

**Supplemental Listing Document for**  
**40,000,000 Category R Bear CBBCs in relation to the Hang Seng Index**  
**in Global Registered Form 2012**  
**(Stock Code: 62172)**

issued by

**Merrill Lynch International & Co. C.V.**

*(A Curaçao limited partnership)*

**and unconditionally and irrevocably guaranteed by**

**Bank of America Corporation**

*(Incorporated in the State of Delaware, United States of America)*

*Manager*

**Merrill Lynch Far East Limited**

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This document includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange’s Listing Rules”) for the purpose of giving information with regard to the issuer, the guarantor of the callable bull/bear contracts (the “CBBCs”) and the CBBCs.

The issuer and, with respect to information about the guarantee, and the guarantor, the guarantor accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement in the listing documents (as defined on page 2) misleading.

Investors are warned that the price of the CBBCs may fall in value as rapidly as it may rise and the CBBCs may be called at zero prior to expiry or expire at zero and investors may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the CBBCs and carefully study the risk factors set out in the listing documents and, where necessary, seek professional advice, before they invest in the CBBCs.

The CBBCs constitute general unsecured contractual obligations of the issuer and of no other person and if you purchase the CBBCs you are relying upon the creditworthiness of the issuer and the guarantor and have no rights under the CBBCs against the companies which have issued the securities comprising the underlying index, Hang Seng Indexes Company Limited or Hang Seng Data Services Limited.

The CBBCs are structured products which involve derivatives. Do not invest in them unless you fully understand and are willing to assume the risks associated with them.

The issuer and the guarantor are part of a large global financial institution and have many financial products and contracts outstanding at any given time. When purchasing the CBBCs, you will be relying upon the creditworthiness of the issuer and the guarantor and of no one else.

CBBCs may not be offered, sold, resold, traded, pledged, exercised, transferred or otherwise delivered, directly or indirectly, within the United States or to or for the account or benefit of U.S. persons. See “Purchase and Sale – No ownership by United States Persons” on page 30 of the base listing document.

**This Supplemental Listing Document is dated 21 May 2012**

## IMPORTANT

If you are in doubt as to the contents of this supplemental listing document, you should obtain independent professional advice.

We, the issuer of the CBBCs, are publishing this supplemental listing document in order to obtain a listing of the CBBCs on the Stock Exchange. You should read:

- this supplemental listing document; and
- our base listing document dated 19 March 2012;

(together, the “**listing documents**”) to understand the CBBCs before deciding whether to buy the CBBCs.

Copies of the listing documents (together with Chinese translation of each of the listing documents) and other documents set out in the section headed “Where can I read copies of the documentation relating to the CBBCs?” in this document may be inspected at the offices of Merrill Lynch Far East Limited, 15th Floor, Citibank Tower, 3 Garden Road, Central, Hong Kong. These offices are open only during normal business hours and not on Saturdays, Sundays or public holidays.

上市文件(及各上市文件的英文本)及本文件「閣下可在哪裏閱讀牛熊證有關文件的副本？」一節所列的其他文件，可於美林遠東有限公司(地址為香港中環花園道3號花旗銀行大廈15樓)辦事處查閱。辦事處的營業時間為一般辦公時間，星期六、星期日及公眾假期除外。

We cannot give you investment advice; you must decide for yourself, after seeking professional advice, whether the CBBCs meet your investment needs.

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## KEY TERMS

The legal terms and conditions of our CBBCs are constituted by the relevant terms and conditions set out in the section headed “Terms and Conditions of the Cash-Settled Callable Bull/Bear Contracts Relating to an Index” in Part D of Annex 1 to the base listing document, as supplemented by this supplemental listing document. You should read the relevant terms and conditions set out in our base listing document together with the specific terms in this supplemental listing document before deciding whether to buy the CBBCs.

<b>Issuer:</b>	Merrill Lynch International & Co. C.V.
<b>Guarantor:</b>	Bank of America Corporation
<b>Guarantor’s long-term senior unsecured debt ratings as of the Launch Date:</b>	A- Standard and Poor’s Financial Services LLC (with negative outlook) A Fitch Ratings Ltd. (with stable outlook) Baa1 Moody’s Investors Service, Inc. (outlook: Review for Possible Downgrade)
<b>Manager:</b>	Merrill Lynch Far East Limited
<b>Liquidity Provider:</b>	Merrill Lynch Far East Limited
<b>Stock Code:</b>	62172
<b>Issue Size:</b>	40,000,000 CBBCs
<b>Category:</b>	Category R Bear CBBCs
<b>Underlying Asset:</b>	Index
<b>Index:</b>	Hang Seng Index (Index Code: HSI)
<b>Index Sponsor:</b>	Hang Seng Indexes Company Limited
<b>Index Exchange:</b>	The Stock Exchange of Hong Kong Limited
<b>Issue Price:</b>	HK\$0.25 per CBBC
<b>Board Lot:</b>	10,000 CBBCs
<b>Launch Date:</b>	15 May 2012
<b>Issue Date:</b>	21 May 2012
<b>Dealing Commencement Date:</b>	Expected to be 22 May 2012

<b>Closing Level:</b>	The final settlement price of the Hang Seng Index December 2012 Futures Contracts determined pursuant to the Regulations for Trading Stock Index Futures and the Contract Specifications for Hang Seng Index Futures Contracts (as amended from time to time) of the Hong Kong Futures Exchange Limited, subject to our right to determine the Closing Level in good faith on the Valuation Date upon the occurrence of a Market Disruption Event as described further in the terms and conditions of CBBCs.
<b>Expiry Date:</b>	28 December 2012, or if such day is not a day on which the Index Futures Contracts expire on the Hong Kong Futures Exchange Limited, the date on which the Index Futures Contracts will expire on the Hong Kong Futures Exchange Limited or its successor or assign.
<b>Valuation Date:</b>	Expiry Date
<b>Observation Period:</b>	The period from and including the Observation Commencement Date to and including the Observation End Date.
<b>Observation Commencement Date:</b>	The Dealing Commencement Date on the Stock Exchange, expected to be 22 May 2012.
<b>Observation End Date:</b>	The Trading Day immediately before the Expiry Date, expected to be 27 December 2012.
<b>Call Level:</b>	20,600.00
<b>Strike Level:</b>	20,800.00
<b>Index Currency Amount:</b>	HK\$1.00
<b>Divisor:</b>	10,000
<b>Form:</b>	Global registered form
<b>Mandatory Call Event:</b>	A Mandatory Call Event occurs when the Spot Level of the Index, at any time on any Index Business Day during the Observation Period is: <ul style="list-style-type: none"> <li>(a) in the case of a series of Bull CBBCs, at or below the Call Level; or</li> <li>(b) in the case of a series of Bear CBBCs, at or above the Call Level.</li> </ul>

The CBBCs will terminate automatically upon the occurrence of a Mandatory Call Event and we will give notice of such Mandatory Call Termination to the holders of the CBBCs.

**Automatic Exercise:**

Any CBBCs with respect to which a Mandatory Call Event has not occurred on or prior to the Observation End Date shall be deemed to be automatically exercised on the Expiry Date.

**Cash Settlement Amount per Board Lot:**

If no Mandatory Call Event has occurred and the CBBCs are deemed automatically exercised on the Expiry Date,

*In the case of a series of Bull CBBCs:*

$$\frac{(\text{Closing Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

*In the case of a series of Bear CBBCs:*

$$\frac{(\text{Strike Level} - \text{Closing Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

Where the above formula results in a negative amount, the Cash Settlement Amount shall be zero.

**Residual Value per Board Lot:**

Upon termination of the CBBCs following the occurrence of a Mandatory Call Event, for each Board Lot, you may receive the Residual Value (if any) calculated as follows:

*In the case of a series of Bull CBBCs:*

$$\frac{(\text{Minimum Index Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

*In the case of a series of Bear CBBCs:*

$$\frac{(\text{Strike Level} - \text{Maximum Index Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

provided that if the above formula produces a negative amount, the Residual Value shall be deemed to be zero.

