies through its Small Business Banking unit and its Business Banking unit. Small Business Banking serves clients with annual revenues under $5 million. Business Banking serves clients with annual revenues between $5 million and $50 million.

U.S. Consumer Lending - Through the consumer card business, Bank of America is one of the leading issuers of credit cards in the U.S. A broad range of products are offered through banking center, on-line, direct mail, and phone channels. Through Dealer Financial Services, Bank of America provides retail loan financing and the full range of commercial banking services to dealers in the automobile, recreational vehicle, marine, and personal aircraft industries across the U.S.

Global Wealth and Investment Management

Bank of America operates its wealth and investment management franchise out of two primary businesses: Merrill Lynch Global Wealth Management and U.S. Trust, Bank of America Private Wealth Management ("U.S. Trust"). The businesses operate primarily through BANA and MLPFS. As of December 31, 2013, GWIM contributed 26% of the Company's earnings and owned 13% of the Company's assets.

Merrill Lynch Global Wealth Management - Bank of America provides brokerage and investment advisory services to retail clients through this line of business.

U.S. Trust - The Company provides comprehensive investment and wealth management solutions to high net worth individuals through U.S. Trust.

Global Markets

Bank of America offers sales and trading services, including research, to institutional clients across fixed income, credit, currency, commodity, and equity businesses through its global markets platform. Operations are conducted primarily through BANA, MLPFS, MLIB, and MLI. As of December 31, 2013, global markets businesses contributed 14% of the Company's earnings and owned about 27% of the Company's assets.

Equities - The Cash Equities and Equity Derivatives business ("Equities") operates globally and is a full service provider of sales and trading services and access to derivative markets to a diverse group of institutional investors.

Fixed Income / Currencies - The Fixed Income / Currencies business operates globally through seven units: Currencies; Rates; Repo Finance; High Grade / High Yield Trading; Public Finance Trading; Loan Trading; and Mortgage Trading.

Global Banking

Bank of America provides a wide range of lending-related products and services, integrated working capital management and treasury solutions to clients, and underwriting and advisory services through its global banking platform. Operations are conducted primarily through BANA, MLPFS, and MLI. As of December 31, 2013, global banking businesses contributed approximately 44% of the Company's earnings and owned about 18% of the Company's assets.

Global Commercial Banking - Clients of Global Commercial Banking generally include middle-market companies, commercial real estate firms, auto dealerships, and not-for-profit companies.

Global Corporate Banking - Clients of Global Corporate Banking include large global corporations, financial institutions, and leasing clients.

Global Treasury Services - The treasury services business operates globally and includes deposits, treasury management, credit card, foreign exchange, and short-term investment and custody solutions to corporate and commercial banking clients.

SUMMARY FINANCIAL INFORMATION REGARDING ASSETS, LIABILITIES, CAPITAL AND MAJOR FUNDING SOURCES

Bank of America Corporation

Bank of America's Annual Report on Form 10-K and Quarterly Report on Form 10-Q include detailed financial reporting. The following charts summarize the balance sheet and capital position for Bank of America Corporation as of March 31, 2014, and its earnings for the first quarter of 2014.

Bank of America Corporation

Consolidated Balance Sheet – March 31, 2014

($ millions)

Assets	
Cash and cash equivalents	$151,645
Time deposits placed and other short-term investments	12,793
Federal funds sold and securities borrowed or purchased under agreements to resell	215,299
Trading account assets	195,949
Derivative assets	45,302
Total debt securities	340,696
Total loans and leases	916,217
Allowance for loan and lease losses	(16,618)
Loans and leases, net of allowance	899,599
Premises and equipment, net	10,351
Mortgage servicing rights	4,765
Goodwill	69,842
Intangible assets	5,337
Loans held-for-sale	12,317
Customer and other receivables	64,135
Other assets	121,821
Total assets	**$2,149,851**

Liabilities	
Deposits	$1,133,650
Federal funds purchased and securities loaned or sold under agreements to repurchase	203,108
Trading account liabilities	89,076
Derivative liabilities	36,911
Short-term borrowings	51,409
Accrued expenses and other liabilities	149,024
Long-term debt	254,785
Total liabilities	**1,917,963**
Shareholders' equity	231,888
Total liabilities and shareholders' equity	**$2,149,851**

Regulatory Capital Ratios	
Common equity tier 1 capital	11.8%
Tier 1 capital ratio	11.9%
Total capital ratio	14.8%
Tier 1 leverage ratio	7.4%

Bank of America, National Association

The following charts present the balance sheet and capital position for BANA as of March 31, 2014, and its earnings for first quarter of 2014. The information below is based on internal general ledger data and does not reflect certain post-closing and re-class entries made as part of BANA's regulatory filings. For additional information, please refer to BANA's Call Reports as filed.

Bank of America, National Association

Consolidated Balance Sheet – March 31, 2014

($ millions)

Assets	
Cash and cash equivalents	$113,793
Time deposits placed and other short-term investments	13,183
Federal funds sold and securities borrowed or purchased under agreements to resell	17,960
Trading account assets	38,142
Derivative assets	26,812
Total debt securities	322,781
Total loans and leases	768,556
Allowance for loan and lease losses	(11,338)
Loans and leases, net of allowance	757,218
Premises and equipment, net	8,822
Mortgage servicing rights	4,573
Goodwill	57,244
Intangible assets	408
Loans held-for-sale	10,212
Customer and other receivables	26,558
Other assets	58,260
Total assets	**$1,455,966**

Liabilities	
Deposits	$1,125,003
Federal funds purchased and securities loaned or sold under agreements to repurchase	32,487
Trading account liabilities	14,927
Derivative liabilities	15,015
Short-term borrowings	38,744
Accrued expenses and other liabilities	23,551
Long-term debt	26,138
Total liabilities	**1,275,865**
Shareholders' equity	180,101
Total liabilities and shareholders' equity	**$1,455,966**

Regulatory Capital Ratios	
Common equity tier 1 capital	12.3%
Tier 1 capital ratio	12.3%
Total capital ratio	13.9%
Tier 1 leverage ratio	9.1%

FIA Card Services, National Association

The following charts present the balance sheet and capital position for FIA at March 31, 2014, and its earnings for the first quarter of 2014. The information below is based on internal general ledger data and does not reflect certain post-closing and re-class entries made as part of FIA's regulatory filings. For additional information, please refer to FIA's Call Reports as filed.

FIA Card Services, National Association

Consolidated Balance sheet – March 31, 2014

($ millions)

Assets	
Cash and cash equivalents	$24,622
Time deposits placed and other short-term investments	16,196
Federal funds sold and securities borrowed or purchased under agreements to resell	-
Trading account assets	-
Derivative assets	82
Total debt securities	2,270
Total loans and leases	110,242
Allowance for loan and lease losses	(4,788)
Loans and leases, net of allowance	105,454
Premises and equipment, net	324
Mortgage servicing rights	-
Goodwill	-
Intangible assets	1,878
Loans held-for-sale	724
Customer and other receivables	556
Other assets	3,695
Total assets	**$155,801**

Liabilities	
Deposits	$119,582
Federal funds purchased and securities loaned or sold under agreements to repurchase	-
Trading account liabilities	-
Derivative liabilities	-
Short-term borrowings	225
Accrued expenses and other liabilities	6,858
Long-term debt	10,697
Total liabilities	**137,362**
Shareholders' equity	18,438
Total liabilities and shareholders' equity	**$155,801**

Regulatory Capital Ratios	
Common equity tier 1 capital	15.5%
Tier 1 capital ratio	16.4%
Total capital ratio	17.7%
Tier 1 leverage ratio	12.2%

Capital Management

The Company manages its capital position to maintain sufficient capital to support its business activities and maintain capital, risk and risk appetite commensurate with one another. Additionally, the Company seeks to maintain safety and soundness at all times including under adverse conditions, take advantage of potential growth opportunities, maintain ready access to financial markets, continue to serve as a credit intermediary, remain a source of strength for its subsidiaries, and satisfy current and future regulatory capital requirements. Capital management is integrated into the Company's risk and governance processes, as capital is a key consideration in the development of the strategic plan, risk appetite, and risk limits.

