



May 21, 2026

Brian T. Moynihan  
Chairman of the Board and Chief Executive Officer  
Bank of America Corporation  
Bank of America Corporate Center  
100 North Tryon Street  
Charlotte, North Carolina 28255-0001

Dear Mr. Moynihan,

On or before July 1, 2025, the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation (together, the Agencies) received the resolution plan (2025 Plan) submitted by Bank of America Corporation (the Covered Company), as required by section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended (Dodd-Frank Act)<sup>1</sup> and the jointly issued implementing regulation, as amended (Resolution Plan Rule).<sup>2</sup>

The Agencies have reviewed the 2025 Plan, taking into consideration (1) section 165(d) of the Dodd-Frank Act, (2) the Resolution Plan Rule, (3) the feedback letter that the Agencies provided to the Covered Company on June 20, 2024 (2024 Letter), regarding the Covered Company's 2023 resolution plan submission (2023 Plan), (4) the joint "*Guidance for § 165(d) Resolution Plan Submissions by Domestic Covered Companies applicable to the Eight Largest, Complex U.S. Banking Organizations*" (Guidance),<sup>3</sup> and (5) certain other information available to the Agencies.<sup>4</sup>

In reviewing the 2025 Plan, the Agencies noted further development of the resolution strategy and capabilities described in prior resolution plan submissions, as discussed in section II

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<sup>1</sup> 12 U.S.C. § 5365(d).

<sup>2</sup> 12 CFR parts 243 and 381.

<sup>3</sup> 84 Fed. Reg. 1438, 1449 (Feb. 4, 2019).

<sup>4</sup> In addition, the Agencies' staff engaged with the Covered Company during the development of the 2025 Plan. Staff also engaged with the Covered Company during the Agencies' review of the 2025 Plan to test certain of the Covered Company's capabilities that support the 2025 Plan, to seek clarification and pose questions regarding the 2025 Plan, and to discuss progress regarding items mentioned in the 2024 Letter.

below. Among other topics, the Agencies concluded that the 2025 Plan satisfactorily addressed the shortcoming that the Agencies identified in the 2023 Plan. The Agencies did not identify shortcomings or deficiencies in the 2025 Plan and encourage the Covered Company to continue to improve its capabilities for rapid and orderly resolution through ongoing enhancement of the assurance framework and contingency strategies.

## **I. Background**

Section 165(d) of the Dodd-Frank Act requires that each bank holding company with \$250 billion or more in total consolidated assets, certain bank holding companies with total consolidated assets of between \$100 billion and \$250 billion, and any designated nonbank financial company report to the Agencies the plan of such company for its rapid and orderly resolution in the event of material financial distress or failure.<sup>5</sup> A firm, such as the Covered Company, that is a biennial filer under the Resolution Plan Rule is required to file a resolution plan every two years, alternating between full and targeted resolution plans.<sup>6</sup>

Under section 165(d) of the Dodd-Frank Act, the Agencies may jointly determine, based on their review, that a firm's resolution plan is "not credible or would not facilitate an orderly resolution of the company under Title 11" of the United States Code (U.S. Bankruptcy Code).<sup>7</sup> An orderly resolution for a firm such as the Covered Company means the reorganization or liquidation of the firm under the U.S. Bankruptcy Code that can be accomplished within a reasonable period of time and in a manner that substantially mitigates the risk that the failure of the firm would have serious adverse effects on financial stability in the United States.<sup>8</sup> Under the Resolution Plan Rule, the Agencies can jointly identify shortcomings or deficiencies in a covered company's resolution plan.<sup>9</sup> The Resolution Plan Rule also provides processes by which shortcomings or deficiencies jointly identified by the Agencies in a resolution plan may be remedied.<sup>10</sup>

## **II. Results of Agencies' Review of the 2025 Plan**

*Efforts to Improve Resolvability – Derivatives and Trading, Assurance, Contingency Strategies, Necessary Actions and Legal Matters*

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<sup>5</sup> In addition, section 401(f) of the Economic Growth, Regulatory Relief, and Consumer Protection Act provides that any bank holding company, regardless of asset size, that is identified as a global systemically important bank holding company under 12 CFR 217.402 shall be considered a bank holding company with \$250 billion or more in total consolidated assets with respect to the application of standards or requirements under section 165 of the Dodd-Frank Act. 12 U.S.C. § 5365 note.