Where:

“**Minimum Index Level**” means the lowest Spot Level of the Index during the MCE Valuation Period.

“**Maximum Index Level**” means the highest Spot Level of the Index during the MCE Valuation Period.

“**MCE Valuation Period**” means the period commencing from and including the moment upon which the Mandatory Call Event occurs and up to the end of the following trading session on the Index Exchange.

“**Spot Level**” means the spot level of the Index as compiled and published by the Index Sponsor.

<b>Payment of Cash Settlement Amount:</b>	<p>If the CBBCs are early terminated upon the occurrence of a Mandatory Call Event or automatically exercised on the Expiry Date, for each Board Lot of our CBBCs, we will pay the holder of our CBBCs no later than the third CCASS Settlement Day following the end of the MCE Valuation Period or the Valuation Date (as the case may be), the Cash Settlement Amount (in Hong Kong dollars) calculated as per above. For these purposes, “CCASS Settlement Day” has the meaning ascribed to the term “Settlement Day” in the General Rules of the Central Clearing and Settlement System (CCASS) and the CCASS Operational Procedures in effect from time to time, subject to such modification and amendment prescribed by HKSCC from time to time.</p> <p><b>You should note that if the Cash Settlement Amount upon the occurrence of the Mandatory Call Event or on the Expiry Date is less than or equal to zero, you will lose the entire value of your investment in the CBBCs.</b></p>
<b>Funding cost as of the Launch Date:</b>	<p>HK\$0.1435</p> <p>The funding cost is calculated in accordance with the following formula:</p> $\frac{\text{Strike Level} \times \text{Funding Rate} \times n/365 \times \text{HK\$1}}{\text{Divisor}}$ <p>where,</p> <ul style="list-style-type: none"> <li>(i) “n” is the number of days remaining to expiration; initially, “n” is the number of days from (and including) the Launch Date to (and including) the Trading Day immediately preceding the Expiry Date; and</li> <li>(ii) the funding rate will fluctuate throughout the term of the CBBCs as further described in the “Risk Factors” section in this supplemental listing document.</li> </ul>
<b>Funding rate as of the Launch Date:</b>	11.0935%
<b>Exercise Expense:</b>	If any expenses are incurred in relation to the automatic termination of the CBBCs upon Mandatory Call Event or Automatic Exercise on expiry, you will be deemed to have given an irrevocable authorisation to us to deduct each amount from the Cash Settlement Amount.
<b>Transfers of the CBBCs:</b>	The CBBCs may only be transferred in Board Lots or integral multiples of Board Lots in accordance with the rules of CCASS. Currently, any transfer of the CBBCs on the Stock Exchange must be made no later than 2 Trading Days after the dealing is entered into.
<b>Ranking of the CBBCs:</b>	Upon the occurrence of a Mandatory Call Event or an Automatic Exercise on expiry, the CBBCs will become our direct, unconditional, unsecured and unsubordinated obligations ranking equally with all our other direct, unconditional, unsecured and unsubordinated obligations.

- Guarantee:** Subject to the detailed terms of the guarantee, our obligations under the CBBCs will be unconditionally and irrevocably guaranteed by the guarantor, Bank of America Corporation.
- Listing:** We have made an application to the Listing Committee of the Stock Exchange for listing of and permission to deal in the CBBCs and the Listing Committee has agreed in principle to grant listing of and permission to deal in the CBBCs. The issue of the CBBCs is conditional upon such listing approval being granted.
- Currently, we do not intend to apply for a listing of the CBBCs on any other stock exchange.
- Our dealings in the CBBCs:** Following the launch of the CBBCs, we will place all of the CBBCs with a related party. If there are any dealings in the CBBCs by us or any of our subsidiaries or associated companies from the launch date to the listing date, we will report those dealings to the Stock Exchange on the Dealing Commencement Date to be released over the website of the Hong Kong Exchanges and Clearing Limited.
- We and/or any of our affiliates may repurchase the CBBCs at any time, and sell the CBBCs on-market or via over-the-counter market or otherwise, at prevailing market prices or in negotiated transactions. You should not make any assumption as to the number of CBBCs in issue at any time.
- Terms and conditions:** See the section headed “Terms and Conditions of the Cash-Settled Callable Bull/Bear Contracts Relating to an Index” as set out in Part D of Annex 1 to the base listing document, as supplemented by this supplemental listing document.

## MORE INFORMATION ABOUT THE CBBCS AND THE LISTING DOCUMENTS

### Who should buy the CBBCs? Are they suitable for everyone?

The CBBCs are designed for investors who:

- are generally bullish/bearish on the price performance of the underlying asset over the life of the CBBCs but understand that there are numerous other factors affecting the value of the CBBCs at any time;
- can accept the risks associated with the CBBCs described in the section headed “Risk Factors” of our listing documents including the risk of losing the entire value of their investment upon the occurrence of a mandatory call event or on expiry;
- understand that they have no rights in the underlying asset;
- realise that prices of CBBCs may fluctuate and the liquidity of the CBBCs may be limited; and
- understand that any given percentage change in the Index level could lead to a much larger percentage change in the theoretical value of the CBBCs.

### Who will determine the mandatory call event, the cash settlement amount and adjustments (if any) in the event of any replacement, modification and failure to publish of the index etc?

We will determine whether a mandatory call event has occurred and the cash settlement amount (including any discretionary additional amount) in accordance with the terms and conditions of the CBBCs. We have also appointed Merrill Lynch Far East Limited as the agent to make determinations on our behalf in the event of any replacement, modification or failure to publish of the Index in accordance with the terms and conditions of the CBBCs. We and/or the agent have sole and absolute discretion in making these determinations under the legal documentation and any decision they make is final and binding on you and on us. The agent is our agent: it owes no duties to you as investors in the CBBCs.

### Who are responsible for the listing documents?

We and the guarantor accept full responsibility for the accuracy of the information contained in the listing documents.

We have included references to websites to guide you to sources of freely available information. The information on these websites does not form part of our listing documents. Neither we nor the guarantor accept any responsibility for information on these websites.

The listing documents are accurate as of the date of this supplemental listing document. You must not assume, however, that information in our listing documents is accurate at any time after the date of this supplemental listing document.

The manager and the liquidity provider are not responsible in any way to ensure the accuracy of our listing documents.

### What are our and the guarantor’s credit ratings?

Neither the CBBCs nor we are rated. The guarantor’s long-term debt ratings (as of the launch date) are as set out in the section headed “Key Terms” of this supplemental listing document.

You may visit <http://investor.bankofamerica.com> to obtain information about the guarantor’s credit ratings. Rating agencies usually receive a fee from the companies that they rate.

When evaluating our and the guarantor’s creditworthiness, you should not solely rely on the guarantor’s credit ratings because:

- (a) a credit rating is not a recommendation to buy, sell or hold the CBBCs;
- (b) ratings of companies may involve difficult-to-quantify factors such as market competition, the success or failure of new products and markets and managerial competence; and
- (c) a high credit rating is not necessarily indicative of low risk.

The guarantor's credit ratings and outlooks as of the launch date are for reference only. Any subsequent changes to the guarantor's ratings or outlooks may result in changes to the value of the CBBCs.

**Is the issuer or guarantor regulated by the Hong Kong Monetary Authority, an overseas regulatory authority or the Securities and Futures Commission of Hong Kong (the "SFC")?**

Neither we nor the guarantor is regulated by any of the bodies referred to in Rule 15A.13(2) or (3) of the Stock Exchange's Listing Rules. The guarantor is a corporation organised under the laws of the State of Delaware, and certain of its affiliates are registered as broker dealers and investment advisers with the United States Securities and Exchange Commission (the "US SEC").

