

Quarterly Impact Report

THIRD QUARTER 2009

ALMOST \$184 BILLION IN CREDIT EXTENDED IN THIRD QUARTER

TOTAL FOR FIRST NINE MONTHS NEARS \$578 BILLION



Lewis

TO OUR CUSTOMERS, SHAREHOLDERS, ASSOCIATES, AND FELLOW CITIZENS:

Over the past several months, almost every business day has brought new economic reports showing that home prices are stabilizing, that industrial production is picking up, that inventory stocks are coming down, that job losses are slowing —

in short, that our long recession is nearing its end, and that an economic recovery has begun. If true, this is obviously very good news.

Despite such positive trends, though, what is undeniably true is that households and communities across America continue to be under great financial strain. Unemployment and underemployment remain very high and probably will for some time. Demand for credit — and the availability of qualified borrowers — is still very low. This put downward pressure on overall lending levels in the third quarter. Our economy remains fragile and requires the full effort of the nation's financial services industry to build strength and sustainable momentum.

Our first responsibility in this effort is to use the government's investment in our company through the Troubled Assets Relief Program (TARP) wisely and productively. To that end, we have lent nearly \$760 billion over the past four quarters. Put another way, we lent almost \$17 for each TARP dollar we accepted. At the same time, we are providing U.S. taxpayers a return on their investment. On November 16, we will pay third-quarter dividends, bringing our 2009 dividend payments to the U.S. Treasury to more than \$2.54 billion.

In this third installment of our Lending & Investing Initiative Quarterly Impact Report, we detail the work we are doing throughout our communities and across America to support our customers and clients and help drive the nation's economic recovery. There are four areas of work I'd like to highlight.

Home loan modifications — One of our most important ongoing priorities is to accelerate our home loan modification programs to help as many of our customers as possible keep their homes. Over the past 21 months, we've helped modify mortgage loans for 445,000 homeowners or, on average, more than 21,000 each month. In addition to these results through our own programs, we helped move almost 100,000 customers into trial modifications through the Administration's Home Affordable Modification Program (HAMP) in the third quarter. To handle this intense volume and as further demonstration of our commitment to addressing this unprecedented need, we've increased our default assistance staff to more than 11,000, a 55% increase this year.

Supporting municipalities and nonprofits — Even as the federal government disburses stimulus dollars and banks lend as much money as we responsibly can, the financial struggles of local governments and nonprofit organizations continue to hamper their ability to keep pace with local needs. Through our Specialized Industries group, we are providing credit and services to more than 7,500 governmental entities — including local and state agencies. And, we continue to serve more than 1,400 large nonprofit clients across the country.

Small Business — While small businesses represent the backbone of the American economy, they have been especially challenged in this economic cycle. Our small business clients are managing their finances and debt prudently, with demand for credit down by 25% this year. That said, we continue to be responsive to the need for credit. We have extended more than \$12 billion in credit to companies with revenues up to \$20 million in the first nine months of this year, despite significant loan losses — nearly \$2.5 billion in this segment over the same time. We also are working with small business owners who are experiencing financial pressure, by modifying their business card payment structures. By the end of September, we have helped more than 49,000 small business clients improve their cash flows through loan modifications.

(continued on next page)

FAST FACTS: 1/1/2009 – 9/30/2009

- Approximately \$292B in first mortgages
- More than \$12B in small business loans
- Nearly \$64B in LMI mortgages
- \$215B in commercial loans
- 215,000 mortgages modified
- More than \$28B in commercial real estate
- 900,000 U.S. credit cards modified

Clear and fair consumer products — Building on our historic role as a leading advocate for responsible lending practices, we also are responding to our customers' need for simpler, clearer, more transparent products and pricing as they work to stabilize their household finances. Earlier this year, we led the industry with our Home Loans Clarity Commitment™ and our new Basic Visa® Card. Last month, we again led the industry with across-the-board reductions in overdraft fees on deposit accounts. And, we created a new role in the company with the title Consumer Policy Executive, to build on our efforts within each line of business and product group to ensure we are being as responsive as possible to the needs and concerns of our customers and communities.

In all of our work, from loan modifications to new lending and investing, a key theme is quality, not just quantity. The number of customers we serve is important — but making sure that modifications are sustainable, and that new loans satisfy sound underwriting requirements, are equally important. We're working to build a stronger, more stable economic foundation for the future — not a new economic bubble.