<sup>6</sup> 12 CFR 243.4(a) and 381.4(a).

<sup>7</sup> 12 U.S.C. § 5365(d)(4).

<sup>8</sup> 12 CFR 243.2 and 381.2.

<sup>9</sup> 12 CFR 243.8(b), (e) and 381.8(b), (e).

<sup>10</sup> 12 CFR 243.8(c), (e) and 381.8(c), (e).

The 2025 Plan describes actions taken by the Covered Company to improve resolvability, including those discussed below.

### Derivatives and Trading

#### Derivatives Shortcoming Remediation

The Agencies identified a shortcoming in the 2023 Plan concerning the Covered Company's capabilities to execute part of its resolution strategy regarding its derivatives portfolio. For the 2025 Plan, the Agencies (i) assessed whether the Covered Company has satisfactorily addressed the shortcoming identified in the 2023 Plan, and (ii) reviewed enhancements for resolution capabilities to unwind and segment the derivatives portfolio.

The 2025 Plan discussed actions taken by the Covered Company to improve its resolvability, as discussed below.

#### Efforts to address the shortcoming in the 2023 Plan

The Covered Company has adequately addressed the derivatives portfolio shortcoming concerning capabilities to execute part of its resolution strategy identified in the 2023 Plan. To reach this determination, the Agencies reviewed information provided in the 2025 Plan as well as reports prepared by the Covered Company's independent risk management functions and internal audit for confirmation of the information provided in the 2025 Plan.

According to the 2025 Plan, the Covered Company has enhanced its global wind-down tool to capture timely and quality financial data and has developed the capability to use dates outside its business-as-usual production process for spot derivatives and trading positions in estimating resource needs associated with unwinding the derivatives portfolio. These enhanced capabilities have been internally validated and tested by the independent risk management functions and internal audit of the Covered Company.

#### Efforts to address additional feedback on derivatives portfolio segmentation in 2024 Letter

During the review of the 2023 Plan, the Covered Company did not demonstrate the ability to model its derivatives portfolio unwind by counterparty for segmenting the portfolio in resolution. This additional feedback was addressed by the Covered Company by representing the ability to view, segment, and unwind the derivatives portfolio at the counterparty level.

#### Assurance

The 2024 Letter stated that resolution planning entails both the development of resolution strategies and resolution capabilities, whether specific to resolution or adapted from business-as-usual capabilities.<sup>11</sup> Resolution capabilities ensure that the Covered Company can carry out its preferred resolution strategy and effect a rapid and orderly resolution. Assurance is the process

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<sup>11</sup> See, e.g., 12 CFR 243.5(c)(1)(ii), (f)(1)(v) and 381.5(c)(1)(ii), (f)(1)(v).

of identifying, testing, and reporting on resolution capabilities, and an assurance framework provides the governance, policies, and procedures to complete this work.<sup>12</sup>

The Covered Company has developed an assurance framework and instituted related testing efforts in line with suggested feedback from the Agencies. It has made enhancements to identify, test, and report on resolution capabilities, and has developed corresponding governance, policies, and procedures. The framework includes a role for independent review and challenge functions and processes to aggregate, remediate, and escalate identified issues.

#### Contingency Strategies

The Agencies have previously expressed the importance of developing strategies to maintain funding for material entities (MEs) and the continuity of critical operations (COs) through a range of resolution scenarios.<sup>13</sup> The 2024 Letter stated that the 2025 Plan should provide information that describes how the Covered Company could support and preserve COs through a range of alternative resolution scenarios when financial resources are significantly lower than the execution needs after the Covered Company files for bankruptcy. If the Covered Company enters bankruptcy with insufficient resources, its resolution strategy may not be orderly, and COs could experience disruptions. Disrupting COs could transmit instability to the U.S. financial system. As such, plans should be sufficiently adaptable and dynamic.