**Where can I find more information about the issuer, the guarantor and the CBBCs?**

Information on us, the guarantor and the CBBCs is described in the listing documents. Please read all of the listing documents together carefully before you decide whether to buy the CBBCs. Our base listing document contains important information, including information about:

- Merrill Lynch International & Co. C.V. as issuer of the CBBCs;
- Bank of America Corporation as guarantor;
- investment risks associated with buying the CBBCs;
- Hong Kong and Curaçao taxation issues in relation to the CBBCs;
- the arrangements for holding and transferring the CBBCs in CCASS and how we make payments and give notices; and
- the legally binding terms and conditions of the CBBCs.

The quarterly report of the guarantor on Form 10-Q for the period ended 31 March 2012 was filed by the guarantor with the US SEC on 3 May 2012. Extracts of the quarterly report have been set out in Annex 1 to this supplemental listing document.

The guarantor files reports, statements and other information with the US SEC from time to time. Additional information regarding the guarantor may be available on the website [www.sec.gov](http://www.sec.gov). You are cautioned that this information (if available) will not have been prepared exclusively for the purposes of the CBBCs.

We have not authorised anyone to give you any information about the CBBCs other than the information in the listing documents. You should not rely on any other information.

**When were the CBBCs authorised?**

The issue of the CBBCs was authorised by a consent in writing of partners of the issuer in lieu of meeting on 22 May 2008.

**Where can I read copies of the documentation relating to the CBBCs?**

This supplemental listing document contains only a summary description about us, the guarantor and the CBBCs. To find out more, you can read copies of the documents set out below by going to the offices of Merrill Lynch Far East Limited, 15th Floor, Citibank Tower, 3 Garden Road, Central, Hong Kong. These offices are open only during normal business hours and not on Saturdays, Sundays or public holidays.

These are the documents, copies of which may be inspected upon request until the expiry date of the CBBCs:

- (a) our by-laws;
- (b) the guarantor's Certificate of Incorporation and By-laws, each as amended;
- (c) our 2010 annual report;
- (d) as they become available, our interim financial reports;
- (e) the annual report on Form 10-K for the fiscal year ended 31 December 2011 of the guarantor;
- (f) as they become available, the quarterly reports on Form 10-Q of the guarantor;

- (g) the guarantee in connection with the issuance of the structured product dated 19 March 2012;
- (h) the consent letter from PricewaterhouseCoopers LLP, UK, our auditors consenting to the reproduction of its audit report for the financial year ended 31 December 2010 in our base listing document;
- (i) the consent letter from PricewaterhouseCoopers LLP, U.S.A., auditors for the guarantor, consenting to the reproduction of its audit report for the financial year ended 31 December 2011 and the effectiveness of internal control over financial reporting as of 31 December 2011 filed by the guarantor, in the base listing document;
- (j) the instrument dated 2 July 2010 pertaining to the issue of structured products;
- (k) the registrar and agency agreement dated 2 July 2010 between the issuer, the guarantor and Merrill Lynch Far East Limited; and
- (l) our current base listing document and this supplemental listing document (together with a Chinese translation of each of these documents).

While any of the CBBCs are in issue, you may take photocopies of any of these documents but you will be charged a reasonable fee.

#### **How are transactions settled on the Stock Exchange?**

Settlement of transactions between members of the Stock Exchange on any business day must take place on or before the second settlement day thereafter. Securities executed on the Stock Exchange would normally be settled under the continuous net settlement system in CCASS. Dealings in the CBBCs will take place in relevant board lots in Hong Kong dollars. For further details on transfers of CBBCs and their exercise or settlement, see the terms and conditions of the relevant issue of CBBCs.

#### **Do I have to pay stamp duty or other levies on the CBBCs?**

There is no stamp duty on issue or transfer of our CBBCs. The levy for the investor compensation fund is currently suspended.

However, the SFC charges a transaction levy at the aggregate rate of 0.003 per cent. on the value of the transaction of your CBBCs and this amount is payable by each of the buyer and seller. Additionally, the Stock Exchange charges a trading fee on every purchase and sale of listed securities calculated at a rate of 0.005 per cent. of the amount of the transaction and is payable by each of the buyer and seller.

You should be aware that you may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the CBBCs are transferred. If you are in any doubt as to your tax position, you should consult your own independent tax advisers. You should also be aware that tax regulations and their application by the relevant taxation authorities change from time to time.

#### **How do I hold my CBBCs?**

The CBBCs will be issued in global registered form, represented by a global certificate registered in the name of a nominee for HKSCC (currently HKSCC Nominees Limited).

We have made all necessary arrangements to enable the CBBCs to be admitted for deposit, clearing and settlement in CCASS. We will not issue any definitive certificates for the CBBCs. The CBBCs will be deposited within CCASS.

If you are a CCASS investor participant, you may hold your CBBCs in your account with CCASS. If you do not have a CCASS account, your broker or agent (as a CCASS participant) will arrange to hold your CBBCs for you in an account at CCASS. We or the guarantor will make all payments on the CBBCs to CCASS: you will have to check your CCASS account or rely on your broker to ensure that payments on your CBBCs are credited to your account with your broker. Once we have made the relevant payments in this way to CCASS, we will have no further obligations for that payment, even if CCASS or your broker fails to transmit to you your share of the payment or if it was transmitted late. Any notices we or the guarantor gives in relation to the CBBCs will be given in the same way: you will have to rely on CCASS and/or your broker to ensure that those notices reach you.

## Index Disclaimer

The Hang Seng Index is published and compiled by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The mark(s) and name(s) Hang Seng Index are proprietary to Hang Seng Data Services Limited. Hang Seng Indexes Company Limited and Hang Seng Data Services Limited have agreed to the use of, and reference to, the Index(es) by Merrill Lynch International & Co. C.V. in connection with the CBBs (the "Product"), **BUT NEITHER HANG SENG INDEXES COMPANY LIMITED NOR HANG SENG DATA SERVICES LIMITED WARRANTS OR REPRESENTS OR GUARANTEES TO ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON (i) THE ACCURACY OR COMPLETENESS OF ANY OF THE INDEX(ES) AND ITS COMPUTATION OR ANY INFORMATION RELATED THERETO; OR (ii) THE FITNESS OR SUITABILITY FOR ANY PURPOSE OF ANY OF THE INDEX(ES) OR ANY COMPONENT OR DATA COMPRISED IN IT; OR (iii) THE RESULTS WHICH MAY BE OBTAINED BY ANY PERSON FROM THE USE OF ANY OF THE INDEX(ES) OR ANY COMPONENT OR DATA COMPRISED IN IT FOR ANY PURPOSE, AND NO WARRANTY OR REPRESENTATION OR GUARANTEE OF ANY KIND WHATSOEVER RELATING TO ANY OF THE INDEX(ES) IS GIVEN OR MAY BE IMPLIED.** The process and basis of computation and compilation of any of the Index(es) and any of the related formula or formulae, constituent stocks and factors may at any time be changed or altered by Hang Seng Indexes Company Limited without notice. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO RESPONSIBILITY OR LIABILITY IS ACCEPTED BY HANG SENG INDEXES COMPANY LIMITED OR HANG SENG DATA SERVICES LIMITED (i) IN RESPECT OF THE USE OF AND/OR REFERENCE TO ANY OF THE INDEX(ES) BY MERRILL LYNCH INTERNATIONAL & CO. C.V. IN CONNECTION WITH THE PRODUCT; OR (ii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES OR ERRORS OF HANG SENG INDEXES COMPANY LIMITED IN THE COMPUTATION OF ANY**

**OF THE INDEX(ES); OR (iii) FOR ANY INACCURACIES, OMISSIONS, MISTAKES, ERRORS OR INCOMPLETENESS OF ANY INFORMATION USED IN CONNECTION WITH THE COMPUTATION OF ANY OF THE INDEX(ES) WHICH IS SUPPLIED BY ANY OTHER PERSON; OR (iv) FOR ANY ECONOMIC OR OTHER LOSS WHICH MAY BE DIRECTLY OR INDIRECTLY SUSTAINED BY ANY BROKER OR HOLDER OF THE PRODUCT OR ANY OTHER PERSON DEALING WITH THE PRODUCT AS A RESULT OF ANY OF THE AFORESAID, AND NO CLAIMS, ACTIONS OR LEGAL PROCEEDINGS MAY BE BROUGHT AGAINST HANG SENG INDEXES COMPANY LIMITED AND/OR HANG SENG DATA SERVICES LIMITED** in connection with the Product in any manner whatsoever by any broker, holder or other person dealing with the Product. Any broker, holder or other person dealing with the Product does so therefore in full knowledge of this disclaimer and can place no reliance whatsoever on Hang Seng Indexes Company Limited and Hang Seng Data Services Limited. For the avoidance of doubt, this disclaimer does not create any contractual or quasicontractual relationship between any broker, holder or other person and Hang Seng Indexes Company Limited and/or Hang Seng Data Services Limited and must not be construed to have created such relationship.