Bank of America sets goals for capital ratios to meet key stakeholder expectations, including investors, rating agencies, and regulators, and achieve its financial performance objectives and strategic goals, while maintaining adequate capital, including during periods of stress. The Company assesses capital adequacy to operate in a safe and sound manner and maintain adequate capital in relation to the risks associated with its business activities and strategy.

At least quarterly, the Company conducts an Internal Capital Adequacy Assessment Process ("ICAAP"). The ICAAP is a forward-looking assessment of projected capital needs and resources, incorporating earnings, balance sheet, and risk forecasts under baseline and adverse economic and market conditions. Bank of America utilizes quarterly stress tests to assess the potential impacts to its balance sheet, earnings, capital, and liquidity under a variety of stress scenarios. The Company performs qualitative risk assessments to identify and assess material risks not fully captured in the forecasts, stress tests, or economic capital. The Company assesses the capital impacts of proposed changes to regulatory capital requirements. Management assesses ICAAP results and provides documented quarterly assessments of the adequacy of the capital guidelines and capital position to the Board or its committees.

Effective January 1, 2013, on a prospective basis, the Company adjusted the amount of capital being allocated to its business segments. The adjustment reflects a refinement to the prior-year methodology (economic capital) which focused solely on internal risk-based economic capital models. The refined methodology (allocated capital) also considers the effect of regulatory capital requirements, in addition to internal risk-based economic capital models.

The Corporation's internal risk-based capital models use a risk-adjusted methodology incorporating each segment's credit, market, interest rate, business, and operational risk components. Allocated capital is reviewed periodically based on business segment exposures and risk profile, regulatory constraints and strategic plans, and is subject to change over time.

Regulatory Capital

As a financial services holding company, the Company is subject to the general risk-based capital rules issued by federal banking regulators which was Basel 1 through December 31, 2012. On January 1, 2013, Basel 1 was amended prospectively, introducing changes to the measurement of risk-weighted assets for exposures subject to market risk (Market Risk Final Rule) and is referred to as the Basel 1 - 2013 Rules. The Corporation and its primary banking entities, BANA and FIA, measure regulatory capital adequacy based upon these rules.

Risk-weighted assets are calculated for credit risk for all on- and off-balance sheet credit exposures and for market risk on trading assets and liabilities, including derivative exposures. Credit risk-weighted assets are calculated by assigning a prescribed risk-weight to all on-balance sheet assets and to the credit equivalent amount of certain off-balance sheet exposures. The risk-weight is defined in the regulatory rules based upon the obligor or guarantor type and collateral, if applicable. Off-balance sheet exposures include financial guarantees, unfunded lending commitments, letters of credit and derivatives.

Market risk-weighted assets are calculated using risk models for trading account positions, including all foreign exchange and commodity positions regardless of the applicable accounting guidance. Any assets that are a direct deduction from the computation of capital are excluded from risk-weighted assets and adjusted average total assets consistent with regulatory guidance. Under Basel 1, there are no risk-weighted assets calculated for operational risk.

The Federal Reserve requires bank holding companies to submit a capital plan and requests for capital actions on an annual basis, consistent with the rules governing the Comprehensive Capital Analysis and Review ("CCAR"). The CCAR is the central element of the Federal Reserve's approach to ensure that large bank holding companies have adequate capital and robust processes for managing their capital.

On March 26, 2014, Bank of America announced that the Federal Reserve had informed the Company that it completed its 2014 CCAR and did not object to the Company's 2014 capital plan, which included a request to repurchase up to $4.0 billion of common stock over four quarters and to increase the quarterly common stock dividend to $0.05 per share with both actions beginning in the second quarter of 2014. However, on April 28, 2014, Bank of America announced the revision of certain regulatory capital amounts and ratios that were included in an April 16, 2014, announcement of the Company's results for the first quarter of 2014. In addition, Bank of America announced the suspension of its previously announced planned 2014 capital actions and stated that the Company would resubmit its capital plan pursuant to the 2014 CCAR to the Federal Reserve. On May 27, 2014, Bank of America resubmitted the requested capital actions and certain 2014 CCAR schedules to the Federal Reserve. A third party was engaged to perform certain procedures related to the Corporation's 2014 CCAR resubmission processes and controls regarding reporting and calculation of regulatory capital ratios, and focused on the periods ended September 30, 2013, and March 31, 2014. The third-party review has been completed and resulted in additional adjustments that had a de minimis effect (less than one basis point reduction) on the Corporation's reported regulatory capital ratios for the period ended September 30, 2013, and no effect on such ratios for the period ended March 31, 2014. Pursuant to CCAR capital plan rules, the Federal Reserve has up to 75 days to review the Corporation's resubmitted 2014 CCAR items, including the requested capital actions.

Liquidity and Diversified Funding Sources

Bank of America defines liquidity risk as the potential inability to meet its contractual and contingent financial obligations, on- or off-balance sheet, as they come due. The Company's primary liquidity objective is to provide adequate funding for its businesses throughout market cycles, including periods of financial stress. To achieve that objective, Bank of America analyzes and monitors its liquidity risk, maintains excess liquidity, and accesses diverse funding sources, including its stable deposit base. The Company defines excess liquidity as readily available assets, limited to cash and high-quality, liquid, unencumbered securities that it can use to meet its funding requirements as those obligations arise.

Global funding and liquidity risk management activities are centralized within Corporate Treasury. The Company believes that a centralized approach to funding and liquidity risk management enhances its ability to monitor liquidity requirements, maximizes access to funding sources, minimizes borrowing costs, and facilitates timely responses to liquidity events.

Bank of America maintains excess liquidity at the Parent and selected subsidiaries in the form of cash and high-quality, liquid, unencumbered securities. These assets, which are called Global Excess Liquidity Sources, serve as the primary means of liquidity risk mitigation. Bank of America limits the composition of high-quality, liquid, unencumbered securities to U.S. government securities, U.S. agency securities, U.S. agency mortgage-backed securities, and a select group of non-U.S. government and supranational securities.

The Company believes that it could quickly obtain cash for these securities, even in stressed market conditions, through repurchase agreements or outright sales. Bank of America holds Global Excess Liquidity Sources in entities that allow it to meet the liquidity requirements of global businesses, and considers the impact of potential regulatory, tax, legal, and other restrictions that could limit the transferability of funds among entities.

Global Excess Liquidity Sources totaled $427 billion at March 31, 2014. Global Excess Liquidity Sources available to the Parent at March 31, 2014, totaled $95 billion. Typically, Parent Company cash is deposited overnight at BANA.

Global Excess Liquidity Sources

(in $ billions)

Global Excess Liquidity Sources	**March 31, 2014**	**December 31, 2013**
Parent Company	$95	$95
Bank Subsidiaries	295	249
Other Regulated Entities	37	32
Total Global Excess Liquidity Sources	**$427**	**$376**

Global Excess Liquidity Sources	**March 31, 2014**	**December 31, 2013**
Cash on deposit	$115	$90
U.S. Treasuries	46	20
U.S. agency securities and mortgage-backed securities	246	245
Non-U.S. government and supranational securities	20	21
Total Global Excess Liquidity Sources	**$427**	**$376**

The Company uses a variety of metrics to determine the appropriate amounts of excess liquidity to maintain at the Parent Company and the bank and broker-dealer subsidiaries. One metric used to evaluate the appropriate level of excess liquidity at the Parent Company is "time-to-required funding." This debt coverage measure indicates the number of months that the Parent Company can continue to meet its unsecured contractual obligations as they come due using only its Global Excess Liquidity Sources without issuing any new debt or accessing any additional liquidity sources. Bank of America defines unsecured contractual obligations for purposes of this metric as maturities of senior or subordinated debt issued or guaranteed by the Parent Company. These include certain unsecured debt instruments, primarily structured liabilities, which the Company may be required to settle for cash prior to maturity. The time-to-required funding was 35 months at March 31, 2014, which is above the Company's target minimum of 21 months.

