

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):  
November 8, 1996

NATIONSBANK CORPORATION  
(Exact name of registrant as specified in its charter)

North Carolina  
(State of Incorporation)

1-6523  
(Commission File Number)

56-0906609  
(IRS Employer Identification No.)

NationsBank Corporate Center  
Charlotte, North Carolina  
(Address of principal executive offices)

28255  
(Zip Code)

(704) 386-5000  
Registrant's telephone number, including area code)

ITEM 5. OTHER EVENTS.

Medium Term Notes

On November 8, 1996, a Committee of the Board of Directors of the Registrant (the "Committee") approved the implementation of a medium-term note program, pursuant to which certain officers of the Registrant may cause it to issue from time to time up to \$2,000,000,000 aggregate principal amount of certain medium-term notes, which may be senior debt securities, designated as the Senior Medium-Term Notes, Series F (the "Senior Medium-Term Notes") or subordinated debt securities, designated as the Subordinated Medium-Term Notes, Series F (the "Subordinated Medium-Term Notes" and, together with the Senior Medium-Term Notes, the "Medium-Term Notes"), or any combination thereof, and may establish the price, terms and conditions and the specific method of distribution of the Medium-Term Notes. The Senior Medium-Term Notes will be issued under an Indenture dated as of January 1, 1995 between the Registrant and First Trust of New York, National Association, as successor trustee to BankAmerica National Trust Company. The Subordinated Medium-Term Notes will be issued under an Indenture dated as of January 1, 1995 between the Registrant and The Bank of New York. The resolutions of the Committee are included as Exhibit 99.1 hereto.

On November 8, 1996, the Registrant entered into a distribution agreement with the agents named therein (the "United States Distribution Agreement"), the terms of which will govern sales of the Medium-Term Notes. The Medium-Term Notes are described generally in the Prospectus dated July 12, 1996 constituting a part of the Registration Statement (hereinafter described), as supplemented by a Prospectus Supplement dated November 8, 1996. The United States Distribution Agreement is included as Exhibit 1.1 hereto.

The Medium-Term Notes will be issued from time to time pursuant to the Registrant's Registration Statement on Form S-3, Registration No. 333-7229 (the "Registration

Statement"), on a delayed basis pursuant to Rule 415 under the Securities Act of 1933, as amended. The Registration Statement registered up to \$3,000,000,000 aggregate initial offering price of the Registrant's unsecured debt securities (either senior or subordinated), shares of its preferred stock (which may be represented by depositary shares) and shares of its common stock and was declared effective on July 12, 1996.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

The following exhibits are filed herewith:

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
1.1	Master United States Distribution Agreement dated November 8, 1996 with respect to the offering of the Medium-Term Notes
4.1	Indenture dated as of January 1, 1995 between NationsBank Corporation and BankAmerica National Trust Company, as trustee, incorporated herein by reference to Exhibit 4.1 of the Registrant's Registration Statement on Form S-3, as amended, Registration No. 33-57533
4.2	Successor Trustee Agreement effective December 15, 1995, between NationsBank Corporation and First Trust Bank of New York, as successor trustee to BankAmerica National Trust Company, incorporated herein by reference to Exhibit 4.2 of the Registrant's Registration Statement on Form S-3 Registration No. 333-7229
4.3	Form of Senior Medium-Term Note, Series F (Fixed Rate)
4.4	Form of Senior Medium-Term Note, Series F (Floating Rate)
4.5	Indenture dated as of January 1, 1995 between NationsBank Corporation and The Bank of New York, as trustee, incorporated herein by reference to Exhibit 4.5 of the Registrant's Registration Statement on Form S-3, as amended, Registration No. 33-57533
4.6	Form of Subordinated Medium-Term Note, Series F (Fixed Rate)
4.7	Form of Subordinated Medium-Term Note, Series F (Floating Rate)
5.1	Opinion of Smith Helms Mulliss & Moore, L.L.P. as to the legality of the securities.
23.1	Consent of Smith Helms Mulliss & Moore, L.L.P. (included in Exhibit 5.1)
99.1	Resolutions of a Committee of the Board of Directors dated November 8, 1996 with respect to the terms of the offering of the Medium-Term Notes