As with previous editions, this report provides detailed summaries of our progress in 10 major categories of lending and investing that are key sectors for growth. I hope you find this information useful and informative as we continue to work together to build a stronger, more stable and more prosperous American economy for the future.



Kenneth D. Lewis
Chief Executive Officer

ECONOMIC OUTLOOK

Bank of America Chief Economist Mickey Levy takes a look at the current state of the economy and its eventual recovery. His views of the economic challenges that lie ahead provide useful context for Bank of America's lending and investing initiatives.



Levy

The financial system has stabilized and the economy has begun to recover from deep recession. Real GDP is estimated to have grown at an approximate 3.5% annualized pace in third quarter. Confidence has risen and the outlook has brightened, at least compared to earlier expectations. But the level of economic activity is well below its earlier expansion peak, the recovery is just beginning to unfold, and the lingering effects of the financial crisis and debt overhang remain a constraining influence on household and business behavior.

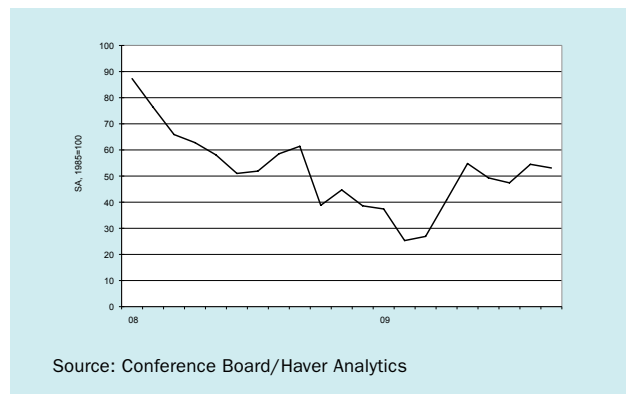
Similar to prior cyclical recoveries, a rebound in housing has led the way. In response to sharp declines in home prices and very low mortgage rates, new and existing home sales have risen significantly — 30.4% and 13.4%, respectively — from their very low January 2009 troughs. And, new housing starts have increased 25%, reflecting in part the perception that home prices are stabilizing.

Typically, economic recoveries are fueled heavily by strong growth in consumer spending, which boosts business confidence and leads to a rise in production, employment and renewed inventory building. To date, the recovery in consumer spending has been lackluster. Despite the government's unprecedented monetary and fiscal stimulus, consumption remains constrained by high unemployment and weak personal income, the need to save money and repay debt, and tighter credit underwriting.

Since early 2008, consumption of services — including medical services, the costs of shelter, personal and business services, etc. — has continued to grow modestly, while consumption of durable goods — autos and household durables — and so-called discretionary spending on luxury goods — remain weak. The government's Cash for Clunkers program generated a spike in auto sales; however, much of that likely "borrowed" from future auto sales and also constrained current non-auto sales.

I expect consumer spending to begin growing moderately on a sustained basis, but until it does, businesses will remain cautious and focus on controlling operating costs rather than production and hiring expansion.

CONSUMER CONFIDENCE



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PERFORMANCE UPDATE

We recognize that we have a unique responsibility to contribute to the nation's recovery, and we are pleased to report on our Q3 2009 progress and impact on important sectors.

Note: The results in the Q3 2009 Highlights column demonstrate sector impact, and some numbers may be reflected under multiple categories. Therefore, numbers do not add to a cumulative total.

SECTOR/OVERVIEW

Q3 2009 HIGHLIGHTS (YTD: 1/01/09 – 9/30/09)

CONSUMER LENDING

Serving one out of every two U.S. households, we are committed to meeting Americans' checking, savings, credit and home loan needs — responsibly.

- **Nearly \$96 billion in first mortgages**, helping nearly 450,000 people purchase a home or refinance an existing mortgage (YTD: approximately \$292 billion in first mortgages, more than 1.3 million customers)
- **Nearly \$3 billion in home equity and reverse mortgage loans** (YTD: more than \$10 billion)
- **More than \$23 billion in mortgages to 154,000 low- and moderate-income (LMI) customers** (YTD: nearly \$64 billion in mortgages to more than 410,000 LMI customers)
- **\$4.5 billion in new domestic and small business credit cards** (YTD: \$13.5 billion)
- **Nearly \$7 billion in other consumer credit** such as indirect auto loans or student loans (YTD: more than \$18 billion)

LOSS MITIGATION

By modifying terms, refinancing and supporting credit counseling, we help borrowers stay in their homes and manage credit card debt.

