

**Bank of America Merrill Lynch International
Designated Activity Company**

Pillar 3 Disclosure

For the Quarter Ended 30 June 2020

Bank of America Merrill Lynch International Designated Activity Company
Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Contents

1. Overview and Purpose of Document 4

2. Basis of Preparation 5

3. Capital Resources 6

4. Minimum Capital Requirement 6

5. Leverage Ratio 20

6. Liquidity Coverage Ratio (“LCR”) Disclosures 21

7. Additional Detail on Capital Resources, MREL, Leverage and COVID-19 22

Appendix – Supplementary Disclosure Templates 33

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Tables

Table 1: Regulatory Capital Resources and Ratios Summary	6
Table 2: EU OV1: Overview of Risk Weighted Assets	7
Table 3: EU CR1-A Credit Quality of Exposures by Exposure Class and Instrument	9
Table 4: EU CR1-A Prior Credit Quality of Exposures by Exposure Class and Instrument	10
Table 5: CR1-B Credit Quality of Exposures by Industry and Counterparty Type	11
Table 6: CR1-B Prior Credit Quality of Exposures by Industry and Counterparty Type	11
Table 7: SEC 1 Securitisation Exposures in the Banking Book	12
Table 8: SEC 1: Prior Securitisation exposures in the banking book	12
Table 9: SEC 3 Securitisation exposures in the banking book and associated regulatory capital requirements –bank acting as originator or as sponsor	13
Table 10: SEC 3 Prior Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or sponsor	14
Table 11: SEC 4 Securitisation exposures in the banking book and associated capital requirements - bank acting as investor	15
Table 12: SEC 4 Prior Securitisation exposures in the banking book and associated capital requirements – bank acting as investor	16
Table 13: EU MR1 Market risk under the standardised approach	17
Table 14: EU MR2-A Market Risk under IMA	17
Table 15: EU MR2-B RWA Flow Statements of Market Risk Exposures under IMA	18
Table 16: EU MR2-B Prior RWA Flow Statements of Market Risk Exposures under IMA	18
Table 17: EU MR3 IMA values for Trading Portfolios	19
Table 18: EU MR4: Prior Comparison of VaR estimates with Gains / Losses	20
Table 19: Leverage Ratio Summary	20
Table 20: LCR Disclosure	21
Table 21: Regulatory Capital Resources and Reconciliation to Unaudited Balance Sheet as at 30 June 2020 and the Audited Balance Sheet as at 31 December 2019	22
Table 22: BAMLI DAC Capital Instrument Features	23
Table 23: Own Funds Disclosure Template Current and Prior	24
Table 24: MREL Disclosures	27
Table 25: Summary Reconciliation of Accounting Assets and Leverage Ratio Exposures Current and Prior	28
Table 26: Leverage Ratio Common Disclosure Current and Prior	29
Table 27: Split of On-Balance Sheet Exposures (excluding derivatives and SFTs) Current and Prior	30
Table 28: Information on loans and advances subject to legislative and non-legislative moratoria	31
Table 29: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria	32
Table 30: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis	32
Table 31: CR1-C Credit quality of exposures by Geography	33
Table 32: CR1-C Prior Credit quality of exposures by Geography	34
Table 33: EU CR2-A Current and Prior: Changes in the Stock of General and Specific Credit Risk Adjustments	34
Table 34: EU CR2-B Current and Prior Changes in the Stock of Defaulted and Impaired Loans and Debt Securities	35
Table 35: EU CR3 CRM Techniques – Overview	35
Table 36: EU CR3 Prior CRM Techniques - Overview	35
Table 37: EU CR4 Standardised Approach – Credit Risk Exposure and CRM Effects	36
Table 38: EU CR4 Prior Standardised Approach – Credit Risk Exposure and CRM Effects	36
Table 39: EU CR5 Standardised Approach	37
Table 40: EU CR5 Prior Standardised Approach	37
Table 41: EU CCR1 Analysis of CCR Exposure by Approach	38
Table 42: EU CCR1 Prior Analysis of CCR Exposure by Approach	38
Table 43: EU CCR2 Current and Prior CVA Capital Charge	38

Table 44: EU CCR3 Standardised Approach – CCR Exposures by Regulatory Portfolio and Risk	39
Table 45: EU CCR3 Prior Standardised Approach – CCR Exposures by Regulatory Portfolio and Risk	39
Table 46: EU CCR5-A Impact of Netting and Collateral Held on Exposures Values	40
Table 47: EU CCR5-A Prior Impact of Netting and Collateral Held on Exposures Values	40
Table 48: EU CCR5-B Composition of Collateral for Exposures to CCR.....	40
Table 49: EU CCR5-B Prior Composition of Collateral for Exposures to CCR.....	40
Table 50: EU CCR6 Credit Derivatives Exposure.....	41
Table 51: EU CCR 6 Prior Credit Derivatives Exposure	41
Table 52: EU CCR8 Exposures to CCPs.....	42
Table 53: NPE Template 1 Credit Quality of Forborne Exposures	43
Table 54: NPE Template 1 Prior Credit Quality of Forborne Exposures.....	44
Table 55: NPE Template 3 Credit Quality of Performing and Non-performing Exposures by Past Due Days.....	45
Table 56: NPE Template 3 Prior Credit Quality of Performing and Non-performing Exposures by Past Due Days.....	46
Table 57: NPE Template 4 Performing and Non-performing Exposures and Related Provisions	47
Table 58: NPE Template 4 Prior Performing and Non-performing Exposures and Related Provisions	48
Table 59: NPE Template 9 Current and Prior Collateral Obtained by Taking Possession and Execution Processes.....	49

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

1. Overview and Purpose of Document

This document contains the Pillar 3 disclosures as at 30 June 2020 in respect of the capital and risk management of Bank of America Merrill Lynch International Designated Activity Company, ("BAMLI DAC"), an Irish credit institution.

Capital Requirements Directive IV ("CRD IV"), the European Union ("EU") legislation implementing Basel III, came into effect on 1 January 2014. This mandates the quantity and quality of capital that firms are required to hold, introducing an EU wide liquidity regime and establishing leverage requirements. This legislation consists of three Pillars. Pillar 1 is defined as "Minimum Capital Requirement", Pillar 2 "Supervisory Review Process" and Pillar 3 "Market Discipline". The aim of Pillar 3 is to encourage market discipline by allowing market participants to access key pieces of information regarding the capital adequacy of institutions through a prescribed set of disclosure requirements.

This document provides detail on BAMLI DAC's available Capital Resources and regulatory defined Pillar 1 Minimum Capital Requirement. It demonstrates that BAMLI DAC has capital resources in excess of this requirement and maintains robust risk management and controls.

To further increase transparency, no information has been omitted from this disclosure that is proprietary or confidential and the disclosure also includes information on BAMLI DAC's liquidity position.

For further information on BAMLI DAC's risk management objectives and policies, liquidity and asset encumbrance, please refer to BAMLI DAC's annual Pillar 3 disclosure for the year ended 31 December 2019 on Bank of America's corporate website: <http://investor.bankofamerica.com/financial-information/basel-pillar-3-disclosures>

1.1. BAMLI DAC

BAMLI DAC is a registered credit institution in the Republic of Ireland which is authorised and regulated by the Central Bank of Ireland ("CBI") and supervised under the single supervisory mechanism ("SSM"). BAMLI DAC is classified as an Other Systemically Important Institution ("O-SII").

BAMLI DAC is headquartered in Dublin with branches in Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, Paris, Stockholm and Zurich.

BAMLI DAC is a wholly owned subsidiary of Bank of America N.A. ("BANA") and the ultimate parent continues to be Bank of America Corporation ("BAC"). BAMLI DAC's activities form part of BAC's Global Banking and Markets operations in Europe, Middle East and Africa ("EMEA"). Clients include large multinational groups, financial institutions, governments, and government entities. As at 30 June 2020, BAMLI DAC was rated by Fitch Ratings, Inc ("Fitch") (AA- / F1+) and Standard & Poor's Financial Services LLC ("S&P") (A+/A-1).

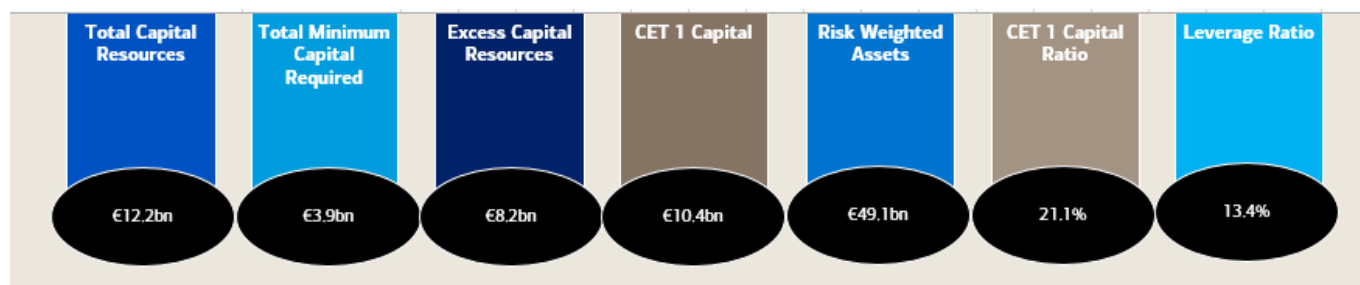
Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

1.2. BAMLI DAC's Capital Position at 30 June 2020

BAMLI DAC's Capital Resources ("Capital Resources") consist predominantly of Common Equity Tier 1 ("CET1") capital. As at 30 June 2020, BAMLI DAC's CET1 ratio was 21.1% which significantly exceeds the regulatory Pillar 1 minimum CET1 requirement of 4.5% and the reported Leverage ratio of 13.4% is far in excess of the proposed regulatory minimum regulatory requirement of 3%.

Figure 1. Summary of BAMLI DAC's Key Metrics as at 30 June 2020



Note: All of BAMLI DAC's Tier 1 capital is CET1, therefore CET1 Capital Ratio and Tier 1 Capital ratio are the same.

2. Basis of Preparation

BAMLI DAC financial statements have been prepared in accordance with the Companies Act 2014, Financial Reporting Standard 100 ("FRS 100") - Application of Financial Reporting Requirements and Financial Reporting Standard 101 ("FRS 101") - Reduced Disclosure Framework. In accordance with these it applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards that have been adopted in the EU ("EU-adopted IFRS").

The information contained in these disclosures has been prepared in accordance with the Capital Requirement Directive, on a solo basis. All Tables included in these disclosures are as at 30 June 2020, with comparatives presented in line with Part Eight of the Capital Requirements Regulation.

The regulatory exposures, capital resources, capital requirements, liquidity requirements and leverage ratio information contained within this document have been prepared using data from the relevant prudential reporting returns (e.g. Common Reporting ("COREP"), Financial Reporting ("FINREP"), and Liquidity Coverage Ratio ("LCR")) and are presented in a way that is consistent with the relevant disclosure requirements in Part Eight of the Capital Requirements Regulation.

In addition, the report does not constitute any form of forward looking record or opinion on BAMLI DAC. Although the Pillar 3 disclosure is intended to provide transparent information on a common basis, the information contained in this document may not be directly comparable with the information provided by other banks. Any financial information included herein is unaudited.

This Pillar 3 disclosure is published on BAC's corporate website: <http://investor.bankofamerica.com/financial-information/basel-pillar-3-disclosures>.

3. Capital Resources

Capital Resources represent the amount of regulatory capital available to an entity to cover all risks. Defined under Capital Requirements Directive CRD IV, Capital Resources are designated into two tiers, Tier 1 and Tier 2. Tier 1 capital consists of CET1 and Additional Tier 1 ("AT1"). CET1 is the highest quality of capital and typically represents equity and audited reserves; AT1 usually represents contingent convertible bonds; Tier 2 capital typically consists of subordinated debt and hybrid debt capital instruments.

