Bank of America
2013 Dodd-Frank Act Annual Stress Test Results
Supervisory Severely Adverse Scenario

March 7, 2013

Important Presentation Information

The 2013 Dodd-Frank Act Annual Stress Test Results Disclosure (the “Stress Test Results”) included herein has not been prepared under generally accepted accounting principles (“GAAP”). The Stress Test Results present certain projected financial measures for Bank of America Corporation (“Bank of America”) and selected subsidiaries under the hypothetical economic and market scenario and assumptions described herein. The Stress Test Results are not forecasts of actual financial results for either Bank of America or the selected subsidiaries. Investors in securities issued by Bank of America should not rely on the Stress Test Results as being indicative of expected future results.

Bank of America’s financial information, prepared under GAAP, is available in reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2012.

Amounts presented are rounded to the nearest significant digit, as indicated or stated. Immaterial differences arising from the effect of rounding are not adjusted.

The stress testing of financial institutions conducted by the Board of Governors of the Federal Reserve System (“FRB”) is based on models and methodologies developed or employed by the FRB. The FRB does not disclose details of its models and methodologies. Therefore, Bank of America may not be able to explain certain variances between the FRB’s projections and Bank of America’s Stress Test Results included herein.

Key Risks and Assumptions

- This document provides internal projections for Bank of America Corporation ("BAC"), Bank of America, National Association ("BANA") and FIA Card Services, National Association ("FIA") under the stressed macroeconomic and market conditions specified by the FRB and the Office of the Comptroller of the Currency ("OCC") in the supervisory severely adverse scenario released on November 15, 2012 and available at http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20121115a1.pdf.
- The supervisory severely adverse scenario is characterized by severe recessionary conditions reflected in the following key macroeconomic variables:
  - Maximum quarterly gross domestic product ("GDP") decline of 6%
  - Peak unemployment rate of 12%
  - Maximum home price index decline of 21% from 3Q12
  - Maximum equity markets decline of 52% from 3Q12
  - Severe global market disruptions impacting credit, interest rate, currency, equity, and commodity markets
- Results presented herein for BAC include those capital actions as specified under the Dodd-Frank Wall Street Reform and Consumer Protection Act ("DFA") stress testing rules. Therefore, for BAC, the results herein assume only the continuation of the common share quarterly cash dividends paid in 2012 as well as contractually obligated payments on other regulatory capital instruments.
- Results for BANA and FIA include expected capital distributions to their parent company over the specified nine-quarter horizon taking into account the impacts of the supervisory severely adverse scenario. Expected BANA and FIA capital distributions are subject to regulatory requirements, including 12 USC 60, 12 USC 56 and 12 CFR 5.64. Excluding expected capital distributions, BANA and FIA capital ratios presented herein would be significantly higher.
- Results comply with methodologies and instructions provided by the FRB on November 9, 2012 (*Comprehensive Capital Analysis and Review 2013*), by the OCC on November 28, 2012 (*Instructions for Preparation of the Annual Company-Run Stress Test Report DFAST-14A*), and by the associated Frequently Asked Questions.
- Results presented are estimates and may not reflect the actual impacts to Bank of America if such a hypothetical scenario were to occur. Importantly, in certain instances, methodologies required by the FRB and OCC differ from Bank of America's internal practices; therefore, results may not reflect actions Bank of America would likely employ under such stressed conditions.
- The stress test was applied to non-trading on- and off-balance sheet exposures as of September 30, 2012, and to trading exposures as of November 14, 2012.
- Results presented include stress factors applied to each of Bank of America's material risks, including, but not limited to, counterparty, market, credit, interest rate, operational, litigation and representation and warranties risk. These stress factors were assessed against operating revenues, expenses, and on- and off-balance sheet positions, with resulting net impacts to capital levels, risk-weighted assets and capital ratios.
- Risk-weighted assets and capital ratios as of September 30, 2012 and December 31, 2012 are calculated on a Basel 1 basis. Risk-weighted assets and capital ratios incorporate the impacts of the Market Risk Final Rule beginning as of the March 31, 2013 reporting date.
- Income statement categories in this document conform to the FRB's and OCC's definition of Pre-Provision Net Revenue ("PPNR") and classifications of revenue and expense items may differ from BAC's reporting under GAAP and its public financial disclosures.