- **Provided rate relief or agreed to modified terms for approximately 215,000 mortgage customers** during the first nine months of 2009, compared to 230,000 in all of 2008 for Bank of America and Countrywide
- **Approximately 98,000 customers in a trial period modification** and nearly 163,000 are in the process of responding to an offer under the Making Home Affordable Program as of Sept. 30, 2009
- **More than 900,000 U.S. consumer credit card and consumer unsecured loans modified** during the first nine months of 2009, representing more than \$8 billion in credit; on average, card customers' monthly payments were reduced by nearly one-third

SMALL BUSINESS LENDING

Companies with revenues up to \$20 million are a critical driver of the U.S. economy. We are committed to supporting them with a suite of credit products and services.

- **More than \$4 billion in credit extended:** more than \$470 million in Small Business Banking; nearly \$3.6 billion in Business Banking (YTD: more than \$12 billion in small business lending)
- More than \$41 billion in total credit outstanding
- Assisted more than 16,200 small business card clients in improving their monthly cash flows by modifying payment structures (YTD: more than 49,200 clients assisted)
- Recently ranked #1 in 2009 SBA 504 lending with 366 loans totaling \$611 million

COMMERCIAL LENDING

Offering integrated solutions including lending, investing and international banking, we are one of the leading U.S. middle-market banks and commercial real estate lenders, serving companies with revenues between \$2.5 million and \$2 billion.

- **More than \$65 billion in commercial non-real estate loans** (YTD: \$215 billion)
- **More than \$8 billion in commercial real estate loans** (YTD: more than \$28 billion)

NONPROFIT SUPPORT

Through lending, investments and philanthropy, we support vital community resources: nonprofits, government entities and anchor institutions — such as hospitals and colleges.

- **Almost \$7 billion in credit extended to nonprofit, government and anchor institutions** (YTD: more than \$26 billion)
- **Nearly \$48 million in philanthropic grants** (YTD: almost \$125 million)
- In 2009, the first year of our 10-year, \$2 billion philanthropic goal, we expect to deliver \$200 million in charitable investments

SECTOR/OVERVIEW**Q3 2009 HIGHLIGHTS (YTD: 1/01/09 – 9/30/09)****“GREEN” FINANCING**

As part of our 10-year, \$20 billion business initiative to address climate change, we promote an environmentally sustainable economy through strategic investments and financing for “green” construction and renewable energy.

- **More than \$35 million** in “green” commercial real estate debt and equity transactions (3/07 – 9/09: *more than \$2 billion*)
- **More than \$288 million** in “green” energy and power financing (3/07 – 9/09: *nearly \$1.6 billion*)
- **In first nine months of 2009, \$20 million** in strategic environmental investments (3/07 – 9/09: *\$265 million*)

COMMUNITY DEVELOPMENT

Our loans and investments help revitalize LMI areas by creating affordable housing and vibrant retail and commercial sites. We invest in Community Development Financial Institutions (CDFIs) that extend credit to LMI families and small businesses.

- **\$283 million** in Community Development Banking commercial real estate-based lending (YTD: *more than \$1 billion*)
- **Almost \$78 million** in tax credit investments: **\$75 million** in low-income housing; **nearly \$3 million** in historic, new markets and solar (YTD: *\$277 million*)
- **Almost \$11 million** in CDFI commitments for lending and investments, including **\$8 million** in Program-Related Investments (PRIs) (YTD: *almost \$85 million* in CDFIs, *nearly \$30 million* in PRIs)

SOCIALLY RESPONSIBLE PRIVATE EQUITY

We routinely facilitate the flow of capital from institutional investors to underserved small businesses, including those owned by women or ethnic minorities, those in LMI areas or those that provide services to underserved populations.

- **Managed and advised on more than \$968 million** in capital to small businesses fitting “underserved” categories

REAL-ESTATE-OWNED (REO) PROPERTIES

To combat the growing number of foreclosed and vacant properties, we are working with those that have received funds under the Neighborhood Stabilization Program (NSP) to help restore these communities.