BAMLI DAC adopted IFRS9 for the accounting of financial instruments on 1 January 2018. The introduction of the expected credit loss ("ECL") model did not result in a material adjustment to equity as at the date of adoption of IFRS9. For this reason, BAMLI DAC is not applying the transitional arrangements for IFRS9.

BAMLI DAC's Capital Resources of €12.2bn (Q4 2019: €12.3bn) consist of Tier 1 and Tier 2 capital. All of BAMLI DAC's Tier 1 capital is made up of CET1, and Tier 2 capital is comprised of subordinated debt.

The decrease in capital resources is driven by movements in exchange rates. The Euro: US Dollar exchange rate used at quarter end was 1.1198.

Table 1: Regulatory Capital Resources and Ratios Summary

(Euros in Millions)	Q2 2020	Q4 2019
Ordinary Share Capital	29	29
Share Premium	8,091	8,065
Other Reserves	13	14
Profit and Loss Account	2,250	2,384
Tier 1 Capital	10,382	10,492
Tier 2 Capital	1,786	1,780
Total Capital Resources	12,168	12,272

4. Minimum Capital Requirement

BAMLI DAC is subject to a Minimum Capital Requirement set out in the Regulation (EU) 575/2013 on prudential requirements for credit institutions and investment firms Capital Requirements Regulation ("CRR") and Central Bank of Ireland ("CBI") requirements in order to meet its total SREP capital requirement. BAMLI DAC is required to hold capital in addition to its Minimum Capital Requirement to meet CRD IV buffers and local CBI obligations.

The Minimum Capital Requirement principally comprises of Credit Risk, Counterparty Credit Risk, and Operational Risk requirements. BAMLI DAC has a minimum capital requirement of €3.9bn (Q1: €4.2bn) comprising of the risk requirements outlined in Table 2.

Table 2 EU OV1 shows RWA and minimum regulatory capital requirements broken down by risk types and model approaches compared to the previous quarter-end.

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 2: EU OV1: Overview of Risk Weighted Assets

	Q2 2020	Q2 2020	Q1 2020	Q1 2020
	RWAs	Minimum capital requirements	RWAs	Minimum capital requirements
(Euros in Millions)				
1 Credit risk (excluding CCR)	38,322	3,066	39,724	3,178
2 Of which the standardised approach	38,322	3,066	39,724	3,178
3 Of which the foundation IRB (FIRB) approach	-	-	-	-
4 Of which the advanced IRB (AIRB) approach	-	-	-	-
5 Of which equity IRB under the simple risk-weighted approach or the IMA	-	-	-	-
6 CCR	1,988	159	2,848	228
7 Of which mark to market	940	75	1,347	108
8 Of which original exposure	-	-	-	-
9 Of which the standardised approach	-	-	-	-
10 Of which internal model method (IMM)	-	-	-	-
Of which: comprehensive approach for credit risk mitigation (for SFTs)	9	1	12	1
11 Of which risk exposure amount for contributions to the default fund of a CCP	-	-	-	-
12 Of which CVA	1,039	83	1,489	119
13 Settlement risk	-	-	-	-
14 Securitisation exposures in the banking book (after the cap)	2,543	203	3,468	277
15 Of which IRB approach	-	-	-	-
16 Of which IRB supervisory formula approach (SFA)	-	-	-	-
17 Of which internal assessment approach (IAA)	-	-	-	-
18 Of which standardised approach	2,543	203	3,468	277
19 Market risk	1,254	100	1,253	100
20 Of which the standardised approach	1,254	100	1,253	100
21 Of which IMA	-	-	-	-
22 Large exposures	-	-	-	-
23 Operational risk	4,997	401	5,107	409
24 Of which basic indicator approach	-	-	-	-
25 Of which standardised approach	4,997	401	5,107	409
26 Of which advanced measurement approach	-	-	-	-
27 Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-	-
28 Floor adjustment	-	-	-	-
29 Total	49,103	3,929	52,400	4,192

4.1 Key Movements in the Quarter

BAMLI DAC's Minimum Capital Requirement decrease of €0.3bn during the quarter was primarily driven by a decrease in Credit Risk of €0.1bn, Counterparty Credit Risk of €0.1bn and Securitisations of €0.1bn.

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

4.2 Minimum Capital Requirement Approach

BAMLI DAC has adopted the standardised approach for calculating Counterparty Credit Risk, Credit Risk, and Operational Risk Capital Requirements. In order to adhere to the standardised rules set out in the CRR, BAMLI DAC uses ratings from External Credit Assessment Institutions (“ECAIs”) this includes, Moody’s Investors Service, Inc. (“Moody’s”), S&P, and Fitch. ECAI ratings are used where available for all exposure classes.

4.3 Counterparty and Credit Risk

Counterparty and Credit Risk is the risk of loss arising from a borrower or counterparty failing to meet its financial obligations. Counterparty and Credit Risk requirements are derived from risk-weighted exposures, determined using the standardised approach. BAMLI DAC has Counterparty and Credit Risk exposure as a result of loans and advances, derivative trades, securities financing transactions, and other trading and non-trading book exposures.

BAMLI DAC measures counterparty and credit risk exposure on derivatives using a mark-to-market method, defined as mark-to-market plus a notional add-on.

Tables 3 and 4 EU CR1-A and Tables 5 and 6 CR1-B provide asset quality information of the Company’s on- and off-balance sheet exposures subject to the credit risk framework for the IRB and Standardised approach, broken down by regulatory exposure classes and industries respectively.

Tables 7 and 8 Sec 1 detail the total banking book outstanding exposure split by the bank acting as originator, sponsor and investor.

Tables 9 and 10 Sec 3 and Tables 11 and 12 Sec 4 detail the total exposure values by risk weight bands and regulatory approach, the RWA by regulatory approach and the capital charge after cap for the bank acting as originator / sponsor and investor respectively.

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 3: EU CR1-A Credit Quality of Exposures by Exposure Class and Instrument

		Q2 2020						
		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
		Defaulted exposures	Non-defaulted exposures					(a+b-c-d)
(Euros in Millions)								
1	Central governments or central banks	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-
3	Corporates	-	-	-	-	-	-	-
4	Of which: Specialised lending	-	-	-	-	-	-	-
5	Of which: SMEs	-	-	-	-	-	-	-
6	Retail	-	-	-	-	-	-	-
7	Secured by real estate property	-	-	-	-	-	-	-
8	SMEs	-	-	-	-	-	-	-
9	Non-SMEs	-	-	-	-	-	-	-
10	Qualifying revolving	-	-	-	-	-	-	-
11	Other retail	-	-	-	-	-	-	-
12	SMEs	-	-	-	-	-	-	-
13	Non-SMEs	-	-	-	-	-	-	-
14	Equity	-	-	-	-	-	-	-
15	Total IRB approach	-	-	-	-	-	-	-
16	Central governments or central banks	-	13,873	-	1	-	1	13,872
17	Regional governments or local authorities	-	-	-	-	-	-	-
18	Public sector entities	-	-	-	-	-	-	-
19	Multilateral development banks	-	2	-	-	-	-	2
20	International organisations	-	-	-	-	-	-	-
21	Institutions	-	2,030	-	4	-	1	2,026
22	Corporates	-	51,760	-	164	-	72	51,596
23	Of which: SMEs	-	34	-	-	-	-	34
24	Retail	-	-	-	-	-	-	-
25	Of which: SMEs	-	-	-	-	-	-	-
26	Secured by mortgages on immovable property	-	2,770	-	13	-	10	2,757
27	Of which: SMEs	-	-	-	-	-	-	-
28	Exposures in default	1,090	-	-	101	83	66	989
29	Items associated with particularly high risk	-	-	-	-	-	-	-
30	Covered bonds	-	-	-	-	-	-	-
31	Claims on institutions and corporates with a short-term credit assessment	-	1,862	-	5	-	5	1,857
32	Collective investments undertakings	-	-	-	-	-	-	-
33	Equity	-	-	-	-	-	-	-
34	Other exposures	-	955	-	-	-	-	955
35	Total standardised approach	1,090	73,252	-	287	83	154	74,054
36	Total	1,090	73,252	-	287	83	154	74,054
37	Of which: Loans	800	29,794	-	240	83	159	30,354
38	Of which: Debt securities	-	2,976	-	-	-	-	2,976
39	Of which: Offbalance-sheet exposures	290	33,720	-	56	-	1	33,955

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 4: EU CR1-A Prior Credit Quality of Exposures by Exposure Class and Instrument

		Q4 2019						
		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
		Defaulted exposures	Non-defaulted exposures					(a+b-c-d)
(Euros in Millions)								
1	Central governments or central banks	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-
3	Corporates	-	-	-	-	-	-	-
4	Of which: Specialised lending	-	-	-	-	-	-	-
5	Of which: SMEs	-	-	-	-	-	-	-
6	Retail	-	-	-	-	-	-	-
7	Secured by real estate property	-	-	-	-	-	-	-
8	SMEs	-	-	-	-	-	-	-
9	Non-SMEs	-	-	-	-	-	-	-
10	Qualifying revolving	-	-	-	-	-	-	-
11	Other retail	-	-	-	-	-	-	-
12	SMEs	-	-	-	-	-	-	-
13	Non-SMEs	-	-	-	-	-	-	-
14	Equity	-	-	-	-	-	-	-
15	Total IRB approach	-	-	-	-	-	-	-
16	Central governments or central banks	-	10,107	-	-	-	-	10,107
17	Regional governments or local authorities	-	-	-	-	-	-	-
18	Public sector entities	-	-	-	-	-	-	-
19	Multilateral development banks	-	2	-	-	-	-	2
20	International organisations	-	-	-	-	-	-	-
21	Institutions	-	2,359	-	3	-	4	2,356
22	Corporates	-	54,588	-	93	-	86	54,495
23	Of which: SMEs	-	39	-	-	-	-	39
24	Retail	-	-	-	-	-	-	-
25	Of which: SMEs	-	-	-	-	-	-	-
26	Secured by mortgages on immovable property	-	2,852	-	3	-	1	2,849
27	Of which: SMEs	-	-	-	-	-	-	-
28	Exposures in default	986	-	-	34	-	-	952
29	Items associated with particularly high risk	-	-	-	-	-	-	-
30	Covered bonds	-	-	-	-	-	-	-
31	Claims on institutions and corporates with a short-term credit assessment	-	1,132	-	-	-	1	1,132
32	Collective investments undertakings	-	-	-	-	-	-	-
33	Equity	-	-	-	-	-	-	-
34	Other exposures	-	885	-	-	-	37	885
35	Total standardised approach	986	71,925	-	133	-	129	72,778
36	Total	986	71,925	-	133	-	129	72,778
37	Of which: Loans	665	26,023	-	81	-	18	26,607
38	Of which: Debt securities	-	1,403	-	-	-	-	1,403
39	Of which: Offbalance-sheet exposures	322	38,467	-	54	-	23	38,735

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 5: CR1-B Credit Quality of Exposures by Industry and Counterparty Type