The Company utilizes liquidity stress models to assist in determining the appropriate amounts of excess liquidity to maintain at the Parent Company, the bank and broker-dealer subsidiaries. These models are risk sensitive and have become increasingly important in analyzing potential contractual and contingent cash outflows beyond those outflows considered in the time-to-required funding analysis. The Company evaluates the liquidity requirements under a range of scenarios with varying levels of severity and time horizons. The scenarios incorporate market-wide and Company-specific events, including potential credit rating downgrades for the Parent Company and its subsidiaries, and are based on historical experience, regulatory guidance, and both expected and unexpected future events.

Major Funding Sources

Bank of America funds its assets primarily with a mix of deposits and secured and unsecured liabilities through a centralized, globally coordinated funding strategy. The Company diversifies funding globally across products, programs, markets, currencies, and investor groups. Bank of America funds a substantial portion of its lending activities through deposits, which are diversified by clients, product type, and geography. The Company considers a substantial portion of its deposits to be a stable, low-cost and consistent source of funding. Bank of America believes this deposit funding is generally less sensitive to interest rate changes, market volatility or changes in its credit ratings than wholesale funding sources. Lending activities may also be financed through secured borrowings, including credit card securitizations and securitizations with government-sponsored enterprises, the Federal Housing Administration, and private-label investors, as well as Federal Home Loan Bank loans.

Bank of America issues the majority of its long-term unsecured debt at the Parent Company. The Company may also issue long-term unsecured debt through BANA in a variety of maturities and currencies to achieve cost-efficient funding and to maintain an appropriate maturity profile. The Company seeks to mitigate refinancing risk by actively managing the amount of borrowings that it anticipates will mature within any month or quarter.

Trading activities in broker-dealer subsidiaries are primarily funded on a secured basis through securities lending and repurchase agreements, and these amounts will vary based on customer activity and market conditions. The Company believes funding these activities in the secured financing markets is more cost-efficient and less sensitive to changes in its credit ratings than unsecured financing. Repurchase agreements are generally short-term and often overnight. Disruptions in secured financing markets for financial institutions have occurred in prior market cycles which resulted in adverse changes in terms or significant reductions in the availability of such financing. The Company manages the liquidity risks arising from secured funding by sourcing funding globally from a diverse group of counterparties, providing a range of securities collateral and pursuing longer durations, when appropriate.

The Company’s U.S. bank subsidiaries can access contingency funding through the Federal Reserve Discount Window. Certain non-U.S. subsidiaries have access to central bank facilities in the jurisdictions in which they operate. While the Company does not rely on these sources in its liquidity modeling, it maintains the policies, procedures, and governance processes that would enable it to access these sources, if necessary.

DESCRIPTION OF DERIVATIVES AND HEDGING ACTIVITIES

Derivatives are entered into on behalf of customers, for trading, or to support risk management activities. Derivatives used in risk management activities include derivatives that may or may not be designated in qualifying hedge accounting relationships. Derivatives that are not designated in qualifying hedge accounting relationships are referred to as other risk management derivatives.

The Company's Asset and Liability Management ("ALM") and risk management activities include the use of derivatives to mitigate risk to the Company including derivatives designated in qualifying hedge accounting relationships and derivatives used in other risk management activities. Interest rate, foreign exchange, equity, commodity, and credit contracts are utilized in the Company's ALM and risk management activities.

The Company maintains an overall interest rate risk management strategy that incorporates the use of interest rate contracts, which are generally non-leveraged generic interest rate and basis swaps, options, futures, and forwards, to minimize significant fluctuations in earnings that are caused by interest rate volatility. The Company's goal is to manage interest rate sensitivity and volatility so that movements in interest rates do not significantly adversely affect earnings or capital. As a result of interest rate fluctuations, hedged fixed-rate assets and liabilities appreciate or depreciate in fair value. Gains or losses on the derivative instruments that are linked to the hedged fixed-rate assets and liabilities are expected to substantially offset this unrealized appreciation or depreciation.

Market risk, including interest rate risk, can be substantial in the mortgage business. Market risk is the risk that values of mortgage assets or revenues will be adversely affected by changes in market conditions such as interest rate movements. To mitigate the interest rate risk in mortgage banking production income, the Company utilizes forward loan sale commitments and other derivative instruments including purchased options, and certain debt securities. The Company also utilizes derivatives such as interest rate options, interest rate swaps, forward settlement contracts, and Eurodollar futures to hedge certain market risks of mortgage servicing rights.

Bank of America uses foreign exchange contracts to manage the foreign exchange risk associated with certain foreign currency-denominated assets and liabilities, as well as the Company's investments in non-U.S. subsidiaries. Foreign exchange contracts, which include spot and forward contracts, represent agreements to exchange the currency of one country for the currency of another country at an agreed-upon price on an agreed-upon settlement date. Exposure to loss on these contracts will increase or decrease over their respective lives as currency exchange and interest rates fluctuate.

The Company enters into derivative commodity contracts, such as futures, swaps, options, and forwards, as well as non-derivative commodity contracts, to provide price risk management services to customers or to manage price risk associated with its physical and financial commodity positions. The non-derivative commodity contracts and physical inventories of commodities expose the Company to earnings volatility. Cash flow and fair value accounting hedges provide a method to mitigate a portion of this earnings volatility.

The Company purchases credit derivatives to manage credit risk related to certain funded and unfunded credit exposures. Credit derivatives include credit default swaps, total return swaps, and swaptions.

Bank of America uses various types of interest rate, commodity and foreign exchange derivative contracts to protect against changes in the fair value of its assets and liabilities due to fluctuations in interest rates, commodity prices and exchange rates (fair value hedges). The Company also uses these types of contracts and equity derivatives to protect against changes in the cash flows of its assets and liabilities, and other forecasted transactions (cash flow hedges). The Company hedges its net investment in consolidated non-U.S. operations determined to have functional currencies other than the U.S. dollar using forward exchange contracts and cross-currency basis swaps, and by issuing foreign currency-denominated debt (net investment hedges).

For accounting hedges, the Company formally documents at inception all relationships between hedging instruments and hedged items, as well as the risk management objectives, and strategies for undertaking various accounting hedges. Changes in the fair value of derivatives designated as fair value hedges are recorded in earnings. Changes in the fair value of derivatives designated as cash flow hedges are recorded in accumulated other comprehensive income.

The following tables present derivative instruments included on the Company's Consolidated Balance Sheet in derivative assets and liabilities at March 31, 2014, and December 31, 2013. Balances are presented on a gross basis, prior to the application of counterparty and cash collateral netting. Total derivative assets and liabilities are adjusted on an aggregate basis to take into consideration the effects of legally enforceable master netting agreements and have been reduced by the cash collateral received or paid.