Supervisory Severely Adverse – Stress Test Methodologies

- Pre-Provision Net Revenue
  - Net interest income was determined by forecasting asset and liability balances and the related interest income and interest expense over the specified nine-quarter horizon using the macroeconomic variables provided by the FRB and OCC.
  - Noninterest income and noninterest expense were calculated on a business by business basis over the specified nine-quarter horizon using the macroeconomic variables provided by the FRB and OCC that are relevant to each business. Stress losses related to operational risk events, including mortgage representation and warranties and legal costs, are included within Pre-Provision Net Revenue.
- Other Revenue
  - Other revenue includes one-time gains.
- Provision for Loan and Lease Losses
  - Net charge-offs and allowance for loan and lease losses ("ALLL") were determined using the relevant loan product loss forecasting tools over the specified nine-quarter horizon using the macroeconomic variables provided by the FRB and OCC. The stress test projections incorporate the same forecasting models and processes that BAC utilizes for ongoing risk management and financial forecasting.
  - Commercial and consumer charge-off projections were developed using probability of default and loss given default models that are calibrated and back-tested to reflect historical performance of Bank of America's portfolios, including experience during the 2008 recession. The models utilize the FRB and OCC prescribed variables that are relevant to each portfolio (including unemployment, gross domestic product and home price index).
  - The ALLL, and related reserve build or release, was projected for each quarter over the specified nine-quarter horizon by assessing the adequacy of the reserve under the macroeconomic conditions provided by the FRB and OCC.
- Realized Losses on Securities (AFS/HTM)
  - Available for sale ("AFS") and held to maturity ("HTM") investment securities were assessed for other than temporary impairment ("OTTI") each quarter over the specified nine-quarter horizon by assessing the securities under the macroeconomic conditions provided by the FRB and OCC.
- Trading and Counterparty Losses
  - Hypothetical trading and counterparty losses were calculated by applying the FRB's and OCC's global market shock variables to the relevant on- and off-balance sheet trading positions as of November 14, 2012 and assume no mitigating actions to reduce or balance risk profile during the hypothetical market disruption.
- Goodwill Impairment
  - Goodwill was assessed by reporting unit using the hypothetical stressed income statement results. Goodwill was evaluated on reporting units that had a fair value as a percentage of carrying value as of June 30, 2012 (last annual impairment test) under 150%.
- Other Losses
  - Other losses excluding goodwill are primarily related to loans held under market value accounting where the prescribed market shock was applied.

Bank of America Corporation

Bank of America

Supervisory Severely Adverse – BAC Results

Bank of America Corporation

- A $43.8B cumulative pre-tax loss was projected over the specified nine-quarter horizon under the supervisory severely adverse scenario.

- Material impacts to earnings included loan losses ($42.6B), incremental build in ALLL ($8.5B), trading and counterparty losses ($19.7B), goodwill impairments ($6.1B) and securities and other losses ($6.3B), partially offset by $38.5B of pre-provision net revenue and other revenue of $0.9B.

- Due to the impact of the hypothetical pre-tax losses, the deferred tax asset (“DTA”) increased resulting in higher disallowed DTAs which reduced capital and capital ratios.

- Risk-weighted assets declined primarily driven by reduced loan demand consistent with the adverse macroeconomic conditions of the scenario, partially offset by additional risk-weighted assets resulting from the introduction of the Market Risk Final Rule in first quarter 2013.