		Q2 2020						
		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
(Euros in Millions)								
1	Agriculture, forestry and fishing	-	1	-	-	-	-	1
2	Mining and quarrying	-	1,475	-	5	21	2	1,470
3	Manufacturing	209	17,061	-	74	-	48	17,196
4	Electricity, gas, steam and air conditioning supply	75	3,203	-	8	-	3	3,270
5	Water Supply	-	158	-	-	-	-	158
6	Construction	35	221	-	20	-	13	236
7	Wholesale and retail trade	111	3,970	-	20	-	10	4,061
8	Transport and storage	6	1,981	-	5	-	3	1,982
9	Accommodation and food service activities	72	826	-	20	-	19	878
10	Information and communication	41	4,834	-	9	-	-	4,866
11	Financial and insurance activities	339	29,900	-	85	16	32	30,154
12	Real estate activities	150	2,010	-	21	46	17	2,139
13	Professional, scientific and technical activities	23	1,353	-	5	-	-	1,371
14	Administrative and support service activities	11	2,076	-	11	-	6	2,076
15	Public administration and defence, compulsory social security	-	3,507	-	1	-	1	3,506
16	Education	-	39	-	-	-	-	39
17	Human health services and social work activities	-	122	-	1	-	-	121
18	Arts, entertainment and recreation	18	507	-	3	-	1	522
19	Other services	-	8	-	-	-	-	8
20	Total	1,090	73,252	-	287	83	154	74,054

Table 6: CR1-B Prior Credit Quality of Exposures by Industry and Counterparty Type

(Euros in Millions)		Q4 2019						
		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment	Net values
		Defaulted exposures	Non-defaulted exposures				charges of the period	(a+b-c-d)
1	Agriculture, forestry and fishing	-	1	-	-	-	-	1
2	Mining and quarrying	-	1,289	-	3	21	3	1,286
3	Manufacturing	209	14,165	-	26	-	9	14,348
4	Electricity, gas, steam and air conditioning supply	75	3,182	-	5	-	1	3,252
5	Water Supply	-	156	-	-	-	-	156
6	Construction	47	403	-	7	5	3	443
7	Wholesale and retail trade	83	4,494	-	10	-	1	4,567
8	Transport and storage	7	2,527	-	2	-	-	2,532
9	Accommodation and food service activities	11	1,730	-	1	-	1	1,740
10	Information and communication	35	4,668	-	9	-	1	4,694
11	Financial and insurance activities	239	30,622	-	53	14	9	30,808
12	Real estate activities	198	1,746	-	4	-	2	1,940
13	Professional, scientific and technical activities	82	1,580	-	5	-	4	1,657
14	Administrative and support service activities	-	2,684	-	5	70	23	2,679
15	Public administration and defence, compulsory social security	-	1,954	-	-	-	-	1,954
16	Education	-	43	-	-	-	-	43
17	Human health services and social work activities	-	115	-	1	-	1	114
18	Arts, entertainment and recreation	-	556	-	2	-	-	554
19	Other services	-	10	-	-	-	-	10
20	Total	986	71,925	-	133	110	4	72,778

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 7: SEC 1 Securitisation Exposures in the Banking Book

		Q2 2020								
		a	b	c	e	f	g	i	j	k
		Bank acts as originator			Bank acts as sponsor			Bank acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
(Euros in Millions)										
1	Retail (total)	-	-	-	-	-	-	611	-	-
2	Residential mortgages	-	-	-	-	-	-	611	-	-
		-	-	-	-	-	-	-	-	-
3	Wholesale (total)	71	-	-	-	-	-	5,616	-	-
4	Of which:	-	-	-	-	-	-	-	-	-
5	Leasing	-	-	-	-	-	-	3,314	-	-
6	Commercial mortgages	71	-	-	-	-	-	94	-	-
7	Other assets	-	-	-	-	-	-	43	-	-
8	Trade receivables	-	-	-	-	-	-	166	-	-
9	Consumer loans	-	-	-	-	-	-	1,999	-	-

Table 8: SEC 1: Prior Securitisation exposures in the banking book

		Q4 2019								
		a	b	c	e	f	g	i	j	k
		Bank acts as originator			Bank acts as sponsor			Bank acts as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
(Euros in Millions)										
1	Retail (total)	-	-	-	-	-	-	1,169	-	-
2	Residential mortgages	-	-	-	-	-	-	1,169	-	-
		-	-	-	-	-	-	-	-	-
3	Wholesale (total)	81	-	-	-	-	-	5,374	-	-
4	Of which:	-	-	-	-	-	-	-	-	-
5	Leasing	-	-	-	-	-	-	2,788	-	-
6	Commercial mortgages	81	-	-	-	-	-	182	-	-
7	Other assets	-	-	-	-	-	-	1,037	-	-
8	Trade receivables	-	-	-	-	-	-	177	-	-
9	Consumer loans	-	-	-	-	-	-	1,189	-	-
9	Consumer loans	-	-	-	-	-	-	-	-	-

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 9: SEC 3 Securitisation exposures in the banking book and associated regulatory capital requirements –bank acting as originator or as sponsor

		Q2 2020																
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by risk weight bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap			
		≤20%	>20% to 50%	>50% to 100%	>100% to <1250% RW	1250%	SEC-IRBA	SEC-SA	SEC-ERBA	1250%	SEC-IRBA	SEC-SA	SEC-ERBA	1250%	SEC-IRBA	SEC-SA	SEC-ERBA	1250%
(Euros in Millions)																		
1	Total exposures	71	-	-	-	-	-	71	-	-	-	11	-	-	-	1	-	-
2	Traditional securitisation	71	-	-	-	-	-	71	-	-	-	11	-	-	-	1	-	-
3	Of which securitisation	71	-	-	-	-	-	71	-	-	-	11	-	-	-	1	-	-
4	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Of which wholesale	71	-	-	-	-	-	71	-	-	-	11	-	-	-	1	-	-
6	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Bank of America Merrill Lynch International Designated Activity Company
Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 10: SEC 3 Prior Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or sponsor

		Q4 2019																	
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	
		Exposure values (by risk weight bands)					Exposure values (by regulatory approach)					RWA (by regulatory approach)				Capital charge after cap			
		≤20%	>20% to 50%	>50% to 100%	>100% to <1250% RW	1250%	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250%	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250%	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250%	
(Euros in Millions)																			
1	Total exposures	-	-	33	47	-	-	-	81	-	-	-	131	-	-	-	11	-	
2	Traditional securitisation	-	-	33	47	-	-	-	81	-	-	-	131	-	-	-	11	-	
3	Of which securitisation	-	-	33	47	-	-	-	81	-	-	-	131	-	-	-	11	-	
4	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Of which wholesale	-	-	33	47	-	-	-	81	-	-	-	131	-	-	-	11	-	
6	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Of which securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 11: SEC 4 Securitisation exposures in the banking book and associated capital requirements - bank acting as investor

		Q2 2020																
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by risk weight bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap			
		≤20%	>20% to 50%	>50% to 100%	>100% to <1250% RW	1250%	SEC-IRBA	SEC-SA	SEC-ERBA	1250%	SEC-IRBA	SEC-SA	SEC-ERBA	1250%	SEC-IRBA	SEC-SA	SEC-ERBA	1250%
(Euros in Millions)																		
1	Total exposures	2,349	2,585	1,250	43	-	-	6,028	199	-	-	2,165	367	-	-	173	29	-
2	Traditional securitisation	2,349	2,585	1,250	43	-	-	6,028	199	-	-	2,165	367	-	-	173	29	-
3	Of which securitisation	2,349	2,585	1,250	43	-	-	6,028	199	-	-	2,165	367	-	-	173	29	-
4	Of which retail underlying	331	-	280	-	-	-	611	-	-	-	213	-	-	-	17	-	-
5	Of which wholesale	2,018	2,585	970	43	-	-	5,417	199	-	-	1,952	367	-	-	156	29	-
6	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 12: SEC 4 Prior Securitisation exposures in the banking book and associated capital requirements – bank acting as investor

		Q4 2019																
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		Exposure values (by risk weight bands)					Exposure values (by regulatory approach)				RWA (by regulatory approach)				Capital charge after cap			
		≤20%	>20% to 50%	>50% to 100%	>100% to <1250% RW	1250%	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250%	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250%	IRB RBA (including IAA)	IRB SFA	SA/SSFA	1250%
(Euros in Millions)																		
1	Total exposures	776	1,452	4,277	-	38	-	-	6,542	-	-	-	5,435	-	-	-	435	-
2	Traditional securitisation	776	1,452	4,277	-	38	-	-	6,542	-	-	-	5,435	-	-	-	435	-
3	Of which securitisation	776	1,452	4,277	-	38	-	-	6,542	-	-	-	5,435	-	-	-	435	-
4	Of which retail underlying	-	-	1,169	-	-	-	-	1,169	-	-	-	1,169	-	-	-	93	-
5	Of which wholesale	776	1,452	3,108	-	38	-	-	5,374	-	-	-	4,266	-	-	-	341	-
6	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4.4 Market Risk

Market risk is the potential change in an instrument's value caused by fluctuations in interest and currency exchange rates, credit spreads or other risks. BAMLI DAC uses a standardised rules maturity based calculation for general market risk. Table 13 presents a breakdown of BAMLI DAC's market risk under the standardised approach.

Table 13: EU MR1 Market risk under the standardised approach

(Euros in Millions)	Q2 2020		Q4 2019	
	a	b	a	b
	RWAs	Capital requirements	RWAs	Capital requirements
Outright products				
1 Interest rate risk (general and specific)	1,035	83	440	35
2 Equity risk (general and specific)	-	-	-	-
3 Foreign exchange risk	219	17	168	13
4 Commodity risk	-	-	-	-
Options				
5 Simplified approach	-	-	-	-
6 Delta-plus method	-	-	-	-
7 Scenario approach	-	-	-	-
8 Securitisation (specific risk)	-	-	-	-
9 Total	1,254	100	608	48

BAMLI DAC's uses the standardised approach for Market Risk. At the year end 31 December 2019 BAMLI DAC used a combination of models approved by the CBI, including Value at Risk (VaR) and the standardised approach. The ("VaR") model was de-activated within Q1 2020.

The Tables 14 through to Table 18 below detail a breakdown of BAMLI DAC's Market Risk under the IMA for Q4 2019 (€nil Q2 2020 following transition to standardised approach) and a reconciliation of movements in RWAs under the IMA.