During the review of the 2025 Plan, the Agencies made additional requests of the Covered Company related to the contingency strategies that could be deployed to address capital and liquidity shortfalls at MEs during the Covered Company's resolution. The Agencies requested that the Covered Company adapt its resolution strategy in the face of resource imbalances and estimate aggregated resolution needs at MEs that exceed available resources at the intermediate holding company (i.e., a shortfall). The request had two main goals. First, the Agencies sought to understand whether the Covered Company can identify contingency options to raise capital and liquidity, and if it has capabilities to identify a shortfall and downstream resources. Second, the Agencies sought to assess whether the Covered Company has protocols and processes to effectively communicate the facts and circumstances of the shortfalls and the drivers of the shortfalls to senior management and the board of directors.<sup>14</sup>

The Covered Company demonstrated through the exercise that it has developed capabilities that allow the Covered Company to deploy contingent options to meet identified ME shortfalls and then downstream financial resources during the post-bankruptcy filing resolution period. Among other options, the Covered Company considered the following as post-filing contingencies: accelerating balance sheet asset sales, delaying non-critical financial resource outflows, and accessing backup liquidity (e.g., discount window borrowing).

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<sup>12</sup> See, e.g., 12 CFR 243.5(b)(4), (c)(3)–(4), (c)(5)(ii), (d)(2) and 381.5(b)(4), (c)(3)–(4), (c)(5)(ii), (d)(2).

<sup>13</sup> 12 CFR 243.5(c)(1)(iv) and 381.5(c)(1)(iv). See also Guidance at 1452–1453.

<sup>14</sup> Management engagement includes reporting to support decision making, escalation of information, and communication to regulators and other external parties.

The Covered Company demonstrated robust and flexible capabilities to forecast and identify resolution resource needs at MEs. Furthermore, the Covered Company’s forecasting capabilities met the documented practices as outlined in its secured support agreement and the associated support methodology.

Necessary Actions and Legal Matters

In reviewing the 2023 Plan, the Agencies found that certain legal matters and components of the plan were outdated or incomplete. The 2024 Letter noted that the Covered Company maintains significant operations outside the United States and stated that the 2025 Plan should include information about approvals, actions, forbearance, and recognition by a foreign authority (each, a Necessary Action) that may be necessary in jurisdictions in which the Covered Company maintains significant operations for it to carry out its preferred resolution strategy.

The 2025 Plan included information regarding potential Necessary Actions and described timelines for achieving the Necessary Actions, as well as obstacles and mitigants to achieving those actions. The information demonstrated considerable effort by the Covered Company to conduct research and analysis that may help mitigate obstacles to an orderly resolution.

**III. Next Plan Review**

The Agencies anticipate conducting additional capabilities testing during the review of the Covered Company’s 2027 Plan. The Agencies expect to engage with the Covered Company during the period preceding submission of the 2027 Plan concerning the scope of review and anticipated areas of focus.

**IV. Conclusion**

The resolvability of firms will change as markets and firms’ activities, risk profiles, and structures change. In addition to the ongoing work noted in section II above, the Agencies expect the Covered Company to continue to address the resolution consequences of these changes and its day-to-day management decisions to fulfill its obligation to enable the rapid and orderly resolution of the Covered Company in bankruptcy.

If you have any questions about the information communicated in this letter, please contact the Agencies.

Sincerely,

*(signed) Benjamin W. McDonough*

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Benjamin W. McDonough  
Secretary of the Board  
Board of Governors of the Federal Reserve  
System

Sincerely,

*(signed) Jennifer M. Jones*

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Jennifer M. Jones  
Senior Counsel and Deputy Executive  
Secretary  
Federal Deposit Insurance Corporation