Bank of America Derivative Balances

($ billions)

	March 31, 2014						
		Gross Derivative Assets			Gross Derivative Liabilities		
	Contract/Notional[1]	Trading Derivatives and Other Risk Management Derivatives	Qualifying Accounting Hedges	Total	Trading Derivatives and Other Risk Management Derivatives	Qualifying Accounting Hedges	Total
Interest rate contracts							
Swaps	$ 31,892.5	$ 583.1	$ 7.9	$ 591.0	$ 577.9	$ 0.7	$ 578.6
Futures and forwards	7,900.8	1.3	-	1.3	1.2	-	1.2
Written options	1,925.8	-	-	-	67.9	-	67.9
Purchased options	1,901.3	67.3	-	67.3	-	-	-
Foreign exchange contracts							
Swaps	2,258.3	35.1	0.7	35.8	34.2	0.7	34.9
Spots, utures and forwards	3,504.4	23.5	0.4	23.9	24.9	0.9	25.8
Written options	506.1	-	-	-	8.0	-	8.0
Purchased options	482.4	7.6	-	7.6	-	-	-
Equity contracts							
Swaps	187.8	3.5	-	3.5	3.9	-	3.9
Futures and forwards	75.9	1.1	-	1.1	1.5	-	1.5
Written options	320.9	-	-	-	29.6	-	29.6
Purchased options	285.6	28.7	-	28.7	-	-	-
Commodity contracts							
Swaps	71.8	3.8	-	3.8	5.7	-	5.7
Futures and forwards	541.4	5.8	-	5.8	3.6	-	3.6
Written options	156.5	-	-	-	4.9	-	4.9
Purchased options	158.4	5.1	-	5.1	-	-	-
Credit derivatives							
Purchased credit derivatives:							
Credit default swaps	1,304.8	13.7	-	13.7	28.1	-	28.1
Total return swaps/other	60.0	0.4	-	0.4	3.8	-	3.8
Written credit derivatives:							
Credit default swaps	1,272.0	29.3	-	29.3	11.9	-	11.9
Total return swaps/other	76.5	6.0	-	6.0	0.1	-	0.1
Gross derivative assets/liabilities		$ 815.3	$ 9.0	$ 824.3	$ 807.2	$ 2.3	$ 809.5
Less: Legally enforceable master netting agreements				(736.2)			(736.2)
Less: Cash collateral received/paid				(42.8)			(36.4)
Total derivative assets/liabilities				**$ 45.3**			**$ 36.9**

[1]Represents the total contract/notional amount of derivative assets and liabilities outstanding

		December 31, 2013					
		Gross Derivative Assets			Gross Derivative Liabilities		
	Contract/Notional[1]	Trading Derivatives and Other Risk Management Derivatives	Qualifying Accounting Hedges	Total	Trading Derivatives and Other Risk Management Derivatives	Qualifying Accounting Hedges	Total
Interest rate contracts							
Swaps	$ 33,272.0	$ 659.9	$ 7.5	$ 667.4	$ 658.4	$ 0.9	$ 659.3
Futures and forwards	8,217.6	1.6	-	1.6	1.5	-	1.5
Written options	2,065.4	-	-	-	64.4	-	64.4
Purchased options	2,028.3	65.4	-	65.4	-	-	-
Foreign exchange contracts							
Swaps	2,284.1	43.1	1.0	44.1	42.7	1.0	43.7
Spots, utures and forwards	2,922.5	32.5	0.7	33.2	33.5	1.1	34.6
Written options	412.4	-	-	-	9.2		9.2
Purchased options	392.4	8.8	-	8.8	-	-	-
Equity contracts							
Swaps	162.0	3.6	-	3.6	4.2	-	4.2
Futures and forwards	71.4	1.1	-	1.1	1.4	-	1.4
Written options	315.6	-	-	-	29.6	-	29.6
Purchased options	266.7	30.4	-	30.4	-	-	-
Commodity contracts							
Swaps	73.1	3.8	-	3.8	5.7	-	5.7
Futures and forwards	454.4	4.7	-	4.7	2.5	-	2.5
Written options	157.3	-	-	-	5.0	-	5.0
Purchased options	164.0	5.2	-	5.2	-	-	-
Credit derivatives							
Purchased credit derivatives:							
Credit default swaps	1,305.1	15.7	-	15.7	28.1	-	28.1
Total return swaps/other	38.1	2.0	-	2.0	3.2	-	3.2
Written credit derivatives:				-			-
Credit default swaps	1,265.4	29.3	-	29.3	13.8	-	13.8
Total return swaps/other	63.4	4.0	-	4.0	0.2	-	0.2
Gross derivative assets/liabilities		$ 911.1	$ 9.2	$ 920.3	$ 903.4	$ 3.0	$ 906.4
Less: Legally enforceable master netting agreements				(825.5)			(825.5)
Less: Cash collateral received/paid				(47.3)			(43.5)
Total derivative assets/liabilities				**$ 47.5**			**$ 37.4**

[1]Represents the total contract/notional amount of derivative assets and liabilities outstanding

MEMBERSHIPS IN MATERIAL PAYMENT, CLEARING AND SETTLEMENT SYSTEMS

As an essential part of engaging in the financial services industry and serving customers and clients, Bank of America participates payment, clearing and settlement systems, also known as Financial Market Utilities ("FMUs"), to conduct financial transactions in a global economy.

These systems allow Bank of America to provide payment services to customers and clients, to serve as a broker-dealer for securities transactions, and to engage in derivatives transactions as needed to manage risk, secure funding, and meet the needs of customers and clients.

For resolution planning purposes, the Company reviewed the payment, clearing, and settlement activities used by its Material Entities to identify the FMUs that are material to the Company. Twenty-three FMUs and two Financial Institutions were identified.

Payment

Clearing House Automated Payment System ("CHAPS") is the U.K.'s interbank payment system for large value sterling payments.

Clearing House Interbank Payments System ("CHIPS"), a payments system based in the U.S., is a service of the Clearing House Payments Company L.L.C. ("The Clearing House") which, in turn, is owned by the world's largest commercial banks. It processes a large proportion of U.S. dollar cross-border payments and an increasing volume of U.S. domestic payments.

Electronic Payments Network ("EPN"), an electronic payments system based in the U.S., provides automated clearing house ("ACH") services. EPN is owned and operated by The Clearing House. It facilitates exchanges of batched debit and credit payments among business, consumer, and government accounts.

FedACH Services is an electronic payment system providing ACH services. Based in the U.S., it is owned and operated by the Federal Reserve Banks. The ACH system exchanges batched debit and credit payments among business, consumer, and government accounts.

Fedwire Funds Service is a wire transfer service provider. Based in the U.S, it is owned and operated by the Federal Reserve Banks. It processes the purchase and sale of federal funds; the purchase, sale and financing of securities transactions; the disbursement or repayment of loans; the settlement of cross-border U.S. dollar commercial transactions; and the settlement of real estate transactions and other high-value, time-critical payments.

The Trans-European Automated Real-time Gross Settlement Express Transfer System ("TARGET2") is the settlement system for cross-border payments in Euro. It is based in Germany.

Clearing

CME Group Inc. provides clearing and settlement services for futures, options, and over-the-counter derivatives products. It is based in the U.S.

Eurex Clearing AG is a central counterparty organized under the laws of Germany. It provides central counterparty clearing services for: derivatives traded on the Eurex exchanges; over-the-counter interest rate swaps and credit default swaps; Eurex Bonds (a fixed income trading platform); Eurex Repo (a trading platform for repo); Frankfurt Stock Exchange; Irish Stock Exchange; and Co-operation products on the European Energy Exchange.

European Central Counterparty N.V. is the European clearing subsidiary of the Depository Trust & Clearing Corporation. It is based in London and provides central clearing for a range of European cash equities.

Fixed Income Clearing Corporation - Government Securities Division is a central counterparty and provides real-time trade matching, netting, and clearing services for trades in U.S. government debt issues, including repurchase agreements. Securities transactions include Treasury bills, bonds, notes and government agency securities. It operates in the U.S.

Fixed Income Clearing Corporation - Mortgage Backed Securities Division is a central counterparty, providing real-time trade matching, netting, and clearing services for the mortgage-backed securities market. It operates in the U.S.

ICE Clear Credit LLC is a central clearing facility for North American credit default swaps. It is a subsidiary of Intercontinental Exchange ("ICE"), which operates futures and options exchanges, trading platforms and clearing houses for global trading in commodities, currency, credit, and equity indices. It operates in the U.S.

ICE Clear Europe, a London-based clearing house, is a subsidiary of ICE. It provides clearing and settlement services for all futures and options trades on the ICE Futures Europe exchange, as well as for the energy futures contracts traded on ICE's New York-based ICE Futures U.S. exchange.

Japan Securities Clearing Corporation is a central counterparty for OTC transactions of Japanese Government Bonds. It is owned by its clearing participants and subject to Bank of Japan's oversight.

