

# The Strength of Bank of America

## Bank of America Corporation's financial power

- In the first quarter of 2012, Bank of America Corporation reported net income of \$653 million, or \$0.03 per diluted share, compared with net income of \$2.0 billion for the same period a year ago and net income of \$2.0 billion in the fourth quarter of 2011.
- In addition to strong performance from its wealth management business, there were a number of different factors affecting earnings results for the quarter. It remains Bank of America's intent to simplify the company and build capital and liquidity. The company continued to focus on streamlining its balance sheet by selling non-core assets, addressing legacy issues, reducing debt and implementing its customer-focused strategy. At the same time, it focused on reducing expenses to position the company for long-term growth.
- One measure of Bank of America's strength is what is called "time to required funding"—which refers to the number of months Bank of America Corporation, the parent company, can meet its unsecured contractual obligations as they come due, using only its global excess liquidity sources and without issuing any new debt or accessing additional liquidity sources. Its time to required funding, as of the end of the first quarter of 2012, was 31 months.
- The company took significant actions during the first quarter of 2012 to strengthen its balance sheet. In aggregate, these actions increased the Tier 1 common equity ratio by 92 basis points from the fourth quarter.

## A market-leading position

- As one of the world's largest financial institutions, Bank of America serves approximately 57 million consumers and small businesses around the world, doing business with one out of every two households in the U.S. It has approximately 5,700 banking centers and approximately 17,250 ATMs.

To learn more about Bank of America Corporation's financial highlights for the first quarter of 2012, visit <http://investor.bankofamerica.com>.

## Supporting the economy

- Bank of America extended approximately \$102 billion in credit in the first quarter of 2012, according to preliminary data. This included \$66.6 billion in commercial non-real estate loans, \$15.2 billion in residential first mortgages, \$8.9 billion in commercial real estate loans, \$4.4 billion in U.S. consumer and small business cards, \$760 million in home equity products and \$5.9 billion in other consumer credit.

## Credit ratings\*

ENTITY	FITCH	MOODY'S	STANDARD & POOR'S
<b>BANK OF AMERICA CORPORATION</b>			
Outlook	Stable	Negative, review for downgrade	Negative
Long-term senior unsecured	A	Baa1	A-
Short-term	F1	P-2	A-2
Subordinated debt	BBB	Baa2	BBB+
Trust preferred	BB	Ba1	BB+
Preferred stock	BB-	Ba3	BB+
<b>MERRILL LYNCH &amp; CO., INC.</b>			
Long-term senior unsecured	A	Baa1	A-
Short-term	F1	P-2	A-2
<b>BANK OF AMERICA, N.A.</b>			
Long-term senior unsecured	A	A2	A
Long-term deposit	A+	A2	A
Short-term	F1	P-1	A-1
<b>MERRILL LYNCH, PIERCE, FENNER &amp; SMITH INCORPORATED (MLPF&amp;S)</b>			
Long-term senior unsecured	A	-	A
Short-term	F1	-	A-1
<b>MERRILL LYNCH INTERNATIONAL (MLI)</b>			
Long-term senior unsecured	-	-	A
Short-term	-	-	A-1
<b>MERRILL LYNCH INTERNATIONAL BANK LTD.</b>			
Long-term senior unsecured	A	-	-
Short-term	F1	-	-

\*Credit ratings for Bank of America and selected legal entities as of March 8, 2012.

**Merrill Lynch, as part of Bank of America Corporation, has a global reach, a pool of investment insights and a depth of resources that few other financial services companies can match. And Merrill Lynch continues to base its underlying business on an unwavering dedication to helping clients reach their financial goals.**

- Merrill Lynch Global Wealth Management (MLGWM), part of Bank of America Corporation's Global Wealth & Investment Management (GWIM) business, had \$1.8 trillion in client balances as of March 31, 2012,<sup>1</sup> and 17,500 Financial Advisors around the world.
- In the first quarter of 2012, Bank of America Corporation's GWIM, which includes Merrill Lynch Global Wealth Management and U.S. Trust, reported net income of \$547 million.

#### Your brokerage assets are safe and secure

Client assets are kept separate and segregated from Bank of America Corporation's proprietary assets in accordance with strict regulatory requirements. In addition, the invested assets you entrust to MLPF&S are protected by a number of safeguards:

- **Securities account protection through the Securities Investor Protection Corporation (SIPC).** MLPF&S, as a U.S. broker-dealer, is a member of SIPC, and its accounts are covered by SIPC. SIPC is a federally mandated non-profit corporation that protects investors' securities if a brokerage firm fails. SIPC funds are available to make up for any shortfall in client assets—up to a maximum of \$500,000 per client for securities, inclusive of \$250,000 per client for cash.
- **Private insurance coverage from Lloyd's of London.** MLPF&S has obtained excess-SIPC coverage through a Lloyd's of London syndicate. The policy provides additional protection for shortfalls above the SIPC limits (including up to \$1.9 million for cash), subject to an aggregate loss limit of \$1 billion for all customer claims.
- **Safe securities holding practices.** Client securities are legally the property of clients, are not on MLPF&S's balance sheet and are not exposed to MLPF&S's creditors, or those of Bank of America Corporation.
- **Stringent regulatory compliance systems.** As a registered broker-dealer, MLPF&S is subject to the comprehensive and stringent rules of the SEC mandating customer protection, financial responsibility and recordkeeping. MLPF&S protects client securities and cash from any risks involving the non-customer business activities of MLPF&S.
- **One of the strongest client security programs in the world.** MLPF&S regards both the security of your personal and financial information and the protection of your identity as critical priorities. MLPF&S maintains strong security standards, including firewalls, encryption and other technological safeguards, as well as advanced forms of protection regarding client authentication and account access controls

<sup>1</sup> Source: Bank of America. Merrill Lynch Global Wealth Management (MLGWM) represents multiple business areas within Bank of America's wealth and investment management division, including Merrill Lynch Wealth Management (North America and International), Merrill Lynch Trust Company and Private Banking & Investment Group. As of March 31, 2012, MLGWM entities had approximately \$1.8 trillion in client balances. Client Balances consists of the following assets of clients held in their MLGWM accounts: assets under management (AUM) of MLGWM entities, client brokerage assets, assets in custody of MLGWM entities, loan balances and deposits of MLGWM clients held at Bank of America, N.A., and affiliated banks.

Investing in securities is always subject to market risk. Neither SIPC nor "excess-SIPC" coverage protects you against fluctuations in the market value of securities. Additional information about SIPC protection is available at [www.sipc.org](http://www.sipc.org).

Merrill Lynch offers a broad range of brokerage, investment advisory (including financial planning) and other services. There are important differences between brokerage and investment advisory services, including the type of advice and assistance provided, the fees charged, and the rights and obligations of the parties. It is important to understand the differences, particularly when determining which service or services to select.

Merrill Lynch is the marketing name for Merrill Lynch Wealth Management and Merrill Edge, which are made available through MLPF&S.

All data is confirmed as of March 31, 2012.

Bank of America does not undertake any duty to update this information.

Bank of America Corporation ("BAC") is the financial holding company that, through its subsidiaries and affiliated companies, provides banking and nonbanking financial services.

Merrill Lynch Wealth Management makes available products and services offered by Merrill Lynch, Pierce, Fenner & Smith Incorporated, a registered broker-dealer and member SIPC, and other subsidiaries of BAC.

Banking products are provided by Bank of America, N.A., and affiliated banks, members FDIC and wholly owned subsidiaries of BAC.

Investment products:

<b>Are Not FDIC Insured</b>	<b>Are Not Bank Guaranteed</b>	<b>May Lose Value</b>
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