- **More than \$10.5 million** to help with relocation costs for more than 3,300 tenants and owners of foreclosed properties (YTD: *more than \$31.5 million and 10,100 people*)
- Provided REO technical assistance to more than 70 communities
- Provided REO information weekly to 190 jurisdictions and offering properties for sale consistent with NSP regulations

SUPPLIER DIVERSITY

We encourage supplier diversity by increasing the amount of products and services we purchase from minority-, women-, veteran-, and disabled person-owned business enterprises.

- **Spent \$6.4 billion** with diverse suppliers over the past five years, more than doubling amount spent with diverse suppliers from 1990 to 2003
- Citing our commitment to supplier diversity, *Hispanic Business Magazine* named Bank of America within the top 5 of the “Top 60 Diversity Elite”

VIEW FROM OUR PARTNERS

By: Mark Pinsky, President & Chief Executive Officer of Opportunity Finance Network (OFN), a leading network of financial intermediaries focused on unconventional markets



Pinsky

Partnering with CDFIs to Help Borrowers Navigate Through Crisis

Community Development Financial Institutions, or CDFIs, are private-sector financial institutions that work just outside the margins of conventional finance to help people and communities join the economic mainstream. In the current economic

environment, CDFIs are critically important to the communities they serve — providing loans for housing, businesses and nonprofit organizations. At the same time, CDFIs have become increasingly important to mainstream financial partners, including Bank of America, by helping them expand access to capital in hard-to-reach and traditionally underserved markets.

Today, more than 800 CDFIs operate in all 50 states, working in urban, suburban and rural markets. The CDFI industry has more than \$30 billion of financing experience with outstanding — even remarkable — results. With cumulative loan losses comparable to conventional banks operating in markets that are considered much less risky, CDFIs have demonstrated that they are prudent stewards of socially motivated investments.

Bank of America has been an important partner in CDFI growth. The bank is the single largest investor in CDFIs, providing more than \$1.1 billion in debt and equity as of Sept. 30, 2009. Much of that financing is in the form of low-cost, long-term loans, called Program-Related Investments (PRIs).

Investing in CDFIs is critically important right now. Seismic shifts in the economy, financial markets and public policy have left gaping crevices in our nation's community development infrastructure even as the number of low-income and low-wealth people is growing at an alarming pace. Community-based organizations are trying to do more with less — public foundations, private philanthropists and local governments are providing less support due to their own constraints. The credit crunch of the past 12 to 18 months has hit CDFIs and their borrowers particularly hard. Liquidity, patience and leadership are the three things that our markets need most, now and for the next 12 to 24 months.

In light of that reality, we welcome two of Bank of America's recent actions:

First, Bank of America announced that it would work with its CDFI clients to allow and encourage them to redeploy their scheduled 2009 and 2010 PRI principal payments into new loans for housing, small businesses and community facilities in low- and moderate-income communities. This is translating immediately into new financing in communities that really need it. The bank estimates that its decision to recycle PRI capital already has provided CDFIs with more than \$50 million since June 30, 2009.

Second, Bank of America is working with OFN to create a "CDFI Investor Roundtable." The Roundtable will provide a forum for bank and foundation investors in CDFIs to better understand the challenges and decisions all investors face now and going forward — with the aim of ensuring investors stay engaged in the CDFI marketplace and provide critically needed liquidity.

Over the past 25 to 30 years, CDFIs have built solid balance sheets as a result of disciplined lending and investing. They are partners that provide a solid investment and real returns. OFN's CDFI Market Conditions Report has documented stability in the CDFI market despite increased portfolio and operating stress.

Today, CDFIs are stepping in to provide liquidity where they can — making new loans and extending loans to borrowers who are managing through the crisis.

A financial writer once noted that credit is a financial transaction with a moral lineage — because an extension of credit is a statement of trust in the borrower's future. CDFIs extend that trust to people and places that often get left out of the economic mainstream. Bank of America is extending its trust to CDFIs.

2009 Performance Snapshot (1/1/2009 – 9/30/09)

- Almost \$85 million in CDFI commitments for lending and investments, including nearly \$30 million in PRIs

FOCUS ON...NONPROFIT FINANCING

Providing Credit So Nonprofits Can Continue to Serve

Organizations with a mission to help people in tough times are having a tough time themselves. As the economic crisis deepened, the situation for nonprofits also deteriorated, with a squeeze from growing demand on one side and dwindling donations and resources on the other.