LCH.Clearnet Limited is a central counterparty incorporated under the laws of England and Wales. It is also a Derivatives Clearing Organization in the U.S.

National Securities Clearing Corporation ("NSCC"), a U.S. securities clearing agency, is a subsidiary of the Depository Trust & Clearing Corporation which, in turn, is owned by its users, including major banks, broker-dealers and other financial institutions. NSCC provides clearing, settlement, risk management, central counterparty services and a guarantee of completion for certain transactions for virtually all U.S. broker-to-broker trades involving equities, corporate and municipal debt, American depositary receipts, exchange-traded funds, and unit investment trusts.

Options Clearing Corporation is a U.S. futures and options clearing agency. It is regulated as a clearing agency by the Securities and Exchange Commission ("SEC") with respect to clearing and settlement services for put and call options on common stocks and other equity issues, stock indexes, foreign currencies, interest rate composites, and single-stock futures and by the Commodities Futures Trading Commission ("CFTC") with respect to clearing and settlement services for transactions in futures and options on futures. In addition, Options Clearing Corporation provides central counterparty clearing and settlement services for securities lending transactions.

<u>Settlement</u>

CLS Bank International ("CLS Bank") is a multi-currency cash settlement system, operating in the U.K. CLS Bank settles payment instructions related to trades in foreign exchange spot contracts, forwards, options, and swaps; non-deliverable forwards; and credit derivatives. Foreign exchange settlement services are offered for 17 currencies.

CREST (Euroclear U.K. & Ireland) is the U.K.'s Central Securities Depository, providing facilities for the dematerialized holding of U.K. equities, electronic transfer funds, gilt securities, and money market instruments. CREST is operated by Euroclear U.K. and Ireland.

The Depository Trust Company ("DTC") is a central securities depository providing depository and book-entry services for eligible securities and other financial assets to its participants, which are principally banks and broker-dealers. DTC operates in the U.S.

Euroclear Bank provides International Central Securities Depository services and settlement services for cross-border transactions involving domestic and international bonds, equities, derivatives, and investment funds. It is a primary provider of settlement services for Eurobonds. Euroclear Bank operates in Belgium.

Fedwire Securities Service is a national securities book entry system that is owned and operated by the Federal Reserve Banks. It conducts real-time transfers of securities and related funds. Fedwire Securities provides for the issuance, maintenance, safekeeping, transfer, and settlement for Treasury securities, for many federal government agency and government-sponsored enterprise securities and for certain international organizations' securities.

Other

The Society for Worldwide Interbank Financial Telecommunication ("SWIFT") is a member-owned co-operative subject to Belgian law. It provides a telecommunication platform for the exchange of standardized financial messages between financial institutions and corporations.

Financial Institutions

The Bank of New York Mellon Corporation ("BNY Mellon") is a U.S.-based global financial services company. It acts as agent with regards to the settlement of certain fixed income classes and provides collateral management, asset management, and safekeeping services.

BNP Paribas Bank is a global financial services company based in France and operating in various jurisdictions. It is an agent bank providing cash and securities settlement services.

DESCRIPTIONS OF FOREIGN OPERATIONS

Bank of America is a global company serving clients and customers in more than 150 countries and has relationships with 98% of the U.S. Fortune 500 and 83% of the Global Fortune 500 corporations.

The Company's banking and non-banking subsidiaries provide a diverse range of financial services and products across Europe, Middle East and Africa ("EMEA"), as well as Asia and Latin America. The Company's primary international objective is to be a global leader in corporate and investment banking, and trading across a broad range of asset classes serving corporations, governments, investors, institutions and individuals around the world.

As of December 31, 2013, Bank of America had approximately 242,000 employees globally, operating in over 40 countries. Bank of America has had a presence in EMEA countries since 1922. Today, Bank of America has subsidiaries in 32 cities across 23 countries in EMEA, and over 14,000 associates are based in EMEA countries. Bank of America's most significant international presence is in the United Kingdom. In the Asia-Pacific region, Bank of America subsidiaries are active in 12 countries and territories.

Performance by Geographic Area

At and for the year ended December 31, 2013, Bank of America had $299 billion of assets and $12 billion of total revenue, net of interest expense, outside the U.S. The table below shows the Company's assets, total revenues, and income by region.

Performance by Geographical Area

(Dollars in millions)	2013		2012	
Total Assets				
Asia	98,605	4.7%	102,492	4.6%
Europe, Middle East and Africa	169,708	8.1%	171,209	7.7%
Latin America and the Caribbean	30,717	1.5%	33,327	1.5%
Total Non-U.S.	**299,030**	**14.2%**	**307,028**	**13.9%**
U.S. (1)	1,803,243	85.8%	1,902,946	86.1%
Total Consolidated	**2,102,273**	**100.0%**	**2,209,974**	**100.0%**
Total Revenues, Net of Interest Expense				
Asia	4,442	5.0%	3,478	4.2%
Europe, Middle East and Africa	6,353	7.1%	6,011	7.2%
Latin America and the Caribbean	1,535	1.7%	1,670	2.0%
Total Non-U.S.	**12,330**	**13.9%**	**11,159**	**13.4%**
U.S. (1)	76,612	86.1%	72,175	86.6%
Total Consolidated	**88,942**	**100.0%**	**83,334**	**100.0%**
Income (Loss) Before Income Taxes				
Asia	1,382	8.5%	353	11.5%
Europe, Middle East and Africa	1,003	6.2%	323	10.5%
Latin America and the Caribbean	566	3.5%	529	17.2%
Total Non-U.S.	**2,951**	**18.2%**	**1,205**	**39.2%**
U.S. (1)	13,221	81.8%	1,867	60.8%
Total Consolidated	**16,172**	**100.0%**	**3,072**	**100.0%**
Net Income (Loss)				
Asia	887	7.8%	282	6.7%
Europe, Middle East and Africa	(403)	-3.5%	(543)	-13.0%
Latin America and the Caribbean	359	3.1%	333	8.0%
Total Non-U.S.	**843**	**7.4%**	**72**	**1.7%**
U.S. (1)	10,588	92.6%	4,116	98.3%
Total Consolidated	**11,431**	**100.0%**	**4,188**	**100.0%**

(1) includes Canada

BANA Foreign Operations

BANA operates overseas through subsidiaries and branches. BANA has 25 active foreign branches. These foreign branches offer the following products and services: cash management services, including payments, deposits, overdrafts, and advances; trade finance services; lending; leasing; foreign currency and bank note services; extended custodial services; and foreign exchange and derivatives products. The Plan identifies one foreign subsidiary of BANA (BAMLI) and two foreign BANA branches as Material Entities. The material foreign branches are located in London, England and Frankfurt, Germany.

BANA also has international subsidiaries that are primarily Federal Reserve Regulation K subsidiaries owned through BANA's Edge and agreement corporation subsidiaries and foreign banks. The Federal

Reserve Regulation K subsidiaries are primarily used to conduct commercial banking and other activities permissible under Regulation K.

FIA Foreign Operations

FIA has limited foreign operations as compared to BANA, and it also operates through Regulation K subsidiaries. FIA has no foreign branches, and its primary Regulation K subsidiary is MBNA Limited, a U.K. Authorized Payment Institution that itself has subsidiaries engaged in financial services activities and providing administrative services to the credit card bank.

Subsidiaries Located Outside of the U.S.

The Plan identifies four foreign indirect subsidiaries of BAC as Material Entities. MLI, a regulated international broker-dealer, and MLCE, a trading entity for business originated outside of the Americas Region, are both located in the U.K. MLIB, the primary non-U.S. banking entity, is incorporated in Ireland. MLJS is a broker-dealer located in Japan.

Service Companies Located Outside of the U.S.

The Plan identifies two foreign service companies as Material Entities. MLGS is located in Singapore and houses selective regional and global support functions. BACI is located in India and provides operations and technology capabilities supporting all lines of business. International service companies are a key part of BAC's global servicing strategy with internationally based services centers to provide centralized global support from economic and time-zone efficient locations.