- The Tier 1 common capital ratio declined from 11.4% at September 30, 2012 under Basel 1 to an estimate in the supervisory severely adverse scenario of 7.7% at its lowest point and 8.0% at December 31, 2014, after including the impact of higher risk-weighted assets from the Market Risk Final Rule. These post-stress capital ratios exceeded the 5% required minimum.

- The estimated lowest stress ratios for Tier 1 capital, Total capital and Tier 1 leverage were 9.4%, 12.6% and 6.2%, respectively, exceeding the comparable regulatory minimums of 4%, 8% and 3%, respectively.

Supervisory Severely Adverse – BAC Capital Ratios

Bank of America Corporation	
Actual Ratios at 9/30/12	
Tier 1 common capital ratio	11.4%
Tier 1 capital ratio	13.6%
Total capital ratio	17.2%
Tier 1 leverage ratio	7.8%
Hypothetical Stressed Ratios at 12/31/14	
Tier 1 common capital ratio	8.0%
Tier 1 capital ratio	9.7%
Total capital ratio	12.8%
Tier 1 leverage ratio	6.2%
Hypothetical Stressed Minimum Ratios[1]	
Tier 1 common capital ratio	7.7%
Tier 1 capital ratio	9.4%
Total capital ratio	12.6%
Tier 1 leverage ratio	6.2%

Note**:** Hypothetical stressed results presented are BAC's internal projections using the rules and conditions set forth by the FRB and OCC for the supervisory severely adverse scenario with capital actions for BAC as required under DFA stress testing rules. See "Key Risks & Assumptions" on slide 3.

[1] Minimum hypothetical ratio during the specified nine-quarter horizon.

Supervisory Severely Adverse – BAC NIBT and Loan Losses

Net Income Before Taxes $ in billions	Cumulative Hypothetical Results Over 9 Quarters	% of Average Assets [5]
Pre-Provision Net Revenue[1]	$38.5	2.0%
Other Revenue[2]	0.9	
Provision for Loan and Lease Losses	(51.1)	
Realized Losses on Securities (AFS/HTM)	(0.2)	
Trading and Counterparty Losses[3]	(19.7)	
Goodwill Impairment	(6.1)	
Other Losses[4]	(6.1)	
Net Income Before Taxes	($43.8)	-2.3%

Loan Losses $ in billions	Cumulative Hypothetical Results Over 9 Quarters	Portfolio Loss Rates (%) [7]
Estimated Loan Losses[6]	$42.6	5.1%
First Lien Mortgages, Domestic	7.1	2.7
Junior Liens and HELOCs, Domestic	9.1	9.6
Commercial and Industrial	4.9	2.9
Commercial Real Estate	2.2	4.0
Credit Cards	15.9	16.8
Other Consumer	2.4	3.5
Other Loans	1.0	1.1

Note**:** Hypothetical stressed results presented are BAC's internal projections using the rules and conditions set forth by the FRB and OCC for the supervisory severely adverse scenario with capital actions for BAC as required under DFA stress testing rules. See "Key Risks & Assumptions" on slide 3.

[1] Pre-provision net revenue includes losses from operational risk events, mortgage put-back expenses, legal expenses and OREO costs.

[2] Other revenue includes one-time income and (expense) items not included in pre-provision net revenue.

[3] Trading and counterparty includes mark-to-market losses, changes in credit valuation adjustments (CVA) and incremental default losses.

[4] Other losses include projected change in the fair value of loans held for sale and loans held for investment measured under the fair-value option.

[5] Calculated by dividing nine-quarter cumulative revenue or earnings by the average of the quarter ending balances over the specified nine-quarter horizon.

[6] Commercial and industrial loans include small and medium enterprise loans and corporate cards. Other loans include international real estate loans. Average loan balances used to calculate portfolio loss rates exclude loans held for sale and loans held for investment under the fair-value option.

[7] BAC calculated portfolio loss rates by dividing the nine-quarter cumulative loan losses by the average of the quarter ending accrual loan balances for each portfolio over the same time period.