According to a May 2009 survey by Bridgespan, 92% of nonprofits responding indicated they were being affected by the downturn, up from 75% just six months earlier. And, 49% reported their financial situation had grown worse. No surprise, then, the general collapse of investment assets also has taken a toll. In fact, a June 2009 Johns Hopkins survey revealed 80% of nonprofits with endowments said their investments decreased.

How We Help Nonprofits Move Forward

Many of these organizations are at the core of communities' identities and social safety nets. They are helping to feed the hungry, provide shelter to the homeless and lift the spirits of all through arts and culture. Bank of America has a long history of supporting nonprofits: volunteers, charitable giving (*approximately \$125 million through third quarter*), lending, money management and investment advice. In addition to helping to sustain these organizations by bridging gaps through credit, we employ a holistic, advisory approach that is especially critical today to help address financial management needs.

Currently, Bank of America serves more than 1,400 large nonprofit clients across the nation through its Specialized Industries group with more than \$10 billion in credit commitments. We provide financial services to 81 of *The NonProfit Times*' Top 100 and 23 of the top 25.

"Bank of America Merrill Lynch and its predecessor firms have built a durable record of success in providing financial services to nonprofit institutions," says Kathy Auda, Bank of America Specialized Industries executive. "This is not a sector we recently discovered. We have built an understanding of their unique financial needs over many decades, and clients come to us because our expertise in the field is known and truly valued by them."

One such client is Woodruff Arts Center (WAC), a leading cultural institution in the southeastern United States. Like so many other businesses and organizations in America, WAC faced declines in financial resources due to investment losses and reduced income. Bank of America helped WAC revise its debt, providing a balanced capital structure and reduced risk.

Some additional examples of how we've recently assisted nonprofits in serving their communities:

- We helped a major children's hospital issue \$200 million in new fixed-rate debt as part of a major fundraising campaign, the largest expansion ever by a single children's hospital within a four-year time span. The funding will go toward accelerating advances in cutting-edge research and providing greater access to high-quality care for children.
- We assisted a Franciscan hospital in improving its debt position by providing a \$125 million fixed-rate-bond issuance and converting \$85 million in financing to a fixed interest rate.
- When a mid-South city parks system sought to purchase hundreds of acres of old growth forest, we helped a nonprofit "friends of the parks" organization achieve its goal with a \$6.8 million line of credit.

2009 Performance Snapshot (1/1/2009 - 9/30/09)

- More than \$26 billion in credit extended to nonprofit, government and anchor institutions
- Nearly \$125 million in philanthropic grants



FOCUS ON...RESPONDING TO CONSUMERS' NEEDS

Providing Consumers Financial Tools that Are Simple, Clear and Fair

Numerous economists point to consumer confidence and financial stability as the underpinning to our nation's financial recovery. That's why Bank of America is working closely with our customers to ensure they have tools and products, in addition to providing credit, to help them weather the current economic storm, restore confidence and support personal financial stability.

So far this year, we've worked directly with consumers in distress — including helping our deposit customers more than 3 million times through customer assistance and fee refunds. Further, this year we expect to modify the accounts of 1.2 million U.S. credit card customers who are struggling with payments. And, we recently led the industry by announcing we will not increase interest rates on consumer non-variable rate credit cards prior to February 2010, when the CARD Act goes into effect, unless the account is late on two or more payments during 12 consecutive months.

We want customers to have simplicity and clarity in all they do with us. We began in early 2009 by introducing the Bank of America Home Loans Clarity Commitment™ — a simple, one-page summary of a mortgage borrower's loan terms and closing costs. We have now added a Home Equity Clarity Commitment™ and will be introducing our Card Clarity Commitment™ to 40 million customers in December. Building on that, we're continuing to develop products and services that help consumers better understand their options and make informed choices. And, we're analyzing policies and making changes designed to help our customers even more as they manage their money.