## **RISK FACTORS**

**You should carefully consider the following information together with the other information contained in the listing documents (including the “Risk Factors” section of our base listing document) before purchasing the CBBCs. This section highlights only some of the risks of dealing in the CBBCs but their inclusion in this document does not mean these are the only significant or relevant risks of dealing in the CBBCs.**

### **There are risks associated with investing in the CBBCs; the CBBCs are volatile instruments**

The CBBCs are structured financial instruments, their value may fall as rapidly as they may rise and you may sustain a total loss in your investment. Your investment in the CBBCs involves risks. Before investing in any of the CBBCs, you should consider whether the CBBCs are suitable for you in light of your own financial circumstances and investment objectives. Not all of these risks are described in the listing documents. You should consider taking independent professional advice prior to making an investment in the CBBCs.

### **You may lose all or substantially all of your investment at expiry**

If you hold your CBBCs until expiry and no mandatory call event occurs during the observation period, the cash settlement amount payable upon exercise at expiry will depend on how much the closing level of the underlying asset is above (in the case of Bull CBBCs) or below (in the case of Bear CBBCs) the strike level. The cash settlement amount may be substantially less than your initial investment in the CBBCs, and may even be zero.

### **You may lose all or substantially all of your investment upon the occurrence of the mandatory call event**

You may lose all or substantially all of your investment in the CBBCs if the mandatory call event occurs during the observation period of the CBBCs – meaning that the level of the underlying asset is at or below (for our Bull CBBCs) or at or above (for our Bear CBBCs) the predetermined call level at any time during the observation period. The mandatory call event may be triggered by a single, small trade in the underlying share or security comprised in the underlying index, regardless of the size of the trade. The trade that triggers the mandatory call event may only be the result of a temporary fall (or rise, as the case may be) in the level of the underlying asset caused by a number of factors. Subsequent to the occurrence of the mandatory call event, the level of the underlying asset may return to above (or below, as the case may be) the call level.

Upon the occurrence of a mandatory call event, a Category N CBBC will become worthless while a Category R CBBC will be settled by the payment of a residual value (if any) by us. Such residual value is determined by reference to the amount by which the minimum index level of the underlying asset in the trading session in which the mandatory call event occurs and the immediately following trading session exceeds the strike level (for our Category R Bull CBBCs) or the amount by which the strike level exceeds the maximum index level of the underlying asset in the trading session in which the mandatory call event occurs and the immediately following trading session (for our Category R Bear CBBCs). This residual value may be as low as zero.

Where a mandatory call event occurs, all Post MCE Trades will be invalid and will be cancelled and will not be recognised by us or the Stock Exchange. “**Post MCE Trades**” means subject to such modification and amendment prescribed by the Stock Exchange from time to time, all trades in the CBBCs concluded via auto-matching or manually after the time of the occurrence of a mandatory call event, and in the case where the mandatory call event occurs during a pre-opening session or a closing auction session (if applicable), all auction trades in the CBBCs concluded in such session and all manual trades concluded after the end of the pre-order matching period in such session. We will announce the occurrence of the mandatory call event in accordance with the requirements of the Stock Exchange but the announcement of the same can be delayed by among other reasons, technical errors or system failures beyond our control. Your gain or loss from a trade that is subsequently cancelled will be reversed. If in the meantime you have entered into transactions with the CBBCs as a hedge, then upon cancellation of trades in the CBBCs, you will need to find a replacement hedge and may incur losses in doing so.

Termination of the CBBCs and cancellation of Post MCE Trades following the occurrence of the mandatory call event is irrevocable unless the mandatory call event is triggered by (i) system malfunction or other technical errors of Hong Kong Exchanges and Clearing Limited (e.g. the setting up of wrong call level and other parameters) and such event is reported by the Stock Exchange to us and confirmed by us or (ii) manifest errors caused by any other third party price sources (e.g. any miscalculation of the index level by the index sponsor) and such event is reported by us to the Stock Exchange and confirmed by the Stock Exchange. In each of the above cases, such reporting must be made no later than 30 minutes before the commencement of trading (including the pre-opening session) (Hong Kong time) on the trading day of the Stock Exchange immediately following the day on which the mandatory call event occurs or such other time frame as prescribed by the Stock Exchange from time to time.

Under the terms and conditions of the CBBCs, none of the Stock Exchange, us, the guarantor, the issuer or sponsor of the underlying asset or any of our or their affiliates or agent shall be responsible for any losses suffered as a result of the determination of the level of the underlying asset, any adjustments involved in determining the occurrence of the mandatory call event, the calculation of any cash settlement amount and the suspension of trading in connection with the mandatory call event, notwithstanding that such adjustments, calculation or suspension may have occurred as a result of an error.

#### **A CBBC is different from a margin trading position over the same underlying asset**

An investment in CBBC is similar to but not the same as a corresponding margin trading position. Both are different from an actual position in the underlying asset in that an investor does not have to pay an amount equal to the maximum potential exposure of the position upon entry. Because the initial payment is small by comparison, a given change in the level of the underlying asset can result in a greater percentage change in the value of the investment.

Whilst the total gain or loss of investing in a CBBC upon exercise at expiry may be similar to that of an equivalent margin trading position (of same size and strike level) on the same underlying asset, at other times a CBBC differs from an equivalent margin trading position in many ways:

Generally a margin trading position will be marked-to-market at the end of every trading day so that the holder would realise the day's gain or loss immediately, but unless a mandatory call event or expiry occurs the gain or loss of a CBBC is realised only when it is sold. One can maintain a margin trading position even if the underlying asset level continues to move against the direction anticipated, so long as the holder continues to put up additional margin, with the CBBC when the underlying asset level reaches the call level it is immediately terminated. Once the call level is reached, a CBBC investor would lose his entire investment (for a Category N CBBC) or would only receive the residual value (if any, for a Category R CBBC) and due to the call termination, he would not benefit from the reversal of direction of the underlying asset level subsequent to the mandatory call event (for a Category N CBBC) or the determination of residual value (for a Category R CBBC).

This call termination feature of CBBCs (among other reasons) also means that the theoretical value of a CBBC at a time prior to its expiry will be different from that of an equivalent margin trading position. A given percentage change in the index level may not result in the same percentage change (in the same direction for a bull CBBC or in the opposite direction for a bear CBBC) in the theoretical value of the CBBC. The percentage change in theoretical value of the CBBC may be greater or smaller (or may be zero), in the same or opposite direction.

The theoretical value of a CBBC at any time will also contain an amount which reflects our cost of maintaining the corresponding hedge position in the underlying asset (e.g. the cost of funding a long position in shares, the net cost of borrowing shares for short sale, or the cost of margin in maintaining the futures position). The purchase price of a CBBC you pay may include all or part of such cost and when the mandatory call event occurs, the cash settlement amount (if any) will not contain a refund of such cost.

Other than at expiry (assuming mandatory call event does not occur prior to expiry) when the cash settlement amount will be set by the closing level of the underlying asset, at any time prior to the expiry you may sell your holding of CBBCs in the market and the price realised may or may not be the same as the theoretical value of the CBBCs, as the price will be determined by the levels of supply and demand in the market.