MATERIAL SUPERVISORY AUTHORITIES

U.S. Regulation

Bank of America Corporation is subject to the extensive regulatory framework applicable to financial holding companies, bank holding companies, banks, and securities firms. As a registered financial holding company and bank holding company, Bank of America Corporation is subject to the supervision of, and regular inspection by, the Federal Reserve. Bank of America Corporation is subject to applicable SEC regulations and financial filing requirements. BANA and FIA, which are the primary banking entities within the Company, are subject to regulation, supervision and examination by the Office of the Comptroller of the Currency ("OCC") and the FDIC. In addition, the Consumer Financial Protection Bureau, which regulates consumer financial products and services, supervises these entities.

Bank of America Corporation's subsidiaries are also subject to various other laws and regulations, as well as supervision and examination by other regulatory agencies, all of which directly or indirectly affect its operations and management and its ability to make distributions to stockholders. The U.S. broker-dealer subsidiaries are subject to regulation and supervision by the SEC, New York Stock Exchange, and Financial Industry Regulatory Authority, with respect to their securities activities, and the U.S. Commodities Futures Trading Commission, with respect to their U.S. futures activities.

Regulators Outside the U.S.

Bank of America's non-U.S. businesses are also subject to extensive regulation by various non-U.S. regulators, including governments, securities exchanges, central banks and other regulatory bodies, in the jurisdictions in which those businesses operate. BANA's foreign branches and subsidiaries are subject to regulation and supervision by local regulatory authorities.

United Kingdom

Financial services operations in the United Kingdom, including those of BANA - London and BAMLI are subject to supervision by the Prudential Regulatory Authority ("PRA") and / or the Financial Conduct Authority ("FCA") depending on the nature of the individual entity. The PRA, a subsidiary of the Bank of England, is responsible for prudential regulation and supervision of banks, building societies, credit unions, insurers, and major investment firms. The PRA seeks to ensure that a financial firm which fails does so in a way that avoids significant disruption to the supply of critical financial services. It has close working relationships with other parts of the Company, including the Special Resolution Unit. The FCA, a separate institution from the Bank of England, is the prudential regulator for those financial services firms not supervised by the PRA. It is also responsible for promoting effective competition, ensuring that relevant markets function well, and for the conduct regulation of all financial services firms.

Ireland

MLIB is incorporated in Ireland and is regulated by the Central Bank of Ireland.

Germany

BANA - Frankfurt operates as a branch of BANA under the German Banking Act and is considered a credit institution under the authority of the German Financial Supervisory Authority.

Japan

MLJS is a broker-dealer incorporated in Japan. The Financial Services Agency ("FSA") has supervisory authority over MLJS. As a Japanese broker-dealer, MLJS is required to be authorized by the FSA in order to carry on business in Japan under the Financial Instruments and Exchange Act (Act No 25 of 1948).

India

BACI is not regulated as a financial or banking entity by the central bank in India. BACI is subject to oversight by the OCC and FRB as an affiliate of BAC and as a supplier of services.

Singapore

MLGS located in Singapore, is not a licensed and regulated financial company. However, the Monetary Authority of Singapore has indirect powers over MLGS through BAC's other regulated entities in Singapore. MLGS is subject to oversight by the OCC and FRB as an affiliate of BAC and as a supplier of services.

Additional information can be found in the "Government Supervision and Regulation" section of the Bank of America 2013 Annual Report on Form 10-K.

PRINCIPAL OFFICERS

Bank of America Corporation Executive Management Team

Brian T. Moynihan, Chief Executive Officer

Brian Moynihan is the Chief Executive Officer of Bank of America. He was elected to his role by the Board of Directors on December 16, 2009, and took office on January 1, 2010. Moynihan also is a member of the Bank of America Board of Directors.

Catherine P. Bessant, Global Technology and Operations Executive

Catherine Bessant is Global Technology and Operations executive at Bank of America and a member of the Company's executive management team. Since 2010, Bessant has been responsible for delivering end-to-end technology and operating services across the Company through a team of nearly 100,000 employees and contractors in 35 countries around the world.

David C. Darnell, Co-Chief Operating Officer

David Darnell is Co-Chief Operating Officer of Bank of America and is a member of the Company's executive management team. In this role, he is responsible for all of the businesses that provide individual customers and clients with deposit, card, home loan, business banking and wealth management products and services.

Anne M. Finucane, Global Strategy and Marketing Officer

Anne Finucane is Global Strategy and Marketing officer at Bank of America, and is a member of the Company's executive management team. During her 18 years at Bank of America and its legacy firms, Finucane has served as a senior advisor to four of the Company's chief executive officers and boards of directors.

Geoffrey S. Greener, Chief Risk Officer

Geoff Greener is Chief Risk Officer for Bank of America and is a member of the Company's executive management team. Greener is responsible for overseeing the Company's governance and strategy for global risk management, including relationships with key regulators and supervisory institutions worldwide.

Christine P. Katziff, Corporate General Auditor

Christine Katziff is the Corporate General Auditor of Bank of America and a member of the Company's executive management team. She leads a global team of audit professionals responsible for providing an independent assessment of the Company's internal controls and for making recommendations in support of the Company's risk framework and business strategies. She reports directly to the Audit Committee of the board of directors. Katziff joined Bank of America in 2004.

Terry P. Laughlin, President of Strategic Initiatives

Terry Laughlin is President of Strategic Initiatives for Bank of America, and a member of the Company's executive management team. Laughlin is responsible for overseeing a number of businesses, teams and programs that help connect and simplify Bank of America's businesses for customers and clients and improve delivery of the Company's products.

Gary G. Lynch, Global General Counsel and Head of Compliance and Regulatory Relations

Gary Lynch is Global General Counsel and Head of Compliance and Regulatory Relations for Bank of America, responsible for overseeing the Company's legal and compliance functions and its relationships with regulators and law enforcement authorities around the world. Based in New York, Lynch is also a member of the bank's executive management team. Lynch joined Bank of America from Morgan Stanley, where he was vice chairman of the firm based in London. Joining Morgan Stanley in 2005, he also served as their chief legal officer.

Thomas K. Montag, Co-Chief Operating Officer

Thomas Montag is Co-Chief Operating Officer of Bank of America and is a member of the Company's executive management team. In this role, he is responsible for all of the businesses that serve companies and institutional investors, including middle-market commercial and large corporate clients, and institutional investor clients, including Bank of America Merrill Lynch Global Research and the global markets sales and trading businesses. Previously, he was President of Global Banking and Markets at Bank of America Merrill Lynch.

Andrea B. Smith, Global Head of Human Resources

Andrea Smith is Bank of America's Global Head of Human Resources and a member of the Company's executive management team. Smith leads a global team of human resources professionals responsible for recruiting, leadership development, learning, compensation, benefits, diversity and inclusion, and employee relations for employees in more than 40 countries. She is also responsible for the Company's Corporate Aviation, Corporate Security and Executive Protection functions. Smith joined Bank of America in 1988 and has held a range of leadership positions in Global Human Resources.

Ron D. Sturzenegger, Legacy Asset Servicing Executive

Ron Sturzenegger is Legacy Asset Servicing executive for Bank of America and is a member of the Company's executive management team. In this role, Sturzenegger leads the bank's efforts to provide solutions to customers in need of mortgage assistance, including borrower outreach and the delivery of home retention, short sale and deed in lieu solutions.

Bruce R. Thompson, Chief Financial Officer

Bruce Thompson is Chief Financial Officer at Bank of America with responsibility for all finance functions as well as Corporate Treasury, Investor Relations, Corporate Investments and Global Principal Investments. He is a member of the Company's executive management team.