Supporting U.S. Treasury's Direct Deposits Campaign

Direct deposits provide customer convenience. They also save the federal government 93 cents per check. For achieving exceptional results in driving enrollment as part of the U.S. Department of the Treasury's national Go Direct® campaign, we've been named a Go Direct® Champion. The eight-month program promoting direct deposits for Treasury check recipients tracked increases in Social Security and Supplemental Security Income (SSI) direct deposit payments. Our enrollments will help the federal government save approximately \$1.1 million per year.

Introducing BankAmericard Basic™ Visa® Card

In response to consumer demand for a product that offers the convenience of credit with simplified rates and terms, we've introduced the BankAmericard Basic™ Visa® card. The new card features one basic rate for all types of transactions, including balance transfers and cash advances. BankAmericard Basic card features one interest rate — U.S. Prime plus a margin of 14% — that means rate increases and decreases only occur if the prime rate changes. The card also offers no over-the-limit fee; an easy-to-understand, single-page disclosure explains terms and conditions; and one flat fee of \$39 for late payments.

The Basic card is one of four new cards in a simplified suite of cards offered under the BankAmericard brand. Other cards in the suite include:

- BankAmericard Power Rewards™ Visa, a robust choice of rewards
- BankAmericard Cash Rewards™ Visa, for customers looking exclusively for cash back
- BankAmericard Visa, which includes an introductory promotional rate

2009 Performance Snapshot (1/1/2009 – 9/30/09)

- Nearly \$292 billion in first mortgages
- More than \$10 billion in home equity and reverse mortgage loans
- Nearly \$64 billion in mortgages to 410,000 low- and moderate-income (LMI) customers
- \$13.5 billion in new domestic and small business credit cards
- More than \$18 billion in other consumer loans



Helping customers manage their money

Offering More Options for Checking Account Customers

We've created some new options for our checking accounts to help customers limit overdraft fees and have more control over their finances. Our immediate priority is providing assistance to those customers who regularly overdraw their accounts. The first changes went into effect October 19, with additional changes to be made by June of next year. With the changes, we have increased customers' options in the area of overdrafts, limited daily overdraft fees and significantly reduced fees for those customers who need help the most. We also will increase our proactive outreach to customers to help them better manage their finances and limit their overdraft ability, if necessary.

Changes to Checking Account Options

Beginning October 19, the bank will:

- Not charge overdraft fees when a customer's account is overdrawn by less than \$10 in one day
- Not charge fees on more than four overdraft items per day
- Improve the process for customers to opt-out of overdraft capability
- Provide a clarity statement that spells out the specific features and terms of a customer's deposit account

Effective June 2010, the bank will:

- Introduce an annual limit on point-of-sale overdrafts
- Contact customers nearing the annual limit with information to help them better manage their finances
- Limit overdraft capability, and therefore fees, for customers who reach the annual limit
- Provide new customers with the choice to opt-in to overdraft capabilities at account opening



Financing innovative energy projects

Green Financing Turns Forest Decay into Energy and Savings

When it comes to renewable energy sources, it appears that one solution might be where we'd least expect it — right under our feet.

The Savannah River Site (SRS), located near Aiken, SC, serves as a top research hub for scientists and engineers who are working on new solutions in global energy. Primarily fueled with forest residues that currently are left in the forest to rot when timber is harvested, the project includes a biomass cogeneration facility and two smaller biomass heating facilities. It is anticipated that the U.S. Government will realize an estimated \$795 million in energy savings over the 19-year contract. Bank of America provided \$70 million in financing to help fund this project, which represents the largest energy savings performance and renewable energy contract in the nation's history.

The SRS project is just one example of our lending and investing, through our \$20 billion, 10-year business initiative to address climate change to promote an environmentally sustainable economy. Between March 2007 and September 2009, we've placed more than \$2 billion in "green" commercial real estate debt and equity and financed nearly \$1.6 billion in "green" energy and power.

Helping Customers Stay in Their Homes

Bank of America's efforts to help customers stay in their homes gained momentum in the third quarter through the U.S. government's Home Affordable Modification Program (HAMP) and other solutions. As of September 30, Bank of America has extended approximately 163,000 offers for a trial modification under HAMP, with more than 98,000 active trial modifications.

Although HAMP is now the centerpiece of Bank of America's home retention efforts, we have also provided rate relief or agreed to modifications with 445,000 customers since 2008 through the Bank of America and Countrywide loan modification programs — including more than 215,000 completed loan modifications in the first three quarters of this year.