Table 14: EU MR2-A Market Risk under IMA

(Euros in Millions)	Q2 2020		Q4 2019	
	RWAs	Capital	RWAs	Capital
1 VaR (higher of values a and b)			131	10
(a) Previous day's VaR (Article 365(1) of the CRR (VaRt-1))			-	3
(b) Average of the daily VaR (Article 365(1)) of the CRR on each of the preceding 60 business days (VaRavg) x multiplication factor (mc) in accordance with Article 366 of the CRR			-	10
2 SVaR			476	38
(a) Latest SVaR (Article 365(2) of the CRR (SVaRt-1))			-	9
(b) Average of the SVaR (Article 365(2) of the CRR) during the preceding 60 business days (SVaRavg) x multiplication factor (ms) (Article 366 of the CRR)			-	38
3 IRC			514	41
(a) Most recent IRC value (incremental default and migration risks calculated in accordance with Article 370 and Article 371 of the CRR)			-	41
(b) Average of the IRC number over the preceding 12 weeks			-	40
4 Comprehensive risk measure			-	-
(a) Most recent risk number for the correlation trading portfolio (Article 377 of the CRR)			-	-
(b) Average of the risk number for the correlation trading portfolio over the preceding 12 weeks			-	-
(c) 8% of the own funds requirement in the standardised approach on the most recent risk number for the correlation trading portfolio (Article 338(4) of the CRR)			-	-
5 Other			164	13
6 Total			1,285	102

N/A - Fully standardised from Q1 2020

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 15: EU MR2-B RWA Flow Statements of Market Risk Exposures under IMA

	Q2 2020					
	a	b	c	d	e	f
	VaR	SVaR	IRC	CRM	Other	Total RWAs
(Euros in Millions)						
1 RWAs at previous quarter end						
1a Regulatory adjustment						
1b RWAs at the previous quarter-end (end of the day)						
2 Movement in risk levels						
3 Model updates/changes						
4 Methodology and policy						
5 Acquisitions and disposals						
6 Foreign exchange movements						
7 Other						
8a RWAs at the end of the reporting period (end of the day)						
8b Regulatory adjustment						
8 RWAs at the end of the reporting period						

N/A - Fully standardised from Q1 2020

Table 16: EU MR2-B Prior RWA Flow Statements of Market Risk Exposures under IMA

	Q4 2019					
	a	b	c	d	e	f
	VaR	SVaR	IRC	CRM	Other	Total RWAs
(Euros in Millions)						
1 RWAs at previous quarter end	-	-	-	-	-	-
1a Regulatory adjustment	-	-	-	-	-	-
1b RWAs at the previous quarter-end (end of the day)	-	-	-	-	-	-
2 Movement in risk levels	-	-	-	-	-	-
3 Model updates/changes	131	476	514	-	164	1,284
4 Methodology and policy	-	-	-	-	-	-
5 Acquisitions and disposals	-	-	-	-	-	-
6 Foreign exchange movements	-	-	-	-	-	-
7 Other	-	-	-	-	-	-
8a RWAs at the end of the reporting period (end of the day)	-	-	-	-	-	-
8b Regulatory adjustment	-	-	-	-	-	-
8 RWAs at the end of the reporting period	131	476	514	-	164	1,284

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

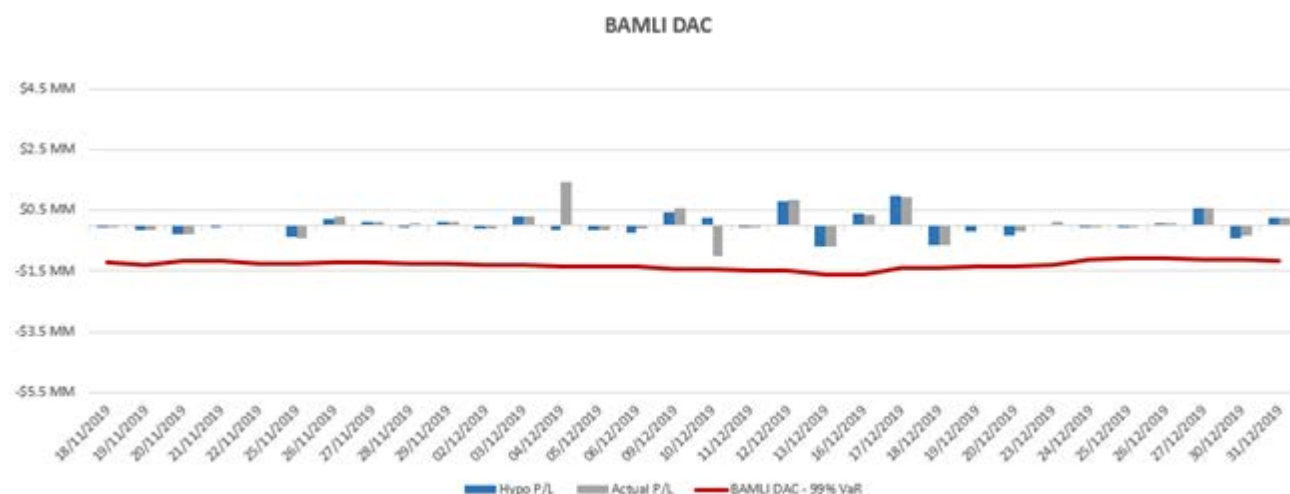
Table 17: EU MR3 IMA values for Trading Portfolios

		Q2 2020	Q4 2019
(Euros in Millions)		a	a
VaR (10 day 99%)			
1	Maximum value	N/A - Fully standardised from Q1 2020	4
2	Average value		3
3	Minimum value		2
4	Period end		3
SVaR (10 day 99%)			-
5	Maximum value		15
6	Average value		11
7	Minimum value		9
8	Period end		9
IRC (99.9%)			-
9	Maximum value		41
10	Average value		40
11	Minimum value		39
12	Period end		41
Comprehensive risk capital charge (99.9%)			-
13	Maximum value		-
14	Average value		-
15	Minimum value		-
16	Period end		-

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 18: EU MR4: Prior Comparison of VaR estimates with Gains / Losses



No comparative data is presented for Q2 2020 following full transition to standardised in Q1 2020

5. Leverage Ratio

The leverage ratio is a measure of Tier 1 capital as a percentage of exposure as defined under the CRR rules.

The requirement for the calculation and reporting of leverage ratios was introduced as part of CRD IV in 2014, and amended by the European Commission Delegated Act (EU) 2015/62 in 2015.

The CRR does not currently include a binding minimum Leverage Ratio requirement. In June 2019, amendments to the CRR were published in the Official Journal of the EU as Regulation (EU) 2019/876. These amendments included a binding minimum Leverage Ratio requirement of 3%, as well as a number of changes to the calculation of the exposure measure. These amendments will apply from 28th June 2021 and currently BAMLI DAC's leverage ratio at 13.4% (Q1 2020: 13.1%) is in excess of the proposed 3% minimum requirement.

The increase in the Leverage Ratio is driven by a decrease in leverage exposure due to a reduction in other assets.

Table 19: Leverage Ratio Summary

(Euros in Millions)	Q2 2020	Q1 2020	Q4 2019
Tier 1 Capital	10,382	10,503	10,492
Total Leverage Ratio Exposures	77,467	80,332	70,669
Leverage Ratio	13.4%	13.1%	14.9%

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

6. Liquidity Coverage Ratio (“LCR”) Disclosures

6.1 LCR Disclosure Guidelines

BAMLI DAC is subject to the LCR, which requires BAMLI DAC to hold a sufficient buffer of eligible High Quality Liquid Assets (“HQLA”) to cover potential cash outflows during the first 30 days of a liquidity stress event.

6.2 LCR Disclosure Template

Table 20 discloses average weighted values of the liquidity buffer, total net cash outflows and the LCR of BAMLI DAC.

Table 20: LCR Disclosure

(Euros in Millions)		Total weighted value (average)			
Quarter ending on		Q3 2019	Q4 2019	Q1 2020	Q2 2020
Number of data points used in the calculation of averages		12	12	12	12
Liquidity Buffer		13,656	16,209	17,536	18,804
Total Net Cash Outflows		8,936	10,576	11,142	12,290
Liquidity Coverage Ratio (%)		304%	153%	158%	155%

Note: The disclosed values and figures within the liquidity buffer, total net cash outflows, and LCR are simple averages of the preceding twelve LCR monthly reporting observations for each quarter. The twelve month average LCR of 304% includes 2 months of activity prior to the Cross Border Merger with Bank of America Merrill Lynch International Limited, which was completed on 1 December 2018. As at 30 September 2019, BAMLI DAC’s actual LCR was 145%.

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

7. Additional Detail on Capital Resources, MREL, Leverage and COVID-19

7.1 Additional Detail on Capital Resources

Table 21 shows a reconciliation between the accounting balance sheet values and the regulatory capital values of the items included in BAMLI DAC's capital resources. Further details on the composition of BAMLI DAC's capital resources are shown in Tables 22 and 23. The Euro: US Dollar exchange rate used at quarter end was 1.1198.

Table 21: Regulatory Capital Resources and Reconciliation to Unaudited Balance Sheet as at 30 June 2020 and the Audited Balance Sheet as at 31 December 2019

<i>(Euros in Millions)</i>	Q2 2020	Q4 2019
Balance per unaudited Financial Statements		
Ordinary Share Capital	29	29
Share Premium	8,091	8,065
Other Equity	53	56
Accumulated other comprehensive income	(40)	(43)
Retained earnings	2,444	2,437
	10,576	10,545
Adjustments to Balance Sheet Items for Regulatory Own Funds		
Debit Valuation Adjustment	(1)	(1)
Prudential Valuation Adjustment	(74)	(52)
Part of interim or year-end profit not eligible	-	-
Other intangible assets	-	-
Adoption of IFRS 9 note eligible	(117)	-
Other Current Year Unaudited (Gains) / Losses	(2)	-
Tier 1 Capital	10,382	10,492
Tier 2 Capital	1,786	1,780
Total Capital Resources (net of deductions)	12,168	12,272

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 22: BAMLI DAC Capital Instrument Features

Capital instruments main features template		1	2	3	4
		CET1	T2	T2	Eligible Liability
1	Issuer	Bank of America Merrill Lynch International DAC	Bank of America Merrill Lynch International DAC	Bank of America Merrill Lynch International DAC	Bank of America Merrill Lynch International DAC
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Private Placement	Private Placement	Private Placement	Private Placement
3	Governing law(s) of the instrument	Irish	N/a	N/a	Irish
Regulatory Treatment					
4	Transitional CRR rules	CET1	T2	T2	Eligible Liability
5	Post-transitional CRR rules	CET1	T2	T2	Eligible Liability
6	Eligible at solo/(sub-)consolidated/ solo & (sub-)consolidated	Solo	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares with full voting rights	Subordinated Loan	Subordinated Loan	Subordinated Loan Non T2
8	Amount recognised in regulatory capital (currency in million, as of most recent	\$32 million comprising nominal	\$1 billion	\$1 billion	\$2 billion
9	Nominal amount of instrument	32,067,011 issued shares @ \$1.00	\$1 billion	\$1 billion	\$2 billion
9a	Issue price	32,067,011 @ \$1.00	\$1 billion	\$1 billion	\$2 billion
9b	Redemption price	N/a	N/a	N/a	N/a
10	Accounting classification	Shareholders equity	Liability - amortised cost	Liability - amortised cost	Liability - amortised cost
11	Original date of issuance	Original allotment Jan 1996 Subsequent allotments Sep 2006 and Mar 2007 and Sep 2017 and Dec 2018	23-May-16	22-Mar-17	10-Feb-20
12	Perpetual or dated	Perpetual	Dated	Dated	Dated
13	Original maturity date	No maturity	23-May-27	22-Mar-28	10-Feb-22
14	Issuer call subject to prior supervisory approval	No	No	No	Yes
15	Optional call date, contingent call dates and redemption amount	N/a	No issuer call date. However, may repay before maturity in the event of a Tax Event or a Capital Disqualification Event, subject to prior supervisory approval.	No issuer call date. However, may repay before maturity in the event of a Tax Event or a Capital Disqualification Event, subject to prior supervisory approval.	No issuer call date. However, may repay in whole or in part at par on any date subject to prior supervisory approval.
16	Subsequent call dates, if applicable	N/a	N/a	N/a	N/a
Coupons / Dividends					
17	Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	N/a	3 month LIBOR plus 176bps per annum	3 month LIBOR plus 133bps per annum	Federal funds rate plus 69 bps
19	Existence of a dividend stopper	No	No	No	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Mandatory	Mandatory	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/a	N/a	N/a	N/a
25	If convertible, fully or partially	N/a	N/a	N/a	N/a
26	If convertible, conversion rate	N/a	N/a	N/a	N/a
27	If convertible, mandatory or optional conversion	N/a	N/a	N/a	N/a
28	If convertible, specify instrument type convertible into	N/a	N/a	N/a	N/a
29	If convertible, specify issuer of instrument it converts into	N/a	N/a	N/a	N/a
30	Write-down features	No	No	No	Yes
31	If write-down, write-down trigger(s)	N/a	N/a	N/a	Central Bank of Ireland as the Irish Regulatory Authority has the authority to trigger the write down of the instrument under the contractual terms if they deem the entity is failing or likely to fail, or if the BAC resolution entity enters into resolution.
32	If write-down, full or partial	N/a	N/a	N/a	Partial
33	If write-down, permanent or temporary	N/a	N/a	N/a	Permanent
34	If temporary write-down, description of write-up mechanism	N/a	N/a	N/a	N/a
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated liability noted in column 2-3	Subordinated to Senior Liabilities	Subordinated to Senior Liabilities	Subordinated to Senior Liabilities
36	Non-compliant transitioned features	No	No	No	No
37	If yes, specify non-compliant features	N/a	N/a	N/a	N/a