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NATIONSBANK CORPORATION

By: /s/ CHARLES M. BERGER  
CHARLES M. BERGER  
Associate General Counsel

Dated: November 14, 1996

NATIONSBANK CORPORATION

Medium-Term Notes  
Due 9 Months or more from Date of Issue

MASTER UNITED STATES DISTRIBUTION AGREEMENT

November 8, 1996

To the Agents listed on Exhibit A hereto and to each additional person that shall become an Agent as provided in Section 1(f) of this Agreement.

Dear Sirs:

NationsBank Corporation, a North Carolina corporation (the "Corporation"), has authorized and proposes to issue and sell from time to time in the manner contemplated by this Agreement its Senior Medium-Term Notes, Series F (the "Senior Notes") and its Subordinated Medium-Term Notes, Series F (the "Subordinated Notes," and together with the Senior Notes, the "Notes"). The Senior Notes are to be issued pursuant to an Indenture dated as of January 1, 1995 between the Corporation and First Trust of New York, N.A. (the "Senior Trustee"), as successor trustee to BankAmerica National Trust Company (the "Senior Indenture"). The Subordinated Notes are to be issued pursuant to an Indenture dated as of January 1, 1995 between the Corporation and The Bank of New York (the "Subordinated Trustee"), as trustee (the "Subordinated Indenture"). The Senior Trustee and the Subordinated Trustee are collectively referred to herein as the "Trustees," and the Senior Indenture and the Subordinated Indenture are collectively referred to herein as the "Indentures."

The Corporation has filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-3 (No. 333-7229) for the registration of debt securities (both senior and subordinated), preferred shares, depository shares and common shares under the Securities Act of 1933, as amended (the "1933 Act"), and the offering thereof from time to time in accordance with Rule 415 of the rules and regulations of the SEC under the 1933 Act (the "1933 Act Regulations"). Such registration statement has been declared effective by the SEC, and the Trustees have been qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"). Such registration statement (and any further registration statements which may be filed by the Corporation for the purpose of registering additional Notes and in connection with which this Agreement is included or incorporated by reference as an exhibit) and the prospectus relating to the offer and sale of the Corporation's debt securities constituting a part thereof, as supplemented by a prospectus supplement dated on or about the date hereof relating to the Notes, including all documents incorporated therein by reference, as from time to time amended or supplemented by the filing of documents pursuant to the Securities Exchange Act of 1934, as amended (the "1934 Act"), or the 1933 Act or otherwise, are referred to herein as the "Registration Statement" and the "Prospectus," respectively, except that if any revised prospectus shall be provided to the Agents by the Corporation for use in connection with the offering of the Notes which is not required to be filed by the Corporation pursuant to Rule 424(b) or Rule 434 of the 1933 Act Regulations, the term "Prospectus" shall refer to such revised prospectus from and after the time it is first provided to the Agent for such use.

The Corporation confirms its agreement with each of you (individually, an "Agent" and collectively, the "Agents") with respect to the issue and sale from time to time by the Corporation of the Notes as follows:

SECTION 1. Appointment of Agents.

(a) Appointment. Subject to the terms and conditions stated herein, the Corporation hereby appoints each of you as Agent in connection with the offer and sale of the Notes. Notwithstanding the foregoing or any other provision herein to the contrary, the Corporation reserves the right to sell Notes, at any time, on its own behalf to any unsolicited purchaser, whether directly to such purchaser or through an agent for such purchaser. Upon the sale of any Notes to an unsolicited purchaser, no Agent named herein shall be entitled to any commission pursuant to this Agreement.