Bank of America, N.A.
FIA Card Services, N.A.

Supervisory Severely Adverse – BANA/FIA Results

Bank of America, N.A.

- $6.2B of cumulative pre-tax income was projected over the specified nine-quarter horizon under the supervisory severely adverse scenario.
- Impacts to earnings included loan losses ($22.7B), incremental build in ALLL ($6.2B), trading and counterparty losses ($4.8B) and other losses ($5.7B), partially offset by $45.5B of pre-provision net revenue and other revenues of $0.1B.
- Risk-weighted assets declined primarily driven by reduced loan demand consistent with the adverse macroeconomic conditions of the scenario, partially offset by additional risk-weighted assets resulting from the introduction of the Market Risk Final Rule in first quarter 2013.
- Results for BANA included expected capital distributions with its parent company over the specified nine-quarter horizon taking into account the impacts of the supervisory severely adverse scenario. Expected BANA capital distributions are subject to regulatory requirements, including 12 USC 60, 12 USC 56 and 12 CFR 5.64. Excluding expected capital distributions from BANA to its parent company, BANA capital ratios would be significantly higher.
- The Tier 1 common capital ratio declined from 12.7% at September 30, 2012 to a low of 11.0% at December 31, 2014.
- The estimated lowest stress ratios for Tier 1 capital, Total capital and Tier 1 leverage were 11.1%, 12.5% and 7.7%, respectively.

FIA Card Services, N.A.

- A $1.6B cumulative pre-tax loss was projected over the specified nine-quarter horizon under the supervisory severely adverse scenario.
- Material impacts to earnings included loan losses ($17.7B) and incremental build in ALLL ($2.3B), partially offset by $18.3B of pre-provision net revenue and other revenues of $0.1B.
- Risk-weighted assets declined primarily driven by reduced loan demand consistent with the adverse macroeconomic conditions of the scenario.
- Results for FIA included expected capital distributions with its parent company over the specified nine-quarter horizon taking into account the impacts of the supervisory severely adverse scenario. Expected FIA capital distributions are subject to regulatory requirements, including 12 USC 60, 12 USC 56 and 12 CFR 5.64. Excluding expected capital distributions from FIA to its parent company, FIA capital ratios would be significantly higher.
- The Tier 1 common capital ratio declined from 15.3% at September 30, 2012 to a low of 14.0% at December 31, 2014.
- The estimated lowest stress ratios for Tier 1 capital, Total capital and Tier 1 leverage were 15.0%, 16.4% and 11.4%, respectively.

Supervisory Severely Adverse – BANA/FIA Capital Ratios

	Bank of America, N.A.	FIA Card Services, N.A.
Actual Ratios at 9/30/12		
Tier 1 common capital ratio	12.7%	15.3%
Tier 1 capital ratio	12.8%	16.4%
Total capital ratio	15.2%	17.7%
Tier 1 leverage ratio	8.8%	13.5%
Hypothetical Stressed Ratios at 12/31/14		
Tier 1 common capital ratio	11.0%	14.0%
Tier 1 capital ratio	11.1%	15.1%
Total capital ratio	12.5%	16.5%
Tier 1 leverage ratio	7.7%	11.7%
Hypothetical Stressed Minimum Ratios[1]		
Tier 1 common capital ratio	11.0%	14.0%
Tier 1 capital ratio	11.1%	15.0%
Total capital ratio	12.5%	16.4%
Tier 1 leverage ratio	7.7%	11.4%

Note: Hypothetical stressed results presented are internal projections using the rules and conditions set forth by the FRB and OCC for the supervisory severely adverse scenario. Capital ratios include the impact of expected capital distributions to their parent company over the specified nine-quarter horizon. Expected capital actions may be subject to regulatory requirements.

[1] Minimum hypothetical ratio during the specified nine-quarter horizon.

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