(f) Insert 'N/A' if the question is not applicable

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 23: Own Funds Disclosure Template Current and Prior

(Euros in Millions)	Own funds disclosure template	Q2 2020	Q4 2019	Regulation (EU) No 575/2013 Article Reference
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	8,120	8,094	26 (1), 27, 28, 29
	of which: Ordinary shares with full voting rights	29	29	EBA list 26 (3)
	of which: Share premium	8,091	8,065	EBA list 26 (3)
	of which: Capital contribution	-	-	EBA list 26 (3)
2	Retained earnings	2,443	2,437	26 (1) (c)
3	Accumulated other comprehensive income (and other reserves)	12	15	26 (1)
3a	Funds for general banking risk	-	-	26 (1) (f)
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	-	486 (2)
5	Minority interests (amount allowed in consolidated CET1)	-	-	84
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	-	26 (2)
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	10,574	10,545	Sum of rows 1 to 5a
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	191 -	52	34, 105
8	Intangible assets (net of related tax liability) (negative amount)	-	-	36 (1) (b), 37
9	Empty set in the EU	-	-	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	-	36 (1) (c), 38,
11	Fair value reserves related to gains or losses on cash flow hedges	-	-	33(1) (a)
12	Negative amounts resulting from the calculation of expected loss amounts	-	-	36 (1) (d), 40, 159
13	Any increase in equity that results from securitised assets (negative amount)	-	-	32 (1)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	1 -	1	33(1) (b)
15	Defined-benefit pension fund assets (negative amount)	-	-	36 (1) (e), 41
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	-	36 (1) (f), 42
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-	36 (1) (g), 44
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	36 (1) (h), 43, 45, 46, 49 (2) (3), 79
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-	36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) to (3), 79
20	Empty set in the EU	-	-	
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	-	36 (1) (k)
20b	of which: qualifying holdings outside the financial sector (negative amount)	-	-	36 (1) (k) (i), 89 to 91
20c	of which: securitisation positions (negative amount)	-	-	36 (1) (k) (ii), 243 (1) (b), 244 (1) (b), 258
20d	of which: free deliveries (negative amount)	-	-	36 (1) (k) (iii), 379 (3)
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-	-	36 (1) (c), 38, 48 (1) (a)
22	Amount exceeding the 15% threshold (negative amount)	-	-	48 (1)
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	-	36 (1) (i), 48 (1) (b)
24	Empty set in the EU	-	-	
25	of which: deferred tax assets arising from temporary differences	-	-	36 (1) (c), 38, 48 (1) (a)
25a	Losses for the current financial year (negative amount)	-	-	36 (1) (a)
25b	Foreseeable tax charges relating to CET1 items (negative amount)	-	-	36 (1) (l)
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	-	-	36 (1) (j)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	192 -	53	Sum of rows 7 to 20a, 21, 22 and 25a to 27
29	Common Equity Tier 1 (CET1) capital	10,382	10,492	Row 6 minus row 28

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 23: Own Funds Disclosure Template cont'd

(Euros in Millions)	Own funds disclosure template	Q2 2020	Q4 2019	Regulation (EU) No 575/2013 Article Reference
Additional	Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	-		51, 52
31	of which: classified as equity under applicable accounting standards	-		
32	of which: classified as liabilities under applicable accounting standards	-		
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-		486 (3)
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-		85, 86
35	of which: instruments issued by subsidiaries subject to phase out	-		486 (3)
36	Additional Tier 1 (AT1) capital before regulatory adjustments	-		Sum of rows 30, 33 and 34
Additional	Tier 1 (AT1) capital: regulatory adjustments			
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	-		52 (1) (b), 56 (a), 57
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-		56 (b), 58
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		56 (c), 59, 60, 79
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-		56 (d), 59, 79
41	Empty set in the EU	-		
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-		56 (e)
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-		Sum of rows 37 to 42
44	Additional Tier 1 (AT1) capital	-		Row 36 minus row 43
45	Tier 1 capital (T1 = CET1 + AT1)	10,382	10,492	Sum of row 29 and row 44
	Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts	1,786	1,780	62, 63
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-		486 (4)
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-		87, 88
49	of which: instruments issued by subsidiaries subject to phase out	-		486 (4)
50	Credit risk adjustments	-		62 (c) & (d)
51	Tier 2 (T2) capital before regulatory adjustments	1,786	1,780	
	Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	-	63 (b) (i), 66 (a), 67
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-		66 (b), 68
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		66 (c), 69, 70, 79
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-		66 (d), 69, 79
56	Empty set in the EU	-		
57	Total regulatory adjustments to Tier 2 (T2) capital	-		Sum of rows 52 to 56
58	Tier 2 (T2) capital	1,786	1,780	Row 51 minus row 57
59	Total capital (TC = T1 + T2)	12,168	12,280	Sum of row 45 and row 58
60	Total risk weighted assets	49,104	51,732	

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 23: Own Funds Disclosure Template cont'd

(Euros in Millions)	Own funds disclosure template	Q2 2020	Q4 2019	Regulation (EU) No 575/2013 Article Reference
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	21.1%	20.3%	92 (2) (a)
62	Tier 1 (as a percentage of total risk exposure amount)	21.1%	20.3%	92 (2) (b)
63	Total capital (as a percentage of total risk exposure amount)	24.8%	23.7%	92 (2) (c)
	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus systemically important institution buffer expressed as a percentage of risk exposure amount)			CRD 128, 129, 130, 131, 133
64		7.0%	7.4%	
65	of which: capital conservation buffer requirement	2.5%	2.5%	
66	of which: countercyclical buffer requirement	0.0%	0.4%	
67	of which: systemic risk buffer requirement	0.0%	0.0%	
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.0%	0.0%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	15.1%	14.3%	CRD 128
69	[non relevant in EU regulation]	-	-	
70	[non relevant in EU regulation]	-	-	
71	[non relevant in EU regulation]	-	-	
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	-	36 (1) (h), 46, 45, 56 (c), 59, 60, 66 (c), 69, 70
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-	-	36 (1) (i), 45, 48
74	Empty set in the EU	-	-	
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	44	36	36 (1) (c), 38, 48
Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-	62
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	491	472	62
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	-	62
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	-	62
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	-	-	484 (3), 486 (2) & (5)
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-	484 (3), 486 (2) & (5)
82	Current cap on AT1 instruments subject to phase out arrangements	-	-	484 (4), 486 (3) & (5)
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	484 (4), 486 (3) & (5)
84	Current cap on T2 instruments subject to phase out arrangements	-	-	484 (5), 486 (4) & (5)
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	484 (5), 486 (4) & (5)

7.2 Additional Detail on Minimum Requirements for Own Funds & Eligible Liabilities

As part of amendments to the CRR which were published in the Official Journal of the EU as Regulation (EU) 2019/876, the international standard to meet a minimum amount of Total Loss Absorbing Capacity ("TLAC") became effective for certain types of Investment Firms and Credit Institutions in June 2019. Under CRR, material subsidiaries of non EU G-SIs are those that meet the criteria set out in CRR2 (Art.4 para 135). As part of its Brexit application BAMLI DAC was set an iTLAC requirement by the Central Bank of Ireland.

For BAMLI DAC the institution specific internal Minimum Requirements for Own Funds & Eligible Liabilities ("MREL") Target will be set by the Single Resolution Board ("SRB") in early 2021.

MREL resources are comprised of qualifying own funds and eligible liabilities. In order for liabilities that are not capital resources to qualify as eligible they must meet certain criteria, such as having a minimum residual maturity of at least one year and being subordinated to other operating liabilities.

Total MREL resources for BAMLI DAC are equal to Tier 1 capital, Tier 2 instruments plus eligible liabilities issued.

- BAMLI DAC has €10.4bn of Tier 1 capital
- BAMLI DAC has €1.8bn of Tier 2 instruments.
- Eligible Liabilities: On 10 February 2020 BAMLI DAC converted €1.8bn (\$2.0bn) of term BANA funding into MREL eligible liabilities. In the event that BAMLI DAC is projected to fall below iTLAC or MREL requirements then BAMLI DAC can convert additional funding into eligible liabilities with agreement from its parent company BANA. This conversion is subject to the BANA Reg K limit of circa €2.7bn (the Reg K limit is equivalent to 2% of BANA's share capital so this limit can fluctuate).

Table 24: MREL Disclosures

<i>(Euros in Millions)</i>	Q2 2020
Total MREL Resources Available	13,954
Total RWA	49,104
MREL as a percentage of RWA	28.4%
Leverage Ratio Exposure Measure	77,467
MREL as a percentage of Leverage Ratio Exposure Measure	18.0%
Excluded Liabilities	35,935

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

7.3 Additional Detail on Leverage Ratio

The following Tables reconcile the accounting assets to the leverage ratio exposures, detail the leverage ratio common disclosure and provide a split of the on-balance sheet exposures, excluding derivatives and SFTs. BAMLI DAC's leverage ratio is disclosed on a fully phased in basis.

Table 25: Summary Reconciliation of Accounting Assets and Leverage Ratio Exposures Current and Prior

(Euros in Millions)		Q2 2020	Q4 2019
1	Total assets as per financial statements	62,387	52,506
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	-	-
3	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio exposure measure in accordance with Article 429(13) of Regulation (EU) No 575/2013)	-	-
4	Adjustments for derivative financial instruments	(1,763)	(1,082)
5	Adjustments for securities financing transactions (SFTs)	-	-
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	16,819	18,828
EU-6a	(Adjustment for intragroup exposures excluded from the leverage ratio exposure measure in accordance with Article 429 (7) of Regulation (EU) No 575/2013)	-	-
EU-6b	(Adjustment for exposures excluded from the leverage ratio exposure measure in accordance with Article 429 (14) of Regulation (EU) No 575/2013)	-	-
7	Other adjustments	24	417
8	Total leverage ratio exposure	77,467	70,669

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 26: Leverage Ratio Common Disclosure Current and Prior