(b) Solicitations as Agent. Subject to the terms and conditions set forth herein, each Agent agrees, as agent of the Company, to use its reasonable best efforts when requested by the Company to solicit offers to purchase the Notes upon the terms and conditions set forth in the Prospectus and the administrative procedures with respect to the sale of Notes as may be agreed upon from time to time between the Agents and the Corporation (the "Procedures"). Initial Procedures dated November 8, 1996 shall remain in effect until changed by the Agents and the Corporation. The Agents and the Corporation agree to perform the respective duties and obligations specifically provided to be performed by them in the Procedures. Notwithstanding any provision herein to the contrary, the Corporation reserves the right, in its sole discretion, to suspend solicitation of purchases of the Notes through the Agents, as agent, commencing at any time for any period of time or permanently. Upon receipt of instructions from the Corporation, the Agents will forthwith suspend solicitation of purchases of the Notes until such time as the Corporation has advised the Agents that such solicitation may be resumed.

Each Agent will communicate to the Corporation, orally, each offer to purchase Notes solicited by such Agent on an agency basis, other than those offers rejected by the Agent. The Agent shall have the right, in its discretion reasonably exercised, to reject any proposed purchase of Notes by persons solicited by the Agent, as a whole or in part, and any such rejection shall not be deemed a breach of the Agent's agreement contained herein. The Corporation may accept or reject any proposed purchase of the Notes, in whole or in part, and any such rejection shall not be deemed a breach of the Corporation's agreement herein.

All Notes sold through an Agent as agent will be sold at 100% of their principal amount unless otherwise agreed to by the Corporation and such Agent. The purchase price, interest rate, maturity date and other terms of the Notes (as applicable) specified in Exhibit B hereto shall be agreed upon by the Corporation and such Agent and set forth in a pricing supplement to the Prospectus (a "Pricing Supplement") to be prepared following each acceptance by the Corporation of an offer for the purchase of Notes.

Such Agent shall make reasonable efforts to assist the Corporation in obtaining performance by each purchaser whose offer to purchase Notes has been solicited by such Agent and accepted by the Corporation. The Agent shall not have any liability to the Corporation in the event any such agency purchase is not consummated for any reason other than the gross negligence of the Agent. If the Corporation shall default on its obligation to deliver Notes to a purchaser whose offer it has accepted, the Corporation shall (i) hold the Agent for such purchase harmless against any loss, claim or damage arising from or as a result of such default by the Corporation and (ii) notwithstanding such default, pay to such Agent any commission to which it would be entitled in connection with such sale.

(c) Commissions. For those offers to purchase Notes accepted by the Corporation, the Agent shall be paid a commission. Unless otherwise agreed between the Corporation and the Agent and, if required by law or otherwise, disclosed in a Pricing Supplement, such commission shall be an amount equal to the applicable percentage of the principal amount of each Note sold by the Corporation as a result of a solicitation made by such Agent as set forth in Exhibit C hereto.

(d) Purchases as Principal. The Agents shall not have any obligation to purchase Notes from the Corporation as principal, but an Agent and the Corporation may expressly agree from time to time that such Agent shall purchase Notes as principal. In the event that an Agent and the Corporation shall expressly so agree, Notes shall be purchased by such Agent as principal. Unless otherwise agreed between the Corporation and the Agent and, if required by law or otherwise, disclosed in a Pricing Supplement, each Note sold to an Agent as principal shall be purchased by such Agent at a price equal to 100% of the principal amount thereof less a discount equivalent to the applicable commissions set forth in Exhibit C hereto and may be resold by such Agent at prevailing market prices at the time or times of resale as determined by such Agent. Such purchases as principal shall otherwise be made in accordance with terms agreed upon by the Agent and the Corporation (which shall be agreed upon orally, with written confirmation prepared by the Agent and delivered to the Corporation within two business days of such oral agreement). In the absence of a separate written agreement, the Agent's

commitment to purchase Notes as principal shall be deemed to have been made on the basis of the representations, warranties and covenants of the Corporation herein contained and shall be subject to the terms and conditions set forth herein, including Section 10(b) hereof.