### **CBBCs are complex and volatile instruments**

The CBBCs are complex instruments and their values at any time prior to expiry are governed by a number of factors, including but not limited to the time left till expiry, the level of the underlying asset compared with the call level or strike level of the CBBCs, the volatility of level of the underlying asset, market interest rate movements, our and the guarantor's financial condition and the market's view of our and the guarantor's credit quality. The values of the CBBCs may rise or fall rapidly over a short time due to changes in one or more factors. The interplay of these different factors also means that the effect on the value of the CBBCs from the change in one factor may offset or accentuate the effect from the change in another factor. The value or level of the underlying assets (and some of the other relevant factors) can also be unpredictable: it may change suddenly and in large magnitude or not change at all. You may risk losing your entire investment if the level of the underlying assets does not move in your anticipated direction. You should also note that, assuming all other factors are held constant, the value of CBBCs will decline over time.

### **CBBCs relating to an index involve valuation risks**

You should note that an investment, in the case of CBBCs relating to an index, involves valuation risks in relation to the index. The level of the index may vary over time and may increase or decrease due to various factors including changes in the formula for or the method of calculating the index. In addition, a level for the index may be published by the index sponsor at a time when one or more securities comprising the index are not trading. If this occurs on the expiry date and there is no market disruption event called under the terms of the relevant CBBCs, then the value of such securities used in calculating the closing level of the index will not be their up-to-date market price. Certain (but not all) events relating to the index underlying the CBBCs require or, as the case may be, permit us to make certain adjustments or amendments to the conditions (including, but not limited to, determining the level of the index). However, we are not required to make an adjustment for every event that can affect the index. If an event occurs that does not require us to adjust the terms and conditions of the CBBCs, the market price of the CBBCs and the return upon mandatory call event or expiry of the CBBCs may be affected.

### **Your ability to realise your investment in the CBBCs is dependent on the trading market for our CBBCs**

Other than at expiry (if no mandatory call event has occurred), the only way you may be able to realise the value of your investment in the CBBCs is to dispose of them either in the on-exchange market or over-the-counter market. If you dispose of your investment in the CBBCs before expiry in this way, the amount you will receive will depend on the price you are able to obtain from the market for the CBBCs. That price may depend on the quantity of the CBBCs you are trying to sell. The market price of the CBBCs may not be equal to the value of the CBBCs, and changes in the price of the CBBCs may not correspond (in direction and/or magnitude) with changes in the value of the CBBCs.

The liquidity provider appointed for the CBBCs will upon request provide bid and/or offer prices for the CBBCs on the Stock Exchange and may (but is not obliged to) provide such prices at other times too, but under certain circumstances it may not provide bid and/or offer prices even if requested. You should refer to the section regarding liquidity provider in this supplemental listing document for further details. The prices provided by our liquidity provider are influenced by, among other things, the supply and demand of the CBBCs for a particular series in the market, and may not correspond with the values of such CBBCs or changes in such values.

You should note that the prices available in the market for the CBBCs may also come from other participants in the market, although we cannot predict if and to what extent a secondary market may develop for the CBBCs or whether that market will be liquid or illiquid. The fact that a particular series of CBBCs is listed does not necessarily lead to greater liquidity. In addition, no assurance can be given that the listing of any particular series of the CBBCs will be maintained. If the CBBCs of a particular series cease to be listed, they may not be transacted through the Stock Exchange or at all, and they may even be terminated early. Off-exchange transactions may involve greater risks than on-exchange transactions. You may be unable to find any buyer for your holdings of the CBBCs on the Stock Exchange if the value of the CBBCs falls below HK\$0.01.

Only the liquidity provider appointed for the CBBCs is obliged to provide bid and/or offer prices for the CBBCs (subject to the terms set out in this supplemental listing document), and at times it may be the only source of bid and/or offer prices for the CBBCs.

The liquidity of any series of the CBBCs may also be affected by restrictions on offers and sales of the CBBCs in some jurisdictions including the restrictions described in the section headed “Purchase and Sale” in our base listing document.

In view of the limited trading market of the CBBCs, you may need to hold the CBBCs until expiry.

### **The funding costs of the CBBCs will fluctuate during the term of the CBBCs**

The issue price of the CBBCs is set by reference to the difference between the initial reference spot level of the Index as of the launch date and the Strike Level, plus the applicable funding cost. The initial funding cost applicable to the CBBCs is specified in this document. It will fluctuate during the term of the CBBCs as the funding rate changes from time to time. The initial funding cost is an amount determined by us based on one or more factors, including but not limited to the Strike Level, the prevailing interest rate, the expected term of the CBBCs, any expected notional dividends in respect of any securities comprising the Index and the margin financing provided by us (if any).

### **You must rely on our and the guarantor's creditworthiness**

The CBBCs are not secured on any assets. The CBBCs represent our general contractual obligations and will rank pari passu with our other general unsecured obligations. The number of CBBCs outstanding at any given time may be substantial. When purchasing the CBBCs, you will be relying upon our and the guarantor's creditworthiness and of no one else. Any downgrading of the guarantor's rating (if any) by a rating agency could result in a reduction in the value of the CBBCs. There is no assurance of protection against a default by us in respect of our obligations under the CBBCs or a default by the guarantor in respect of its obligation under the guarantee. You may lose all or substantially all of your investment if we and/or the guarantor become insolvent or if we default on our obligations under the CBBCs or the guarantor defaults on its obligation under the guarantee.

### **Our obligations are not deposit liability or debt obligation**

We do not intend to create upon ourselves a deposit liability or a debt obligation by issuing any CBBCs. The CBBCs are not bank deposits and are not protected, insured or guaranteed by any deposit protection scheme in Hong Kong, or by any other governmental agency, nor is it an obligation of, or guaranteed by, a bank. The CBBCs are guaranteed by Bank of America Corporation and the guarantee will rank pari passu with all other direct, unconditional, unsecured and unsubordinated indebtedness of Bank of America Corporation.

### **You have no rights in the underlying assets and the market price for the CBBCs may fluctuate differently from that of the underlying assets**

The CBBCs are financial instruments issued by us and are separate from the underlying asset. You have no rights under the CBBCs against any company which issues or comprises the underlying asset of the relevant issue of CBBCs or the sponsor of any underlying asset that is an index. In addition, buying the CBBCs is not the same as buying the underlying asset or having a direct investment in the underlying asset. You will not be entitled to have voting rights, rights to receive dividends or distributions or any other rights under the shares comprising the underlying index. As mentioned, there are many factors influencing the value and/or market price of CBBCs, which are leveraged instruments. For example, increases in the level of the underlying asset may not lead to an increase in the value and/or market price of the Bull CBBCs by a proportionate amount or even any increase at all; however, a decrease in the level of the underlying asset may lead to a greater than proportionate decrease in the value and/or market price of the Bull CBBCs. There is no assurance that a change in value and/or market price of the CBBCs will correspond in direction and/or magnitude with the change in level of the underlying asset. You should recognise the complexities of utilising the CBBCs to hedge against the market risk associated with investing in an underlying asset.

The issuer or the sponsor of the underlying asset will have no involvement in the offer and sale of the CBBCs and no obligation to you as investors in the CBBCs. The decisions made by them on corporate actions, such as a merger or sale of asset, or adjustment of the method for calculation of an index may also have adverse impact on the value and/or market price of the CBBCs.

We, the guarantor and its subsidiaries and affiliates and the manager have no responsibility to inform the holders of the CBBCs of any disclosure on any company which issues or comprises the underlying assets of any of the CBBCs.

#### **There could be conflicts of interest arising out of our other activities which may affect the CBBCs**

We, the guarantor and its subsidiaries and affiliates may engage in transactions (whether for their proprietary accounts, including hedging, or trading for accounts under management or otherwise) involving, as well as provide investment banking and other services to, any company underlying the CBBCs or their securities and may enter into transactions with the substantial shareholders of the any such underlying company.