BANA and FIA Officers

Brian T. Moynihan
BANA - Chief Executive Officer and President
FIA - Chairman, Chief Executive Officer and President

Geoffrey S. Greener
Chief Risk Officer

Thomas K. Montag
Co-Chief Operating Officer

David C. Darnell
Co-Chief Operating Officer

Gary G. Lynch
Global General Counsel and Head of Compliance and Regulatory Relations

Bruce R. Thompson
Chief Financial Officer

Terry P. Laughlin
President of Strategic Initiatives

CORPORATE GOVERNANCE STRUCTURE AND PROCESSES RELATED TO RESOLUTION PLANNING

Bank of America is committed to maintaining strong, consistent risk management practices. The Company takes a comprehensive approach to risk management and has a defined Risk Framework and clearly articulated Risk Appetite Statement which are approved annually by the Board. Risk management planning is integrated with strategic, financial, and customer planning so that goals and responsibilities are aligned across the organization. Risk is managed in a systematic manner by focusing on the Company as a whole, as well as managing risk across the enterprise and within individual business units. The Company maintains a governance structure that delineates the responsibilities for risk management activities, as well as governance and oversight of those activities.

The Company adopted a Risk Framework focused on the identification and management of several categories of risk: strategic, credit, market, liquidity, operational, compliance, and reputational. Executive management develops the Company's Risk Framework, Risk Appetite Statement, and financial operating plans for Board approval. Through the Credit, Enterprise Risk, and Audit Committees, management monitors, and the Board oversees, financial performance, execution of the strategic and financial operating plans, compliance with the Risk Appetite Statement, and the adequacy of internal controls.

The Board reviews and approves the Risk Framework and the Risk Appetite Statement for the Company. The Risk Framework defines the accountability of the Company and its employees, while the Risk Appetite Statement defines the parameters under which the Company will take risk. Both documents are intended to enable the Company to maximize long-term results and ensure the integrity of its assets and the quality of its earnings. The Risk Framework is designed to be used by employees to understand risk management activities, including their individual roles and accountabilities. It also defines how risk management is integrated into the Company's business processes, and it defines the risk management governance structure, including management's involvement. The risk management responsibilities of the businesses, governance and control functions, and Corporate Audit are also clearly defined. The risk management process includes four critical elements: identify and measure risk, mitigate and control risk, monitor and test risk, and report and review risk, and is applied across all business activities to enable an integrated and comprehensive review of risk consistent with the Risk Appetite Statement.

Bank of America has incorporated Resolution Planning into the Risk Framework. A comprehensive process was designed and deployed to ensure the proper governance and internal controls were incorporated in developing and maintaining the Resolution Plan. In 2011, a Resolution Planning team was established to prepare and submit the initial Resolution Plan in 2012 and to maintain and submit subsequent Resolution Plans. The Resolution Planning team is also responsible for the oversight and coordination of enhancements and actions intended to mitigate impediments to an orderly resolution. The Resolution Planning team reports to the Chief Risk Officer. All processes related to development and management of the Company's Resolution Plan are coordinated through this centralized team.

The Boards of Directors of Bank of America Corporation, BANA, and FIA, respectively, approved the respective Resolution Plans. The Enterprise Risk Committee ("ERC") of the Board is the subcommittee directly responsible for Resolution Planning. The ERC, among other things, oversees the identification of, management of and planning for, material risks on an enterprise-wide basis, including strategic, credit, market, liquidity, operational, interest rate risk, compliance, and reputational risk. It also oversees capital management and liquidity planning. A review of the Plan was also performed by the Asset Liability Market Risk Committee ("ALMRC"), which is an executive management level sub-committee of the ERC.

DESCRIPTION OF MATERIAL MANAGEMENT INFORMATION SYSTEMS

The Company recognizes the importance that information availability plays in a resolution situation and continues to evaluate and enhance Management Information Systems (“MIS”) reporting capabilities to ensure they would allow for information needed in a resolution. MIS at Bank of America generally take the form of platform technologies and user interfaces that enable business users to perform analytics and generate standard and ad hoc reporting. Global Technology & Operations (“GT&O”) has the principal responsibility for global end-to-end technology and fulfillment and manages the critical systems and multiple platforms.

MIS capabilities are enabled through data repositories and platforms used to aggregate and catalog data core to Bank of America’s operations and management. Bank of America’s key MIS generate numerous reports that are used during the normal course of business to monitor the financial health, risks, and operations of Bank of America, its material entities, core business lines and critical operations.

To address financial health, accounting MIS applications are used to produce both management and legal entity reporting. Other financial MIS applications report on funding, liquidity, capital, and Bank of America’s balance sheet. Additionally, risk management MIS applications capture and report credit, market, and operational risk exposures for Bank of America.

Bank of America has a number of policies in place to ensure infrastructure and computing systems are consistently planned, implemented, secured, supported, and managed. These policies enable the technology organization to meet technology demands through continued reliability, availability, serviceability, and scalability to allow for capacity planning and Key Performance Indicator management.

Bank of America maintains detailed business continuity (which includes disaster recovery) documentation for each of its lines of business and supporting technology platforms. This documentation discusses in detail application-specific recovery time objectives as well as the plans to continue business operations in events where key systems are unavailable. Business continuity resources are deployed regionally around the globe to provide the appropriate level of governance and oversight for business continuity planning, testing, response management, crisis management, and supplier resiliency.

HIGH-LEVEL DESCRIPTION OF RESOLUTION

The Plan is required by a provision of the Dodd-Frank Act, which mandates that bank holding companies with assets of $50 billion or more develop a contingency plan for orderly resolution. The purpose of this provision is to provide bank regulators with plans that would enable them to resolve failing financial companies that pose a significant risk to the financial stability of the United States in a manner that mitigates such risk, minimizes moral hazard, and obviates the need for taxpayer support.

The Plan is Bank of America's third annual submission to the Federal Reserve and the FDIC, and provides a detailed roadmap for the orderly resolution of Bank of America. Importantly, the Plan does not rely on the provision of extraordinary support by the United States, or any other government.

The Plan includes consideration of multiple strategies that could be used to resolve the Company. Under one resolution strategy, BAC, the parent holding company, would enter bankruptcy by initiating a Chapter 11 proceeding. After receiving certain capital or liquidity contributions from BAC, the operating subsidiaries would continue as going concerns while BAC is restructured, thereby maximizing value and systemic stability. This strategy would be the simplest approach; however, certain changes to the bankruptcy code and other laws and regulations may be required to facilitate this resolution strategy. This strategy is commonly referred to as a "Single Point of Entry" resolution strategy.

Under another resolution strategy, BAC would enter bankruptcy, while other operating subsidiaries would enter relevant resolution regimes applicable to each such operating subsidiary. This strategy contemplates Bank of America's U.S. banking subsidiaries, including BANA and FIA, under a hypothetical resolution scenario, being placed into FDIC receiverships. Certain assets and liabilities would be transferred to a bridge bank that would emerge from resolution as a viable going concern. Bank of America's other Material Entities that entered resolution, including its U.S. and foreign broker-dealer subsidiaries, would be wound down in an orderly manner. This strategy is commonly referred to as a "Multiple Point of Entry" resolution strategy.

Finally, the Plan contemplates a third strategy that is a hybrid of the two previously described strategies. This strategy involves BAC entering Chapter 11 bankruptcy while certain other subsidiaries enter their respective resolution proceedings. At the same time, certain banking and other operating subsidiaries would be recapitalized, as necessary, and continue to operate. Similar to the first strategy, this approach would allow for the Company's most systemically significant critical operations to continue operating and maximize value and systemic stability.

The Plan addresses certain actions needed to ensure continuity of certain core business lines and critical operations during the hypothetical resolution of certain Bank of America entities. Those actions incorporate the importance of continued access to critical services including, but not limited to, technology, employees, facilities, intellectual property, and supplier relationships. The Plan also outlines certain restructuring actions that have already been completed, or would be required, in order to support the resolution strategies contemplated in the Plan.