(Euros in Millions)		Q2 2020	Q4 2019
On-Balance Sheet Exposures (excluding derivatives and SFTs)			
1	On-balance Sheet Items (excluding Derivatives, SFTs and fiduciary assets, but including Collateral)	51,914	46,376
2	Asset Amounts Deducted in Determining Tier 1 Capital	(74)	(53)
3	Total On-Balance Sheet Exposures (excluding derivatives, SFTs and fiduciary assets)	51,840	46,323
Derivative Exposures			
4	Replacement Cost Associated with Derivatives Transactions (net of Eligible Cash Variation Margin)	1,327	1,333
5	Add-on Amounts for PFE Associated with Derivatives Transactions (Mark-to-Market method)	517	402
EU-5a	Exposure Determined under Original Exposure Method	-	-
6	Gross-up for Derivatives Collateral provided where deducted from the Balance Sheet Assets pursuant to the Applicable Accounting Framework	-	-
7	(Deductions of Receivables Assets for Cash Variation Margin provided in Derivatives Transactions)	(1,391)	(1,114)
8	(Exempted CCP leg of Client-Cleared Trade Exposures)	-	-
9	Adjusted Effective Notional Amount of Written Credit Derivatives	-	-
10	(Adjusted Effective Notional Offsets and Add-On Deductions for Written Credit Derivatives)	-	-
11	Total Derivative Exposure	453	621
Securities Financing Transaction Exposures			
12	Gross SFT Assets (With No Recognition of Netting), after Adjusting for Sales Accounting Transactions	8,355	4,897
13	(Netted Amounts of Cash Payables and Cash Receivables of Gross SFT Assets)	-	-
14	Counterparty Credit Risk Exposure for SFT Assets	-	-
EU-14a	Derogation For SFTs: Counterparty Credit Risk Exposure in accordance with Article 429B (4) and 222 of Regulation (Eu) NO. 575/2013	-	-
15	Agent Transaction Exposures	-	-
EU-15a	(Exempted CCP Leg of Client-Cleared SFT Exposure)	-	-
16	Total Securities Financing Transaction Exposures	8,355	4,897
Off-Balance Sheet Exposures			
17	Off-balance Sheet Exposures at Gross Notional Amount	34,900	39,450
18	Adjustments for Conversion to Credit Equivalent Amounts	(18,081)	(20,622)
19	Total Off-Balance Sheet Exposures	16,819	18,828
Exempted Exposures		-	-
EU-19a	(Exemption of Intragroup Exposures (Solo Basis) in accordance with Article 429(7) of Regulation (EU) NO. 575/2013 (On And Off Balance Sheet))	-	-
EU-19b	(Exposures Exempted in accordance with Article 429 (14) of Regulation (EU) NO. 575/2013 (On And Off Balance Sheet))	-	-
Capital and Total Exposures			
20	Tier 1 Capital	10,382	10,492
21	Exposures of Financial Sector Entities According to Article 429(4) Second Subparagraph of Regulation (EU) NO. 575/2013	-	-
	Total Leverage Ratio Exposures	77,467	70,669
Leverage Ratio			
22	Leverage Ratio	13.4%	14.9%
Choice on Transitional Arrangements and Amount of Derecognised Fiduciary Items		-	-
EU-23	Choice on Transitional Arrangements for the Definition of the Capital Measure	Fully phased-in	Fully phased-in
EU-24	Amount of derecognised fiduciary items in accordance with Article 429 (11) of Regulation (EU) No 575/2013	-	-

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 27: Split of On-Balance Sheet Exposures (excluding derivatives and SFTs) Current and Prior

(Euros in Millions)		Q2 2020	Q4 2019
EU-1	Total on-balance sheet exposures (excluding derivatives and SFTs), of which:	50,524	45,262
EU-2	Trading book exposures	1,724	585
EU-3	Banking book exposures, of which:	48,800	44,669
EU-4	Covered bonds	-	-
EU-5	Exposures treated as sovereigns	13,873	10,107
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-	1
EU-7	Institutions	4,629	6,451
EU-8	Secured by mortgages of immovable properties; of which	2,612	2,175
EU-9	Retail exposures	-	-
EU-10	Corporate	20,242	18,416
EU-11	Exposures in default	800	665
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	6,644	6,855

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

7.4 Additional Detail relating to COVID-19

On the 2nd April 2020 the EBA issued its Guidelines on legislative and non-legislative moratoria on loan repayments applied in light of the COVID-19 crisis. Member States have introduced legislative moratoria on loan repayments and various forms of public guarantees to be applied to new lending, amongst other measures. These measures do not automatically trigger forbearance classification or do not automatically lead to the classification of default.

The Tables 28 to 30 below disclose the loans and advances subject to legislative and non-legislative moratoria (including residual maturity) and information on newly originated loans and advances provided under the public guarantee schemes. At 30th June 2020 BAMLI DAC, as shown in the nil disclosure in Tables 28 and 29, does not have any loans and advances subject to legislative and non-legislative moratoria. There are €22.8m of newly originated loans and advances, to other financial and non-financial corporation counterparties, provided under the newly applicable public guarantee schemes which are presented under Table 30.

Table 28: Information on loans and advances subject to legislative and non-legislative moratoria

Q2 2020															
a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	
	Gross carrying amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk								Gross carrying amount
		Performing			Non performing				Performing			Non performing			Inflows to non-performing exposures
		Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days			Of which: exposures with forbearance measures	Of which: Instruments with significant increase in credit risk since initial recognition but not credit-impaired (Stage 2)		Of which: exposures with forbearance measures	Of which: Unlikely to pay that are not past-due or past-due <= 90 days		
(Euros in Millions)															
1 Loans and advances subject to moratorium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2 of which: Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3 of which: Collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4 of which: Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5 of which: Small and Medium-sized Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 29: Breakdown of loans and advances subject to legislative and non-legislative moratoria by residual maturity of moratoria

		Q2 2020								
		a	b	c	d	e	f	g	h	i
		Number of obligors		Gross carrying amount						
				Of which: legislative moratoria	Of which: expired	Residual maturity of moratoria				
						<= 3 months	> 3 months <= 6 months	> 6 months <= 9 months	> 9 months <= 12	> 1 year
(Euros in Millions)										
1	Loans and advances for which moratorium was offered	-	-	-	-	-	-	-	-	-
2	Loans and advances subject to moratorium (granted)	-	-	-	-	-	-	-	-	-
3	of which: Households	-	-	-	-	-	-	-	-	-
4	of which: Collateralised by residential immovable property	-	-	-	-	-	-	-	-	-
5	of which: Non-financial corporations	-	-	-	-	-	-	-	-	-
6	of which: Small and Medium-sized Enterprises	-	-	-	-	-	-	-	-	-
7	of which: Collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-

Table 30: Information on newly originated loans and advances provided under newly applicable public guarantee schemes introduced in response to COVID-19 crisis

		Q2 2020			
		a	b	c	d
		Gross carrying amount		Maximum amount of the guarantee that can be considered	Gross carrying amount
			of which: forbore	Public guarantees received	Inflows to non-performing exposures
(Euros in Millions)					
1	Newly originated loans and advances subject to public guarantee schemes	23	9	-	-
2	of which: Households	-	-	-	-
3	of which: Collateralised by residential immovable property	-	-	-	-
4	of which: Non-financial corporations	9	9	-	-
5	of which: Small and Medium-sized Enterprises	-	-	-	-
6	of which: Collateralised by commercial immovable property	-	-	-	-

Bank of America Merrill Lynch International Designated Activity Company
Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Appendix – Supplementary Disclosure Templates

Table 31: CR1-C Credit quality of exposures by Geography

		Q2 2020							
		a	b	c		d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulate d write-offs	Credit risk adjustment	Net values	
		Defaulted exposures	Non-defaulted exposures				charges of the period	(a+b-c-d)	
(Euros in Millions)									
1	EMEA	1,011	69,917	-	284	83	155	70,644	
2	United Kingdom	261	12,709	-	67	42	28	12,901	
3	France	154	11,516	-	51	-	34	11,619	
4	Netherlands	30	7,734	-	25	-	13	7,739	
5	Germany	5	7,544	-	24	-	16	7,525	
6	Switzerland	97	5,536	-	13	-	11	5,621	
7	Ireland	47	4,020	-	8	-	7	4,059	
8	Luxembourg	3	3,259	-	18	-	9	3,244	
9	Belgium	3	2,878	-	1	-	-	2,880	
10	Spain	187	2,900	-	20	-	11	3,067	
11	Italy	64	2,600	-	17	-	10	2,647	
12	Sweden	-	1,309	-	3	-	-	1,306	
13	Saudi Arabia	-	1,232	-	1	-	1	1,231	
14	Denmark	3	877	-	2	-	1	878	
15	Turkey	-	787	-	2	-	-	785	
16	Austria	-	735	-	2	-	-	733	
17	South Africa	-	677	-	2	-	-	675	
18	United Arab Emirates	-	505	-	1	-	-	504	
19	Other Countries	157	3,098	-	26	42	13	3,230	
20	Americas	79	2,702	-	3	-	1	2,777	
21	United States	78	1,681	-	-	-	-	1,759	
22	Cayman Islands	-	590	-	3	-	-	587	
23	Bermuda	1	322	-	-	-	1	323	
24	Other Countries	-	108	-	-	-	-	108	
25	Asia	-	633	-	-	-	-	633	
26	China	-	373	-	-	-	-	373	
27	Singapore	-	181	-	-	-	-	181	
28	Japan	-	52	-	-	-	-	52	
29	Other Countries	-	27	-	-	-	-	27	
31	Total	1,090	73,252	-	287	83	154	74,054	

CR1-C reports the net values, corresponding to the accounting values reported in the financial statements, according to the scope of regulatory consolidation for exposures under the standardised approach.

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 32: CR1-C Prior Credit quality of exposures by Geography

		Q4 2019							
		a	b	c	d	e	f	g	
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulate d write-offs	Credit risk adjustment	Net values	
		Defaulted exposures	Non-defaulted exposures				charges of the period		(a+b-c-d)
(Euros in Millions)									
1	EMEA	979	68,349	-	129	-	110	5	69,199
2	United Kingdom	341	15,335	-	35	-	81	18	15,641
3	France	124	9,459	-	17	-	-	9	9,566
4	Netherlands	67	7,121	-	12	-	-	2	7,176
5	Germany	5	5,231	-	8	-	-	2	5,228
6	Luxembourg	7	4,793	-	9	-	-	5	4,791
7	Switzerland	65	4,304	-	2	-	-	-	4,367
8	Belgium	-	3,555	-	1	-	-	1	3,554
9	Spain	138	3,001	-	9	-	-	5	3,130
10	Ireland	-	3,019	-	1	-	-	1	3,018
11	Italy	65	2,902	-	7	-	-	4	2,960
12	Sweden	-	1,280	-	3	-	-	1	1,277
13	Saudi Arabia	-	1,141	-	-	-	-	-	1,141
14	Other countries	167	7,208	-	25	-	29	3	7,350
15	Americas	7	2,913	-	4	-	-	1	2,916
16	United States	7	1,704	-	-	-	-	-	1,711
17	Cayman Islands	-	601	-	3	-	-	2	598
18	Other countries	-	608	-	1	-	-	1	607
19	Asia	-	663	-	-	-	-	-	663
20	China	-	374	-	-	-	-	-	374
21	Other countries	-	289	-	-	-	-	-	289
22	Total	986	71,925	-	133	-	110	4	72,778

Table 33: EU CR2-A Current and Prior: Changes in the Stock of General and Specific Credit Risk Adjustments

		Q2 2020		Q4 2019	
		a	b	a	b
		Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
1	Opening balance	-	133	-	129
2	Increases due to amounts set aside for estimated loan losses during the period	-	188	-	38
3	Decreases due to amounts reversed for estimated loan losses during the period	-	(94)	-	(40)
4	Decreases due to amounts taken against accumulated	-	(14)	-	(23)
5	Transfers between credit risk adjustments	-	-	-	-
6	Impact of exchange rate differences	-	-	-	-
7	Business combinations, including acquisitions and	-	-	-	-
8	Other adjustments ¹	-	74	-	29
9	Closing balance	-	287	-	133
10	Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	-	-	-	-
11	Specific credit risk adjustments directly recorded to the statement of profit or loss	-	-	-	-

¹Other adjustments include changes due to update in the methodology used for estimation of credit risk adjustments.

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 34: EU CR2-B Current and Prior Changes in the Stock of Defaulted and Impaired Loans and Debt Securities

		Q2 2020	Q4 2019
		a	a
		Gross carrying value defaulted exposures	Gross carrying value defaulted exposures
(Euros in Millions)			
1	Opening balance	818	670
	Loans and debt securities that have defaulted or impaired since the		
2	last reporting period	353	294
3	Returned to non-defaulted status	(47)	-
4	Amounts written off	(55)	(66)
5	Other changes	(106)	(80)
6	Closing balance	963	818

CRC2-B reports gross carrying values of defaulted exposures and Other changes mainly include unfunded commitment amounts.