Those transactions may have a positive or negative impact on the level of the underlying asset and in turn the value and/or market price of the CBBCs. For example, these transactions may result in the level of the underlying asset moving closer to, or even reaching or going beyond the call level of the CBBCs thus causing a mandatory call event. These transactions may also influence the level of the underlying asset after the occurrence of the mandatory call event and adversely impact on the residual value payable (if any, for a Category R CBBC). The mandatory call event may be triggered by a single trade in the underlying asset, regardless of the size of the trade. In addition, the unwinding of hedges at any time or after the occurrence of a mandatory call event may affect the level of the underlying asset and consequently affect the cash settlement amount of the CBBCs.

We, the guarantor and its subsidiaries and affiliates may have officers who serve as directors of any of the companies underlying our structured products. Our proprietary trading activities (which include hedging of the CBBCs) in the underlying securities or related structured products may affect the value and/or market price of the CBBCs. We or the guarantor may issue other competing financial products which may affect the value and/or market price of the CBBCs. You should also note that potential conflicts of interest may arise from the different roles played by us, the guarantor and its subsidiaries and affiliates in connection with the CBBCs and the economic interests in each role may be adverse to your interests in the CBBCs. We or the guarantor owe no duty to you to avoid such conflicts.

#### **We may early terminate the CBBCs due to illegality, force majeure or extraordinary reasons**

We are entitled to terminate the CBBCs if (i) we determine in good faith and in a commercially reasonable manner that, for reasons beyond our control, it has become or it will become illegal or impracticable for us to perform our obligations under the CBBCs, or for the guarantor to perform its obligations under the guarantee, in whole or in part as a result of (a) the adoption of, or any change in, any relevant law or regulation (including any tax law) or (b) the promulgation of, or any change in, the interpretation by any court, tribunal, governmental, administrative, legislative, regulatory or judicial authority or power with competent jurisdiction of any relevant law or regulation (including any tax law) (each of (a) and (b), a “**Change in Law Event**”); or (ii) we determine in good faith and in a commercially reasonable manner that, for reasons beyond our control, it has become or it will become illegal or impracticable for us or any of our affiliates to maintain our hedging arrangements with respect to the CBBCs due to a Change in Law Event. If this happens, we or the guarantor will, if and to the extent permitted by the applicable law or regulation, pay to each holder of those CBBCs a cash amount that the agent determines in good faith and in a commercially reasonable manner to be the fair market value in respect of each CBBC held by such holder immediately prior to such termination (ignoring such illegality

or impracticability) less our cost of unwinding any related hedging arrangement as determined by us in our sole and absolute discretion. Such fair market value of the CBBCs could be substantially less than the amount you invested and can be as low as zero.

**Time lag between the occurrence of a mandatory call event or expiry and the time of determination of the settlement amount may affect the settlement amount**

Upon the occurrence of a mandatory call event or on expiry, there may be a time lag between the time or date on which the CBBCs are automatically terminated or expired and the time of determination of the settlement amount. Such delay could be significantly longer in the case of a market disruption event and delisting of the securities comprising the underlying asset that is an index or other adjustment events. The settlement amount may change significantly during any such period and may result in such settlement amount being zero.

**We may adjust the terms and conditions of the CBBCs upon the occurrence of certain corporate events or extraordinary events affecting the underlying asset**

We and/or the agent may determine that certain corporate events or extraordinary events affecting the underlying assets have occurred and may make corresponding adjustments to the terms and conditions of the CBBCs, including adjustments to the value or level of the underlying assets or changing the composition of the underlying assets. Such events and/or adjustments (if any) may have adverse impact on the value and/or market price of the CBBCs.

However, we have no obligation to make an adjustment for every event that can affect the underlying asset. The value and/or market price of the CBBCs may be adversely affected by such events in the absence of an adjustment by us. If adjustments were made, we do not assure that such adjustments can negate any adverse impact of such events on the value and/or market price of the CBBCs.

**Our determination of the occurrence of a market or settlement disruption event may affect the value and/or market price of the CBBCs**

We and/or the agent may determine that a market or settlement disruption event has occurred. Such determination may affect the value and/or market price of the CBBCs, and may delay settlement in respect of the CBBCs.

If the agent determines that a market disruption event exists, the valuation of the underlying assets for the purpose of calculating the cash settlement amount of our CBBCs will be postponed. If such market disruption event exists for a continuous period of time as specified in the terms of the CBBCs, we and/or the agent may determine the good faith estimate of the value or level of the underlying assets that would have prevailed on the relevant postponed valuation date but for such market disruption event.

**Please consult your tax advisers if you are in any doubt of your tax position**

You may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the CBBCs are transferred and such laws and practices may change from time to time. If you are in any doubt of your tax position, you should consult your own independent tax advisers.

**The CBBCs are issued in global registered form; you have to rely on your brokers to evidence title to your investment and to receive notices and the cash settlement amount**

The CBBCs are issued in global registered form and held on your behalf within a clearing system. This means that evidence of title to your interests, as well as the efficiency of ultimate delivery of the cash settlement amount, will be governed by the CCASS Rules.

The CBBCs in global registered form will be registered in the name of HKSCC Nominees Limited (or its successors), which shall be treated by us as the holder of the CBBCs for all purposes. This means that you will not receive definitive certificates and the register will record at all times that the CBBCs are being held by HKSCC Nominees Limited (or its successors). You will have to rely solely upon your brokers and the statements received from your brokers to evidence title to your investments. You will also have to rely on your brokers to effectively inform you of any notices, announcements and/or meetings issued or called by us (upon receipt by those brokers as CCASS participants of the same from CCASS and ultimately from us). The Stock Exchange's Listing Rules also provide that our obligations to deliver notices, announcements and/or meetings will be complied with by a posting on the Stock Exchange website. Our obligations to deliver any cash settlement amount to you will be duly performed by the delivery of any such amount to HKSCC Nominees Limited (or its successors) as the holder of the CBBCs. You will therefore have to rely on your brokers for the ultimate delivery of any cash settlement amount to you as the investor.

**Neither we or our guarantor gives you any advice or credit analysis**

Neither we nor the guarantor is responsible for the lawfulness of your acquisition of the CBBCs. We and the guarantor are not giving you any advice or credit analysis of the underlying asset. You shall be deemed to have made a representation to such effect for each purchase of the CBBCs of any series.

**The implied volatility of the CBBCs may not reflect the actual volatility of the underlying asset**

The market price of the CBBCs is determined among other factors by the supply and demand of the CBBCs. This price "implies" a level of volatility in the underlying asset in the sense that such level of volatility would give a theoretical value for the CBBCs which is equal to that price; but such level of volatility may not be equal to the actual level of volatility of the underlying asset in the past or future.

**We are not the holding company of the group to which we belong**

We are not the ultimate holding company of the group to which we belong. The ultimate holding company of the group to which we belong is Bank of America Corporation.

**The effect of the combination of risk factors may be unpredictable**

Two or more risk factors may simultaneously have an effect on the value of the CBBCs such that the effect of any individual risk factor may not be predictable. No assurance can be given as to the effect any combination of risk factors may have on the value of the CBBCs.

**Risks relating to the guarantor**

Please refer to the section "Risk Factors" in Part 1, Item 1A of the guarantor's annual report on Form 10-K for the fiscal year ended 31 December 2011 for a description of additional risks relating to the guarantor.

## LIQUIDITY PROVIDER

### Who will act as liquidity provider for the CBBCs?

We are required under the Listing Rules to provide liquidity for the CBBCs. We have appointed our affiliate, Merrill Lynch Far East Limited (Broker ID Number: 9527) acting in the capacity of an agent, as the liquidity provider for the CBBCs. Merrill Lynch Far East Limited is an indirect subsidiary of the guarantor. The liquidity provider is a Stock Exchange participant (Exchange Participant) and its conduct is regulated by the Stock Exchange and the SFC.

### What will the liquidity provider do?

The liquidity provider has agreed to take into account its obligations as an Exchange Participant to conduct market making activities for the CBBCs by responding to requests for bid and offer quotes. These market making activities will provide liquidity in the market for the CBBCs and facilitate the purchase and sale of CBBCs. You may request a quote from the liquidity provider by calling the telephone number 3602 1600. The liquidity provider will respond to such request within 10 minutes from the request.