Moreover, the Plan outlines the asset and business sales that could occur during the resolution process. Depending on the size and complexity of the businesses or assets sold, the potential purchasers could include a broad range of buyers including, but not limited to, national, international and regional financial institutions; private equity and hedge funds; and other financial asset buyers such as insurance companies.

The following is a description of select resolution regimes currently in existence.

FDIC Authority Under Sections 11 and 13 of the Federal Deposit Insurance Act

FDIC insured depository institutions entering resolution, such as BANA and FIA, would be resolved under the Federal Deposit Insurance Act ("FDIA"). The resolution of a U.S. insured depository institution is initiated by its state or federal chartering authority and by the FDIC if one or more of the statutory grounds for appointing the FDIC as receiver or conservator exist. For a national bank, the grounds for appointing the FDIC as receiver or conservator of an insured institution are listed in Section 11(c)(5) of the FDIA and include the following: (1) the institution is insolvent; critically undercapitalized; operating in an unsafe or unsound condition; or likely to be unable to pay its obligations in the normal course of business; (2) the institution is engaging in an unsafe or unsound practice likely to result in a substantial dissipation of its assets or earnings; or (3) the board of directors or shareholders of the institution consent to such appointment.

If the FDIC is to be appointed as receiver of the insured institution, the institution's state or federal chartering authority would issue an order closing the institution (i.e., revoking its charter or license to operate as a depository institution) and appoint the FDIC as the institution's receiver. If the FDIC is to be appointed as conservator of the insured institution, the institution is not closed, but instead the FDIC would be simply appointed as the institution's conservator.

If the FDIC is appointed as an insured institution's receiver or conservator, it succeeds, by operation of law, to all of the rights, titles, powers, and privileges of the insured institution and its stockholders, members, directors, officers, account holders, and depositors, subject to the provisions of the FDIA.

Bankruptcy Under Chapter 11 of the Bankruptcy Code

The resolution of material non-bank, non-broker-dealer domestic entities, such as BAC, would be through bankruptcy proceedings. A bankruptcy proceeding begins with the filing of a voluntary or involuntary Chapter 11 bankruptcy petition with the clerk of an appropriate bankruptcy court with an ultimate goal to liquidate or reorganize the enterprise.

Under the provisions of the Bankruptcy Code and upon the filing of a petition for Chapter 11 relief, a company as the debtor, generally becomes the debtor-in-possession (the "DIP"). The DIP is automatically authorized to operate its business "in the ordinary course" without the necessity of obtaining bankruptcy court approval. Subject to court approval, the DIP would promptly retain and employ attorneys, accountants, investment bankers, and other professionals to advise the debtors in the bankruptcy process. The DIP has an exclusive right to file a plan of reorganization that may be extended up to 18 months after commencement of the Chapter 11 proceeding, after which a plan may be filed by other parties in interest.

The plan of reorganization, which may provide for the reorganization or liquidation of the debtor, must be approved by a requisite majority of each impaired class of creditors or must satisfy the requirements of the "fair and equitable" test with respect to any class that rejects the plan. It must also be found by the bankruptcy court to be "feasible" and to provide all impaired creditors with at least what such creditors would have received in a Chapter 7 liquidation of the debtor.

Liquidation Pursuant to the Securities Investor Protection Act

If the statutory preconditions were met, the liquidation of material domestic broker-dealer entities, such as MLPFS, would be conducted pursuant to the Securities Investor Protection Act ("SIPA"). The commencement of a SIPA proceeding for a broker-dealer would be initiated by the Securities Investor Protection Corporation ("SIPC") through an application to the district court for a protective decree based on a determination by the SIPC that the broker-dealer was in danger of failing to meet its obligations to customers and was either insolvent, was not in compliance with certain regulatory requirements or was unable to perform the calculations necessary to meet such requirements, or that certain other conditions exist.

Upon issuance of a protective decree, the district court would appoint a trustee to manage and oversee the liquidation of the broker-dealer. The SIPA proceeding would then be removed to the bankruptcy court and administered under the provisions of the SIPA, as supplemented by the Bankruptcy Code to the extent not inconsistent with the SIPA.

Upon appointment, the trustee would take control of all property, premises, bank accounts, records, systems and other assets of the broker-dealer. From that point forward, the liquidation of the business would be under the control of the trustee, and the broker-dealer's existing management would be displaced. The trustee's primary duties would be to marshal assets, recover and return customer property and liquidate the broker-dealer.

U.K. Special Administration Regime

In the United Kingdom, there is a special administration regime available to investment banks, such as MLI. The main features are that an investment bank enters the proceeding by court order and the order appoints an administrator. The administrator is to pursue the special administration objectives, which are: (1) to ensure the return of client assets as soon as is reasonably practicable; (2) to ensure timely engagement with market infrastructure bodies and the authorities; and (3) either to rescue the investment bank as a going concern or to wind it up in the best interests of the creditors.

Once a special administration order has been made, there is an automatic moratorium on a winding up of the company and no enforcement of security or other legal process may be taken against the company without the consent of the administrator or permission of the court. Enforcement of security under financial collateral arrangements covered by the Financial Collateral Regulations is, however, unaffected by the moratorium. An interim moratorium with similar effect would apply from the date of making the application, save that the permission of the court is not required for the presentation of a winding up petition on certain grounds or the appointment of an administrator or administrative receiver.

The administrator is an officer of the court and has the general power to do anything necessary or expedient for the pursuit of the special administration objectives. This includes the power to set a bar date for the submission of claims in relation to client assets if the administrator thinks it necessary in order to expedite the return of client assets. The administrator also has certain powers usually available to liquidators appointed under the Insolvency Act of 1986, including the power to disclaim onerous property and rescind contracts. The administrator also has the power to make distributions to creditors.

Irish Special Resolution Regime

In Ireland, there is a Special Resolution Regime that would be applicable to credit institutions, such as MLIB. The Central Bank and Credit Institutions (Resolution) Act of 2011 ("Resolution Act") contains a set of stabilization tools for the Central Bank of Ireland. Part VI of the Resolution Act would allow MLIB to be wound-down by the appointment of a Special Manager pursuant to a Special Management Order. A Special Manager would take over the management of the business with a view to: (1) preserve or restore the financial position of the credit institution; (2) wind down the business; or (3) otherwise manage the business in accordance with the terms of a Special Management Order. The Special Manager would have all the powers to acquire or dispose of any or all assets and liabilities of the credit institution.

German Special Resolution Regime

With respect to BANA - Frankfurt, only the German Financial Supervisory Authority, not the German branch itself or its creditors, would be entitled to file for the opening of insolvency proceedings. Notwithstanding the strength of BANA - Frankfurt's balance sheet (in which third-party assets exceed third-party liabilities) and the strength of the FDIC-backed bridge bank, the Resolution Plan conservatively assumes that the German Financial Supervisory Authority would exercise its authority under the Insolvency Code on the grounds that BANA entering a bridge bank amounted to an impending threat of illiquidity to BANA - Frankfurt and local creditors.

Japanese Special Resolution Regime

The Financial Services Agency has supervisory and regulatory authority over MLJS. In resolution Japanese broker-dealers are eligible for one of three resolution regimes, which are: (1) Civil Rehabilitation under the Act on Special Provisions; (2) Corporate Reorganization under the Act on Special Provisions; or (3) Special Bankruptcy under the Act on Special Provisions. The resolution strategy for the businesses in Japan is an orderly wind-down; therefore, the appropriate resolution strategy for MLJS would be a wind-down under the Special Bankruptcy regime.

Singapore Resolution Regime

The Monetary Authority of Singapore has indirect powers over MLGS through BAC's other regulated entities in Singapore. Given the resolution strategy for MLGS, as a service company, is that it would not enter resolution proceedings, the only likely regime applicable is a voluntary winding up, which would be initiated by the Company or its creditors.

India Resolution Regime

BACI is not regulated as a financial or banking entity by the central bank in India. Given the resolution strategy for BACI, as a service company, is that it would not enter resolution proceedings, the applicable regime would be a voluntary winding up initiated by the shareholders.