(e) Sub-Agents. An Agent may engage the services of any other broker or dealer in connection with the resale of any Notes purchased as principal but no Agent may appoint sub-agents. In connection with sales by an Agent of Notes purchased by such Agent as principal to other brokers or dealers, such Agent may allow any portion of the discount received in connection with such purchases from the Corporation to such brokers and dealers.

(f) Appointment of Additional Agents. Notwithstanding any provision herein to the contrary, the Corporation reserves the right to appoint additional agents for the offer and sale of Notes, which agency may be on an on-going basis or on a one-time basis. Any such additional agent shall become a party to this Agreement and shall thereafter be subject to the provisions hereof and entitled to the benefits hereunder upon the execution of a counterpart hereof or other form of acknowledgment of its appointment hereunder, including the form of letter attached hereto as Exhibit D, and delivery to the Corporation of addresses for notice hereunder and under the Procedures. After the time an Agent is appointed, the Corporation shall deliver to the Agent, at such Agent's request, copies of the documents delivered to other Agents under Sections 4(a), 4(b) and 4(c) and, if such appointment is on an on-going basis, Sections 6(b), 6(c) and 6(d) hereof.

(g) Reliance. The Corporation and the Agents agree that any Notes the placement of which an Agent arranges shall be placed by such Agent in reliance on the representations, warranties, covenants and agreements of the Corporation contained herein and on the terms and conditions and in the manner provided herein or provided in the Procedures.

(h) Sale of Notes. The Corporation shall not sell or approve the solicitation of purchases of Notes in excess of the amount which shall be authorized by the Corporation from time to time or in excess of the principal amount of Notes registered pursuant to the Registration Statement. The Agents will have no responsibility for maintaining records with respect to the aggregate principal amount of Notes sold or otherwise monitoring the availability of Notes for sale under the Registration Statement.

## SECTION 2. Representations and Warranties.

(a) The Corporation represents and warrants to the Agents as of the date hereof, as of the date of each acceptance by the Corporation of an offer for the purchase of Notes (whether through an Agent as agent or to an Agent as principal), as of the date of each delivery of Notes (whether through an Agent as agent or to an Agent as principal) (the date of each such delivery to an Agent as principal being hereafter referred to as a "Settlement Date"), and as of any time that the Registration Statement or the Prospectus shall be amended or supplemented or there is filed with the SEC any document incorporated by reference into the Prospectus (other than any Current Report on Form 8-K relating exclusively to the issuance of debt securities under the Registration Statement) (each of the times referenced above being referred to herein as a "Representation Date") as follows:

(i) The Corporation meets the requirements for use of Form S-3 under the 1933 Act and has filed with the SEC the Registration Statement, which has become effective. Such Registration Statement meets the requirements of Rule 415(a)(1) under the 1933 Act and complies in all other material respects with said Rule.

(ii) As of the date hereof, when the Prospectus as supplemented with respect to the Notes is first filed pursuant to Rule 424 under the 1933 Act, when any amendment to the Registration Statement becomes effective (including the filing of any document incorporated by reference in the Registration Statement) and as of the applicable Representation Date, (a) the Registration Statement, as amended or supplemented as of any such time, the Prospectus, when filed, and the applicable Indenture will comply in all material respects with the applicable requirements of the 1933 Act, the 1939 Act and the 1934 Act and the respective rules and regulations thereunder, (b) the Registration

Statement, as amended as of any such time, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading, and (c) the Prospectus, as amended or supplemented as of any such time, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that the Corporation makes no representations or warranties as to (x) that part of the Registration Statement which shall constitute the Statement of Eligibility and Qualification of the Trustee (Form T-1) under the 1939 Act of either of the Trustees or (y) the information contained in or omitted from the Registration Statement or the Prospectus or any amendment thereof or supplement thereto in reliance upon and in conformity with information furnished in writing to the Corporation by or on behalf of any Agent specifically for use in connection with the preparation of the Registration Statement and the Prospectus.