All quotes will be displayed on the relevant stock page for the CBBCs in the Stock Exchange's trading system. The liquidity provider will only make a market for a minimum of ten board lots of CBBCs.

In determining any bid or offer price for the CBBCs, we and/or the liquidity provider on our behalf may take into account factors including (but not limited to):

- price of the underlying assets
- strike level and call level
- time to expiry
- prevailing interest rates and
- expected volatility of the underlying assets over the remaining time to expiry of the CBBCs.

The CBBCs prices displayed by the liquidity provider will be calculated by a mathematical model, taking into account any or all of the above factors.

Except for the circumstances listed below, the liquidity provider will commit to display prices no greater than 25 tick spread between the bid and offer prices of the CBBCs, adjusted (if necessary) for the entitlement, for a minimum of ten board lots. However, under normal market conditions, the liquidity provider expects to display quotes significantly better than this maximum spread.

The Liquidity Provider may not be able to, and shall not be obliged to, quote prices for the CBBCs in any of the following circumstances:

- (i) during the first 5 minutes of each morning trading session or the first 5 minutes after trading commences for the first time on any business day;
- (ii) during each pre-opening session or each closing auction session (if any) or under any other circumstances as prescribed by the Stock Exchange from time to time;
- (iii) on the expiry date of the CBBCs;
- (iv) if the underlying shares, units or the CBBCs are suspended from trading in accordance with the conditions;
- (v) if we, at our sole and absolute determination, determine that the liquidity provider does not have sufficient CBBCs to conduct effective market making activities (however, in such circumstances, we expect the liquidity provider to continue to display bid prices). CBBCs held by us or any of our affiliates in a fiduciary or agency capacity are not CBBCs available for market making;
- (vi) if we, at our sole and absolute determination, determine that the theoretical bid/offer price is less than the minimum price that can be entered into the AMS Terminal (if the liquidity provider chooses to provide liquidity under this circumstance, both bid and offer prices will be made available);

- (vii) if the liquidity provider's relevant system(s) are disrupted in a way that hinders its ability to continue market making activities (however, in such circumstances, we will try to appoint an alternate liquidity provider or use our best endeavours to make alternative arrangements to provide liquidity);
  
- (viii) when we, at our sole and absolute determination, determine that it is unduly burdensome for us or our affiliates to enter into an effective hedge for the CBBCs. For example, the existence of any laws, regulations, rules or any other restrictions or circumstances relating to the short selling of securities; or
  
- (ix) under any circumstances outside of our or the liquidity provider's control that make it unduly burdensome for the liquidity provider to conduct effective market making activities including, but not limited to, where a change in the applicable law or the rules or practice of the Stock Exchange makes it illegal for the liquidity provider to continue its market making activities.

## **OTHER INFORMATION ABOUT US AND THE GUARANTOR AS REQUIRED BY THE STOCK EXCHANGE'S LISTING RULES**

### **General**

Pursuant to the laws of State of Delaware, the guarantor is empowered to give guarantees. Each issue of CBBCs will have the benefit of the guarantee.

### **No material adverse change and litigation**

Save as disclosed in the base listing document (as supplemented by this supplemental listing document), there has been no material adverse change in the financial position of the guarantor since 31 December 2011, being the date of the most recently published audited financial statements of the guarantor and its subsidiaries on a consolidated basis, that would have a material adverse effect on the guarantor's ability to perform its obligations in the context of the guarantee in respect of any series of CBBCs.

Save as disclosed in the base listing document (as supplemented by this supplemental listing document), to the best of our and of the guarantor's knowledge and belief, neither we nor the guarantor is aware of any litigation or claims of material importance in the context of the issue of any series of CBBCs pending or threatened against us or the guarantor and its subsidiaries on a consolidated basis.

### **Financial information about the issuer and the guarantor**

PricewaterhouseCoopers LLP, U.K. has given and has not withdrawn its written consent to the reproduction of its report dated 28 April 2011 on our financial statements for the financial year ended 31 December 2010 in the base listing document in the form and context in which it is included.

PricewaterhouseCoopers LLP, U.S.A. has given and has not withdrawn its written consent to the reproduction of its report dated 23 February 2012 on the consolidated financial statements of the guarantor and its subsidiaries for the financial year ended 31 December 2011 and the effectiveness of internal control over financial reporting as of 31 December 2011 in the base listing document in the form and context in which they are included.

Neither the report of PricewaterhouseCoopers LLP, U.K. nor PricewaterhouseCoopers LLP, U.S.A. was prepared for inclusion in any listing document. PricewaterhouseCoopers LLP, U.K. and PricewaterhouseCoopers LLP, U.S.A. do not have any shareholding in us or the guarantor or any of the subsidiaries of the guarantor nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities or the securities of the guarantor or any of the subsidiaries of the guarantor.

## SUPPLEMENTAL INFORMATION OF THE GUARANTOR

1. The guarantor had filed a current report on Form 8-K with the US SEC on 11 April 2012 which relates to the reclassification of the business segment results of the guarantor during the three months ended 31 March 2012. The current report contains information to assist investors in understanding how the guarantor's business segment results would have been presented in previously filed reports had such results been reported to reflect the realignment.

On 4 May 2012, the guarantor filed another current report on Form 8-K with the US SEC updating the business segment information presented in its 2011 Annual Report (only to the extent that such information is impacted by the revised business segment reporting methodology). Portions of the following items from its 2011 Annual Report have been updated to reflect the revised business segment methodology:

- Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations
- Part II, Item 8. Financial Statements and Supplementary Data

All updates to the guarantor's 2011 Annual Report relate solely to the presentation of segment specific disclosures on a basis consistent with how management currently evaluates the results of the segments. The revised reporting structure did not impact the consolidated balance sheet or the consolidated statements of income, changes in shareholders' equity and cash flows. The information in this current report on Form 8-K is presented as of 31 December 2011 and other than as indicated above, has not been updated to reflect financial results subsequent to that date or any other changes since the date of the 2011 Annual Report.

For further information on these current reports, please visit <http://investor.bankofamerica.com/phoenix.zhtml?c=71595&p=irol-sec> for details.

2. The annual meeting of stockholders of the guarantor was held on 9 May 2012. Effective as of that date, D. Paul Jones, Jr. ceased to be a director of the guarantor.

## **ANNEX 1**

### **EXTRACTS OF THE QUARTERLY REPORT ON FORM 10-Q FILED BY THE GUARANTOR ON 3 MAY 2012**

The information set out in the following pages consists of extracts of the quarterly report of the guarantor on Form 10-Q for the period ended 31 March 2012 as filed by the guarantor with the US SEC on 3 May 2012.

The page numbers of the quarterly report appear above the page number of this supplemental listing document. The extracts are not complete and references should be made to the quarterly report.

The Form 10-Q is available on <http://investor.bankofamerica.com/phoenix.zhtml?c=71595&p=irol-sec>.