Table 35: EU CR3 CRM Techniques – Overview

	Q2 2020				
	Exposures unsecured	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
(Euros in Millions)	Carrying amount				
Total loans	29,943	14,900	8,133	6,759	8
Total debt securities	3,229	261	-	-	261
Total exposures	33,173	15,161	8,133	6,759	268
Of which defaulted	673	-	-	-	-

Table 36: EU CR3 Prior CRM Techniques - Overview

	Q4 2019				
	Exposures unsecured ¹	Exposures to be secured ¹	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
(Euros in Millions)	Carrying amount				
Total loans	25,190	14,324	8,072	6,243	9
Total debt securities	1,448	266	-	-	266
Total exposures	26,637	14,589	8,072	6,243	274
Of which defaulted	497	-	-	-	-
¹ Q4 2019 comparitives have been restated					

¹ Q4 2019 comparatives have been restated

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 37: EU CR4 Standardised Approach – Credit Risk Exposure and CRM Effects

Q2 2020						
	a	b	c	d	e	f
	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
(Euros in Millions)	On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWAs	RWA density
1 Central governments or central banks	13,873	-	13,873	-	281	2%
2 Regional governments or local authorities	-	-	-	-	-	0%
3 Public sector entities	-	-	-	-	-	100%
4 Multilateral development banks	-	2	-	-	-	0%
5 International organisations	-	-	-	-	-	0%
6 Institutions	1,497	533	1,497	362	1,143	62%
7 Corporates	20,242	31,518	20,242	14,158	31,374	91%
8 Retail	-	-	-	-	-	0%
9 Secured by mortgages on immovable property	2,612	158	2,612	79	2,691	100%
10 Exposures in default	800	290	800	91	1,337	150%
11 Higher-risk categories	-	-	-	-	-	0%
12 Covered bonds	-	-	-	-	-	0%
Institutions and corporates with a short-term credit assessment	1,070	792	1,070	319	477	34%
14 Collective investment undertakings	-	-	-	-	-	0%
15 Equity	-	-	-	-	-	0%
16 Other items	528	427	528	427	1,018	107%
17 Total	40,622	33,720	40,622	15,436	38,322	68%

Table 38: EU CR4 Prior Standardised Approach – Credit Risk Exposure and CRM Effects

Q4 2019						
	a	b	c	d	e	f
	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
(Euros in Millions)	On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWAs	RWA density
1 Central governments or central banks	10,107	-	10,107	-	286	3%
2 Regional governments or local authorities	-	-	-	-	0	100%
3 Public sector entities	-	-	-	-	0	100%
4 Multilateral development banks	-	2	-	-	-	0%
5 International organisations	-	-	-	-	-	0%
6 Institutions	1,796	563	1,795	329	1,365	64%
7 Corporates	18,416	36,172	18,416	16,413	31,339	90%
8 Retail	-	-	-	-	-	0%
9 Secured by mortgages on immovable property	2,175	677	2,175	175	2,351	100%
10 Exposures in default	665	322	665	154	1,227	150%
11 Higher-risk categories	-	-	-	-	-	0%
12 Covered bonds	-	-	-	-	-	0%
Institutions and corporates with a short-term credit assessment	760	372	760	198	359	38%
14 Collective investment undertakings	-	-	-	-	-	0%
15 Equity	-	-	-	-	-	0%
16 Other items	523	361	523	361	938	106%
17 Total	34,442	38,469	34,441	17,630	37,867	73%

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 39: EU CR5 Standardised Approach

		Q2 2020																
		Risk weight															Total	Of which unrated
(Euros in Millions)		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
1	Central governments or central banks	13,341	-	-	-	395	-	-	-	-	93	-	44	-	-	-	13,873	93
2	Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	113	-	-	435	-	514	-	-	797	-	-	-	-	-	1,859	677
7	Corporates	-	-	-	-	1,183	-	4,566	-	-	28,243	408	-	-	-	-	34,399	17,934
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	2,691	-	-	-	-	-	2,691	2,691
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	891	-	-	-	-	891	891
11	Higher-risk categories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	759	-	609	-	-	21	-	-	-	-	-	1,389	-
14	Collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	-	-	-	-	-	-	-	-	-	831	125	-	-	-	-	955	290
17	Total	13,341	113	-	-	2,771	-	5,690	-	-	32,675	1,424	44	-	-	-	56,058	22,577

Table 40: EU CR5 Prior Standardised Approach

		Q4 2019																
		Risk weight															Total	Of which unrated
(Euros in Millions)		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
1	Central governments or central banks	9,556	-	-	-	399	-	-	-	-	116	-	36	-	-	-	10,107	116
2	Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	-	-	-	569	-	607	-	-	948	-	-	-	-	-	2,124	802
7	Corporates	-	-	-	-	912	-	5,838	-	-	27,762	317	-	-	-	-	34,830	18,824
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Secured by mortgages on immovable property	-	-	-	-	-	-	-	-	-	2,351	-	-	-	-	-	2,351	2,350
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	818	-	-	-	-	818	648
11	Higher-risk categories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	686	-	99	-	-	173	-	-	-	-	-	958	-
14	Collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Other items	-	-	-	-	-	-	-	-	-	777	108	-	-	-	-	885	747
17	Total	9,556	-	-	-	2,566	-	6,544	-	-	32,127	1,243	36	-	-	-	52,073	23,487

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 41: EU CCR1 Analysis of CCR Exposure by Approach

(Euros in Millions)	Q2 2020					
	a	b	c	d	e	f
	Notional	Replacement cost/current	Potential future credit	EEPE	Multiplier	EAD post CRM
1 Mark to market	-	1,695	966	-	-	1,371
2 Original exposure	-	-	-	-	-	-
3 Standardised approach	-	-	-	-	-	-
4 IMM (for derivatives and SFT's)	-	-	-	-	-	-
5 Of which securities financing transactions	-	-	-	-	-	-
6 Of which derivatives and long settlement transactions	-	-	-	-	-	-
7 Of which from contractual crossproduct netting	-	-	-	-	-	-
8 Financial collateral simple method (for SFTs)	-	-	-	-	-	-
9 Financial collateral comprehensive method (for SFTs)	-	-	-	-	-	41
10 VaR for SFTs	-	-	-	-	-	-
11 Total	-	1,695	966	-	-	1,412

Table 42: EU CCR1 Prior Analysis of CCR Exposure by Approach

(Euros in Millions)	Q4 2019					
	a	b	c	d	e	f
	Notional	Replacement cost/current	Potential future credit	EEPE	Multiplier	EAD post CRM
1 Mark to market	-	1,371	742	-	-	1,084
2 Original exposure	-	-	-	-	-	-
3 Standardised approach	-	-	-	-	-	-
4 IMM (for derivatives and SFT's)	-	-	-	-	-	-
5 Of which securities financing transactions	-	-	-	-	-	-
6 Of which derivatives and long settlement transactions	-	-	-	-	-	-
7 Of which from contractual crossproduct netting	-	-	-	-	-	-
8 Financial collateral simple method (for SFTs)	-	-	-	-	-	-
9 Financial collateral comprehensive method (for SFTs)	-	-	-	-	-	44
10 VaR for SFTs	-	-	-	-	-	-
11 Total	-	1,371	742	-	-	1,128

Table 43: EU CCR2 Current and Prior CVA Capital Charge

(Euros in Millions)	Q2 2020		Q4 2019	
	a	b	a	b
	Exposure value	RWA	Exposure value	RWA
1 Total portfolios subject to the advanced method	-	-	-	-
2 (i) VaR component (including the 3× multiplier)	-	-	-	-
3 (ii) SVaR component (including the 3× multiplier)	-	-	-	-
4 All portfolios subject to the standardised method	1,160	1,039	953	860
EU4 Based on the original exposure method	-	-	-	-
5 Total subject to the CVA capital charge	1,160	1,039	953	860

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 44: EU CCR3 Standardised Approach – CCR Exposures by Regulatory Portfolio and Risk

(Euros in Millions)	Q2 2020													
	Risk weight												Total	Of which unrated
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Deducted		
Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Regional governments or local authorities	-	-	-	-	-	68	-	-	289	-	-	-	356	67
Public sector entities	-	-	-	-	-	166	-	-	-	-	-	-	166	-
Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	-	100	-	-	48	489	-	-	-	-	-	-	638	34
Corporates	-	-	-	-	1	26	-	-	247	-	-	-	273	83
Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	62	4	-	-	12	-	-	-	78	-
Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	100	-	-	111	753	-	-	548	-	-	-	1,512	183

Table 45: EU CCR3 Prior Standardised Approach – CCR Exposures by Regulatory Portfolio and Risk

(Euros in Millions)		Q4 2019													Total	Of which unrated
		Risk weight														
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Deducted			
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Regional governments or local authorities	-	-	-	-	-	75	-	-	296	-	-	-	371	97	
3	Public sector entities	-	-	-	-	-	110	-	-	-	-	-	-	110	-	
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Institutions	-	24	-	-	31	415	-	-	-	-	-	-	471	25	
7	Corporates	-	-	-	-	-	40	-	-	99	-	-	-	139	44	
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	53	7	-	-	1	-	-	-	61	-	
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Total	-	24	-	-	84	647	-	-	396	-	-	-	1,152	166	

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 46: EU CCR5-A Impact of Netting and Collateral Held on Exposures Values

Q2 2020					
	a	b	c	d	e
	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
(Euros in Millions)		Applied		Used	
1 Derivatives	2,718	1,023	1,695	753	943
2 SFTs	8,355	-	8,355	8,271	84
3 Cross-product netting	-	-	-	-	-
4 Total	11,073	1,023	10,050	9,023	1,026

Table 47: EU CCR5-A Prior Impact of Netting and Collateral Held on Exposures Values

Q4 2019					
	a	b	c	d	e
	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
(Euros in Millions)		Applied		Used	
1 Derivatives	2,217	842	1,375	227	1,148
2 SFTs	4,896	-	4,896	4,994	44
3 Cross-product netting	-	-	-	-	-
4 Total	7,113	842	6,271	5,220	1,191

Table 48: EU CCR5-B Composition of Collateral for Exposures to CCR

Q2 2020					
	a	b	c	d	e
	Collateral used in derivative transactions				Collateral used in SFTs
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral
(Euros in Millions)	Segregated	Unsegregated	Segregated	Unsegregated	Fair value of posted collateral
Cash	-	729	-	1,385	8,475
Total	-	729	-	1,385	8,475

Table 49: EU CCR5-B Prior Composition of Collateral for Exposures to CCR

Q4 2019					
	a	b	c	d	e
	Collateral used in derivative transactions				Collateral used in SFTs
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral
(Euros in Millions)	Segregated	Unsegregated	Segregated	Unsegregated	Fair value of posted collateral
Cash	-	596	-	1,114	4,994
Total	-	596	-	1,114	4,994

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 50: EU CCR6 Credit Derivatives Exposure

(Euros in Millions)	Q2 2020		
	a	b	c
	Credit derivative hedges		Other credit derivatives
	Protection bought	Protection sold	
Notionals			
Single-name credit default swaps	2,086	50	-
Index credit default swaps	-	-	-
Total return swaps	92	-	-
Credit options	-	-	-
Other credit derivatives	-	-	-
Total notionals	2,178	50	-
Fair values			
Positive fair value (asset)	45	-	-
Negative fair value (liability)	35	-	-

Table 51: EU CCR 6 Prior Credit Derivatives Exposure

(Euros in Millions)	Q4 2019		
	a	b	c
	Credit derivative hedges		Other credit derivatives
	Protection bought	Protection sold	
Notionals			
Single-name credit default swaps	1,658	30	-
Index credit default swaps	-	-	-
Total return swaps	92	-	-
Credit options	-	-	-
Other credit derivatives	-	-	-
Total notionals	1,750	30	-
Fair values			
Positive fair value (asset)	32	-	-
Negative fair value (liability)	34	-	-

Movement in single-name credit derivative swaps is primarily driven by an increase in intercompany trades.