We've also ramped up our outreach efforts to help as many customers as possible. In recent months, Bank of America has:

- Increased default assistance staffing to more than 11,000 — a 55% increase since the beginning of the year
- Participated in more than 200 community outreach events in 30 states
- Implemented new methods to reach borrowers, including a door-to-door campaign targeting 50,000 customers who have failed to respond to phone and mail outreach
- Launched a Home Loan Assistance website: <http://homeloans.bankofamerica.com/homeloanhelp>

We are proud of our record so far, but understand there is still more work to be done. As long as customers remain in need, our company will maintain the efforts under way to help them.



Enabling customers to stay in their homes



Student Leaders®

Investing in Youth to Build the Next Generation of Community Leaders

This past summer, 230 outstanding high school juniors and seniors were recognized by Bank of America as Student Leaders® for their civic engagement and passion for service. Over the course of the summer, each teenager participated in a bank-sponsored paid internship with a nonprofit and attended a week-long student leadership summit in Washington, DC.

While in DC, the students participated in a financial education policy discussion with representatives from the Jump\$tart Coalition and the U.S. Department of the Treasury. In another session, they met with Congressional members to discuss the recently passed Serve America Act. The students put the spirit of service into action when they volunteered at Rock Creek Park with the National Parks Foundation.

By exposing these accomplished young leaders to critical issues facing their communities and developing their leadership abilities, Bank of America is helping to prepare the next generation of leaders to face the challenges and opportunities of their communities and the country. In 2009, we invested \$1.2 million in our Student Leaders® and since the program's inception in 2004, approximately \$6.2 million.

The Student Leaders® program is part of the bank's signature philanthropic program, the Neighborhood Excellence Initiative. Through this initiative, we are investing in nonprofit and community leadership to advance the economic and social health of communities today and tomorrow.

Responding to the Need for Affordable Rental Housing

A fundamental element to strong communities — and a critical need — is quality, affordable housing. Over the past two years, that need has been accentuated by the economic downturn and mortgage crisis, specifically in the rental sector.

At Bank of America, we are continuing to respond to that need. The recently combined Bank of America Merrill Lynch is already building on the tradition inherent in both companies of fostering strong communities through community development lending and investing by creating affordable housing for low- and moderate-income families.

In Rancho Cucamonga, CA, we provided \$30 million in tax-exempt bond financing for the construction of San Sevaine, a multifamily housing community consisting of 225 units of affordable and workforce rental housing across 12 acres. These units will rent for an average of 43% below local market rates.

Incorporating green construction features such as solar panels and water-efficient landscaping, San Sevaine will give residents amenities including a 6,500-square-foot community center, swimming pool, play areas and carports. An onsite service coordinator will link residents with job training, continuing education and after-school programs.

In Countryside, IL, we provided \$8.1 million in a low-income-housing tax credit investment and \$5.5 million in construction financing for the first LEED-certified multifamily apartment building in the city. The Countryside Senior Apartments consist of 70 units of age-restricted (55 years and up) affordable rental housing.

In Fort Worth, TX, by investing more than \$23 million, we're helping to make 252 units of affordable family housing a reality at The Woodmont Apartments. Amenities include a clubhouse, swimming pool, fitness center, business center and laundry facility, which are all designed to foster a sense of community. Onsite social and health services will be offered as well.



Woodmont Apartments

WE'RE HERE FOR OUR CUSTOMERS

In third quarter 2009, we introduced new options for checking account customers to limit overdraft fees as well as made an industry-leading decision to not increase interest rates on consumer non-variable rate credit cards in advance of the new federal credit card law. We also launched BankAmericard Basic™, which features one basic rate for all types of transactions. And, in December, we'll mail 40 million customers our new Credit Card Clarity Commitment™ — a one-page document that provides each consumer credit card customer with a summary of their interest rates, fees and payment information. Earlier this year, we rolled out our Clarity Commitment™ to home loan customers and have already introduced a similar one-page summary for deposit customers. All of this responds to customers' desire for simple, straightforward information about their financial services and demonstrates our commitment to meeting their needs.

CUSTOMER SERVICE

GENERAL	1.800.432.1000	SMALL BUSINESS	1.888.BUSINESS (1.888.287.4637)
CREDIT CARD	1.800.732.9194	MORTGAGE	1.800.900.9000

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