**Part I. FINANCIAL INFORMATION**  
**Item 1. FINANCIAL STATEMENTS**  
**Bank of America Corporation and Subsidiaries**  
**Consolidated Statement of Income**

(Dollars in millions, except per share information)	Three Months Ended March 31	
	2012	2011
<b>Interest income</b>		
Loans and leases	\$ 10,173	\$ 11,929
Debt securities	2,725	2,882
Federal funds sold and securities borrowed or purchased under agreements to resell	460	517
Trading account assets	1,352	1,626
Other interest income	751	968
<b>Total interest income</b>	<b>15,461</b>	<b>17,922</b>
<b>Interest expense</b>		
Deposits	549	839
Short-term borrowings	881	1,184
Trading account liabilities	477	627
Long-term debt	2,708	3,093
<b>Total interest expense</b>	<b>4,615</b>	<b>5,743</b>
<b>Net interest income</b>	<b>10,846</b>	<b>12,179</b>
<b>Noninterest income</b>		
Card income	1,457	1,828
Service charges	1,912	2,032
Investment and brokerage services	2,876	3,101
Investment banking income	1,217	1,578
Equity investment income	765	1,475
Trading account profits	2,075	2,722
Mortgage banking income	1,612	630
Insurance income (loss)	(60)	613
Gains on sales of debt securities	752	546
Other income (loss)	(1,134)	261
Other-than-temporary impairment losses on available-for-sale debt securities:		
Total other-than-temporary impairment losses	(51)	(111)
Less: Portion of other-than-temporary impairment losses recognized in other comprehensive income	11	23
Net impairment losses recognized in earnings on available-for-sale debt securities	(40)	(88)
<b>Total noninterest income</b>	<b>11,432</b>	<b>14,698</b>
<b>Total revenue, net of interest expense</b>	<b>22,278</b>	<b>26,877</b>
<b>Provision for credit losses</b>	<b>2,418</b>	<b>3,814</b>
<b>Noninterest expense</b>		
Personnel	10,188	10,168
Occupancy	1,142	1,189
Equipment	611	606
Marketing	465	564
Professional fees	783	646
Amortization of intangibles	319	385
Data processing	856	695
Telecommunications	400	371
Other general operating	4,377	5,457
Merger and restructuring charges	—	202
<b>Total noninterest expense</b>	<b>19,141</b>	<b>20,283</b>
<b>Income before income taxes</b>	<b>719</b>	<b>2,780</b>
<b>Income tax expense</b>	<b>66</b>	<b>731</b>
<b>Net income</b>	<b>\$ 653</b>	<b>\$ 2,049</b>
<b>Preferred stock dividends</b>	<b>325</b>	<b>310</b>
<b>Net income applicable to common shareholders</b>	<b>\$ 328</b>	<b>\$ 1,739</b>
<b>Per common share information</b>		
Earnings	\$ 0.03	\$ 0.17
Diluted earnings	0.03	0.17
Dividends paid	0.01	0.01
<b>Average common shares issued and outstanding (in thousands)</b>	<b>10,651,367</b>	<b>10,075,875</b>
<b>Average diluted common shares issued and outstanding (in thousands)</b>	<b>10,761,917</b>	<b>10,181,351</b>

See accompanying Notes to Consolidated Financial Statements.

**Bank of America Corporation and Subsidiaries**  
**Consolidated Statement of Comprehensive Income**

(Dollars in millions)	Three Months Ended March 31	
	2012	2011
<b>Net income</b>	\$ 653	\$ 2,049
<b>Other comprehensive income, net-of-tax:</b>		
Net change in available-for-sale debt and marketable equity securities	(924)	161
Net change in derivatives	382	266
Employee benefit plan adjustments	952	75
Net change in foreign currency translation adjustments	31	27
<b>Other comprehensive income</b>	<b>441</b>	<b>529</b>
<b>Comprehensive income</b>	<b>\$ 1,094</b>	<b>\$ 2,578</b>

See accompanying Notes to Consolidated Financial Statements.

<b>Bank of America Corporation and Subsidiaries</b>		
<b>Consolidated Balance Sheet</b>		
(Dollars in millions)	March 31 2012	December 31 2011
<b>Assets</b>		
Cash and cash equivalents	\$ 128,792	\$ 120,102
Time deposits placed and other short-term investments	20,479	26,004
Federal funds sold and securities borrowed or purchased under agreements to resell (includes \$95,003 and \$87,453 measured at fair value)	225,784	211,183
Trading account assets (includes \$100,543 and \$80,130 pledged as collateral)	209,775	169,319
Derivative assets	59,051	73,023
Debt securities:		
Available-for-sale (includes \$62,781 and \$69,021 pledged as collateral)	297,040	276,151
Held-to-maturity, at cost (fair value - \$34,440 and \$35,442; \$20,811 and \$24,009 pledged as collateral)	34,205	35,265
Total debt securities	331,245	311,416
Loans and leases (includes \$9,192 and \$8,804 measured at fair value and \$61,761 and \$73,463 pledged as collateral)	902,294	926,200
Allowance for loan and lease losses	(32,211)	(33,783)
Loans and leases, net of allowance	870,083	892,417
Premises and equipment, net	13,104	13,637
Mortgage servicing rights (includes \$7,589 and \$7,378 measured at fair value)	7,723	7,510
Goodwill	69,976	69,967
Intangible assets	7,696	8,021
Loans held-for-sale (includes \$7,558 and \$7,630 measured at fair value)	12,973	13,762
Customer and other receivables	74,358	66,999
Other assets (includes \$35,671 and \$37,084 measured at fair value)	150,410	145,686
<b>Total assets</b>	<b>\$ 2,181,449</b>	<b>\$ 2,129,046</b>
<b>Assets of consolidated VIEs included in total assets above (substantially all pledged as collateral)</b>		
Trading account assets	\$ 8,920	\$ 8,595
Derivative assets	1,109	1,634
Loans and leases	133,742	140,194
Allowance for loan and lease losses	(4,509)	(5,066)
Loans and leases, net of allowance	129,233	135,128
Loans held-for-sale	1,577	1,635
All other assets	3,118	4,769
<b>Total assets of consolidated VIEs</b>	<b>\$ 143,957</b>	<b>\$ 151,761</b>

See accompanying Notes to Consolidated Financial Statements.

<b>Bank of America Corporation and Subsidiaries</b>		
<b>Consolidated Balance Sheet (continued)</b>		
	March 31 2012	December 31 2011
(Dollars in millions)		
<b>Liabilities</b>		
Deposits in U.S. offices:		
Noninterest-bearing	\$ 338,215	\$ 332,228
Interest-bearing (includes \$3,191 and \$3,297 measured at fair value)	630,822	624,814
Deposits in non-U.S. offices:		
Noninterest-bearing	7,240	6,839
Interest-bearing	65,034	69,160
Total deposits	1,041,311	1,033,041
Federal funds purchased and securities loaned or sold under agreements to repurchase (includes \$54,434 and \$34,235 measured at fair value)	258,491	214,864
Trading account liabilities	70,414	60,508
Derivative liabilities	49,172	59,520
Commercial paper and other short-term borrowings (includes \$6,395 and \$6,558 measured at fair value)	39,254	35,698
Accrued expenses and other liabilities (includes \$18,459 and \$15,743 measured at fair value and \$651 and \$714 of reserve for unfunded lending commitments)	135,396	123,049
Long-term debt (includes \$51,037 and \$46,239 measured at fair value)	354,912	372,265
<b>Total liabilities</b>	<b>1,948,950</b>	<b>1,898,945</b>
Commitments and contingencies ( <i>Note 7 – Securitizations and Other Variable Interest Entities, Note 8 – Representations and Warranties Obligations and Corporate Guarantees and Note 10 – Commitments and Contingencies</i> )		
<b>Shareholders' equity</b>		
Preferred stock, \$0.01 par value; authorized — 100,000,000 shares; issued and outstanding — 3,685,410 and 3,689,084 shares	18,788	18,397
Common stock and additional paid-in capital, \$0.01 par value; authorized — 12,800,000,000 shares; issued and outstanding — 10,775,604,276 and 10,535,937,957 shares	157,973	156,621
Retained earnings	60,734	60,520
Accumulated other comprehensive income (loss)	(4,996)	(5,437)
<b>Total shareholders' equity</b>	<b>232,499</b>	<b>230,101</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 2,181,449</b>	<b>\$ 2,129,046</b>
<b>Liabilities of consolidated VIEs included in total liabilities above</b>		
Commercial paper and other short-term borrowings (includes \$725 and \$650 of non-recourse liabilities)	\$ 5,598	\$ 5,777
Long-term debt (includes \$39,990 and \$44,976 of non-recourse debt)	44,267	49,054
All other liabilities (includes \$104 and \$225 of non-recourse liabilities)	978	1,116
<b>Total liabilities of consolidated VIEs</b>	<b>\$ 50,843</b>	<b>\$ 55,947</b>

See accompanying Notes to Consolidated Financial Statements.

## **PARTIES**

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