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 52: EU CCR8 Exposures to CCPs

		Q2 2020	
		a	b
(Euros in millions)		EAD post CRM	RWA's
1	Exposures to QCCPs (total)		4
2	Exposures for trades at QCCPs (excluding initial margin and default fund	87	4
3	(i) OTC derivatives	43	1
4	(ii) Exchange-traded derivatives	-	-
5	(iii) SFTs	44	1
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	126	3
9	Prefunded default fund contributions	41	-
10	Alternative calculation of own funds requirements for exposures		-
11	Exposures to non-QCCPs (total)		-
	Exposures for trades at non-QCCPs (excluding initial margin and default f	-	-
13	(i) OTC derivatives	-	-
14	(ii) Exchange-traded derivatives	-	-
15	(iii) SFTs	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

No comparatives are presented for Q4 2019 as there was no exposure.

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 53: NPE Template 1 Credit Quality of Forborne Exposures

		Q2 2020							
		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		
			Of which defaulted	Of which impaired				Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
(Euros in Millions)									
1	Loans and advances	824	548	548	548	(33)	(63)	602	246
2	Central banks	-	-	-	-	-	-	-	-
3	General governments	-	-	-	-	-	-	-	-
4	Credit institutions	-	-	-	-	-	-	-	-
7	Other financial corporations	68	180	180	180	(1)	(9)	179	111
6	Non-financial corporations	756	367	367	367	(32)	(54)	423	134
7	Households	-	-	-	-	-	-	-	-
8	Debt securities	-	-	-	-	-	-	-	-
9	Loan commitments given	183	38	38	38	-	-	-	-
10	Total	1,007	586	586	586	(33)	(63)	602	246

Bank of America Merrill Lynch International Designated Activity Company
Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 54: NPE Template 1 Prior Credit Quality of Forborne Exposures

		Q4 2019							
		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne		
			Of which defaulted	Of which impaired				Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
(Euros in Millions)									
1	Loans and advances	182	305	305	305	(4)	(15)	169	105
2	Central banks	-	-	-	-	-	-	-	-
3	General governments	-	-	-	-	-	-	-	-
4	Credit institutions	-	-	-	-	-	-	-	-
7	Other financial corporations	13	114	114	114	(1)	(2)	46	41
6	Non-financial corporations	169	191	191	191	(4)	(13)	122	63
7	Households	-	-	-	-	-	-	-	-
8	Debt securities	-	-	-	-	-	-	-	-
9	Loan commitments given	75	37	37	37	-	-	-	-
10	Total	257	342	342	342	(4)	(15)	169	105

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 55: NPE Template 3 Credit Quality of Performing and Non-performing Exposures by Past Due Days

		Q2 2020											
		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
(Euros in Millions)		Not past due or past due < 30 days	Past due > 30 days < 90 days		Unlikely to pay that are not past due or are past due < 90 days	Past due > 90 days < 180 days	Past due > 180 days < 1 year	Past due > 1 year < 2 years	Past due > 2 year < 5 years	Past due > 5 year < 7 years	Past due > 7	Of which defaulted	
1	Loans and advances	54,416	54,409	7	673	673	-	-	-	-	-	673	
2	Central banks	11,112	11,112	-	-	-	-	-	-	-	-	-	
3	General governments	548	548	-	-	-	-	-	-	-	-	-	
4	Credit institutions	9,726	9,726	-	-	-	-	-	-	-	-	-	
7	Other financial corporations	18,586	18,584	2	268	268	-	-	-	-	-	268	
6	Non-financial corporations	14,444	14,440	5	405	405	-	-	-	-	-	405	
7	Of which SME's	17	16	-	-	-	-	-	-	-	-	-	
8	Households	-	-	-	-	-	-	-	-	-	-	-	
9	Debt securities	2,975	2,975	-	-	-	-	-	-	-	-	-	
10	Central banks	-	-	-	-	-	-	-	-	-	-	-	
11	General governments	2,975	2,975	-	-	-	-	-	-	-	-	-	
12	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	
13	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	
14	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	
15	Off-balance-sheet exposures	34,609	-	-	291	-	-	-	-	-	-	-	
16	Central banks	-	-	-	-	-	-	-	-	-	-	-	
17	General governments	0	-	-	-	-	-	-	-	-	-	-	
18	Credit institutions	473	-	-	-	-	-	-	-	-	-	-	
19	Other financial corporations	9,114	-	-	34	-	-	-	-	-	-	-	
20	Non-financial corporations	25,022	-	-	256	-	-	-	-	-	-	-	
21	Households	-	-	-	-	-	-	-	-	-	-	-	
22	Total	92,000	57,384	7	963	673	-	-	-	-	-	673	

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 56: NPE Template 3 Prior Credit Quality of Performing and Non-performing Exposures by Past Due Days

		Gross carrying amount/nominal amount											
		a	b	c	d	e	f	g	h	i	j	k	l
		Performing exposures			Non-performing exposures								
		Not past due or past due < 30 days	Past due > 30 days < 90 days		Unlikely to pay that are not past due or are past due < 90 days	Past due > 90 days < 180 days	Past due > 180 days < 1 year	Past due > 1 year < 2 years	Past due > 2 year < 5 years	Past due > 5 year < 7 years	Past due > 7	Of which defaulted	
(Euros in Millions)													
1	Loans and advances	46,925	46,922	3	497	497	-	-	-	-	-	-	497
2	Central banks	8,150	8,150	-	-	-	-	-	-	-	-	-	-
3	General governments	511	511	-	-	-	-	-	-	-	-	-	-
4	Credit institutions	12,428	12,428	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	12,846	12,846	-	151	151	-	-	-	-	-	-	151
6	Non-financial corporations	12,991	12,988	3	346	346	-	-	-	-	-	-	346
7	Of which SME's	16	16	-	-	-	-	-	-	-	-	-	-
8	Households	-	-	-	-	-	-	-	-	-	-	-	-
9	Debt securities	1,402	1,402	-	-	-	-	-	-	-	-	-	-
10	Central banks	-	-	-	-	-	-	-	-	-	-	-	-
11	General governments	1,402	1,402	-	-	-	-	-	-	-	-	-	-
12	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-
13	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
14	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
15	Off-balance-sheet exposures	39,128	-	-	321	-	-	-	-	-	-	-	-
16	Central banks	-	-	-	-	-	-	-	-	-	-	-	-
17	General governments	-	-	-	-	-	-	-	-	-	-	-	-
18	Credit institutions	778	-	-	-	-	-	-	-	-	-	-	-
19	Other financial corporations	12,107	-	-	44	-	-	-	-	-	-	-	-
20	Non-financial corporations	26,243	-	-	277	-	-	-	-	-	-	-	-
21	Households	-	-	-	-	-	-	-	-	-	-	-	-
22	Total	87,455	48,324	3	818	497	-	-	-	-	-	-	497

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 57: NPE Template 4 Performing and Non-performing Exposures and Related Provisions

		Q2 2020																	
		a	b	c	d	e	f	g	h		i	j	k		l	m	n		o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulate d partial write-off	Collateral and financial guarantees received				
Performing exposures		Non-performing exposures				Performing exposures – accumulated impairment and provisions			Non-performing exposures exposures – accumulated impairment, accumulated negative				On performing exposures	On non- performing exposures					
															Of which stage 1	Of which stage 2	Of which stage 2	Of which stage 3	Of which stage 1
(Euros in Millions)																			
1	Loans and advances	54,416	50,391	4,026	673	-	673	-	145	-	60	-	85	-	95	-	62	14,817	150
2	Central banks	11,112	11,112	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	General governments	548	548	-	-	-	-	-	-	-	-	-	-	-	-	-	-	186	-
4	Credit institutions	9,726	9,451	275	-	-	-	-	5	-	4	-	1	-	-	-	-	181	-
7	Other financial corporations	18,586	17,292	1,294	268	-	268	-	47	-	26	-	21	-	32	-	16	5,912	46
6	Non-financial corporations	14,444	11,988	2,456	405	-	405	-	93	-	31	-	62	-	64	-	46	8,537	104
7	Of which SME's	17	2	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Debt securities	2,975	2,975	-	-	-	-	-	1	-	1	-	-	-	-	-	-	-	-
10	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	General governments	2,975	2,975	-	-	-	-	-	1	-	1	-	-	-	-	-	-	-	-
12	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Off-balance-sheet exposures	34,609	33,267	1,343	291	-	291	-	50	-	40	-	10	-	5	-	-	-	-
16	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Credit institutions	473	373	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Other financial corporations	9,114	8,638	476	34	-	34	-	10	-	5	-	5	-	-	-	-	-	-
20	Non-financial corporations	25,022	24,255	766	256	-	256	-	40	-	35	-	5	-	5	-	-	-	-
21	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Total	92,000	86,632	5,368	963	-	963	-	196	-	101	-	95	-	101	-	62	14,817	150

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 58: NPE Template 4 Prior Performing and Non-performing Exposures and Related Provisions

(Euros in Millions)		Q4 2019																		
		a	b	c	d	e	f	g	h		i	j	k		l	m	n		o	
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to										Accumulated partial write-off	Collateral and financial	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated				Non-performing exposures							On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3								
1	Loans and advances	46,925	46,367	558	497	-	497	-	56	-	36	-	21	-	25	-	8	14,817	150	
2	Central banks	8,150	8,150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	General governments	511	511	-	-	-	-	-	-	-	-	-	-	-	-	-	-	186	-	
4	Credit institutions	12,428	12,428	-	-	-	-	-	3	-	3	-	-	-	-	-	-	181	-	
7	Other financial corporations	12,846	12,658	188	151	-	151	-	23	-	13	-	10	-	7	-	3	5,912	46	
6	Non-financial corporations	12,991	12,621	371	346	-	346	-	31	-	20	-	11	-	18	-	5	8,537	104	
7	Of which SME's	16	-	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Debt securities	1,402	1,402	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	General governments	1,402	1,402	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Off-balance-sheet exposures	39,128	38,600	529	321	-	321	-	45	-	33	-	12	-	9	-	-	-	-	
16	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	General governments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Credit institutions	778	778	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Other financial corporations	12,107	11,785	322	44	-	44	-	21	-	14	-	7	-	3	-	-	-	-	
20	Non-financial corporations	26,243	26,036	207	277	-	277	-	23	-	19	-	5	-	7	-	-	-	-	
21	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
22	Total	87,455	86,369	1,087	818	-	818	-	101	-	69	-	33	-	34	-	8	14,817	150	

Bank of America Merrill Lynch International Designated Activity Company

Pillar 3 Disclosure for the Quarter Ended 30 June 2020

Table 59: NPE Template 9 Current and Prior Collateral Obtained by Taking Proceession and Execution Processes

		Q2 2020		Q4 2019	
		a	b	a	b
		Collateral obtained by taking		Collateral obtained by taking	
		Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
<i>(Euros in Millions)</i>					
1	Property, plant and equipment (PP&E)	-	-	-	-
2	Other than PP&E	-	-	-	-
3	Residential immovable property	-	-	-	-
4	Commercial Immovable property	-	-	-	-
5	Movable property (auto, shipping, etc.)	-	-	-	-
6	Equity and debt instruments	-	-	-	-
7	Other	-	-	-	-
8	Total	-	-	-	-