(iii) The Corporation has complied and will comply with all the provisions of Florida H.B. 1771, codified as Section 517.075 of the Florida Statutes, 1987, as amended, and all regulations promulgated thereunder relating to issuers doing business in Cuba; provided, however, that in the event that such Section 517.075 shall be repealed, or amended such that issuers shall no longer be required to disclose in prospectuses information regarding business activities in Cuba or that a broker, dealer or agent shall no longer be required to obtain a statement from issuers regarding such compliance, then this representation and agreement shall be of no further force and effect.

(b) Additional Certifications. Any certificate signed by any director or officer of the Corporation and delivered to an Agent or to counsel for such Agent in connection with an offering of Notes or the sale of Notes to an Agent as principal shall be deemed a representation and warranty by the Corporation to such Agent as to the matters covered thereby on the date of such certificate and at each Representation Date subsequent thereto.

### SECTION 3. Covenants of the Corporation.

The Corporation covenants with the Agents as follows:

(a) Notice of Certain Events. The Corporation will notify the Agents immediately (i) of the effectiveness of any amendment to the Registration Statement, (ii) of the transmittal to the SEC for filing of any supplement to the Prospectus or any document to be filed pursuant to the 1934 Act which will be incorporated by reference in the Prospectus, (iii) of the receipt of any comments from the SEC with respect to the Registration Statement or the Prospectus (other than with respect to a document filed with the SEC pursuant to the 1934 Act which will be incorporated by reference in the Registration Statement and the Prospectus), (iv) of any request by the SEC for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information relating thereto (other than such a request with respect to a document filed with the SEC pursuant to the 1934 Act which will be incorporated by reference in the Registration Statement and the Prospectus), and (v) of the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose. The Corporation will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(b) Notice of Certain Proposed Filings. The Corporation will give the Agents notice of its intention to file or prepare any additional registration statement with respect to the registration of additional Notes or any amendment to the Registration Statement or any amendment or supplement to the Prospectus (other than an amendment or supplement providing solely for a change in the interest rates or maturity dates of Notes or similar changes or an amendment or supplement effected by the filing of a document with the SEC pursuant to the 1934 Act) and, upon request, will furnish the Agents with copies of any such registration statement or amendment or supplement proposed to be filed or prepared a reasonable time in advance of such proposed filing or preparation, as the case may be, and will not file any such registration statement or amendment or supplement in a form as to which the Agents or their counsel

reasonably object.

(c) Copies of the Registration Statement and the Prospectus and 1934 Act Filings. The Corporation will deliver to the Agents as many signed and conformed copies of the Registration Statement (as originally filed) and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated by reference in the Prospectus) as the Agents may reasonably request. The Corporation will furnish to the Agents as many copies of the Prospectus (as amended or supplemented) as the Agents shall reasonably request so long as the Agents are required to deliver a Prospectus in connection with sales or solicitations of offers to purchase the Notes under the Act. The Corporation will furnish to the Agents copies of any Annual Report on Form 10-K, Quarterly Report on Form 10-Q or Current Report on Form 8-K filed by the Corporation with the Commission pursuant to the 1934 Act as soon as practicable after the filing thereof.

(d) Preparation of Pricing Supplements. The Corporation will prepare, with respect to any Notes to be sold through or to an Agent pursuant to this Agreement, a Pricing Supplement with respect to such Notes in a form previously approved by the Agents and will file such Pricing Supplement with the SEC pursuant to Rule 424(b) under the 1933 Act not later than the close of business on the second business day after the date on which such Pricing Supplement is first used.

(e) Revisions of Prospectus -- Material Changes. Except as otherwise provided in subsection (k) of this Section, if at any time during the term of this Agreement any event shall occur or condition exist as a result of which it is necessary, in the reasonable opinion of counsel for the Agents or counsel for the Corporation, to further amend or supplement the Prospectus in order that the Prospectus will not include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein not misleading in light of the circumstances existing at the time the Prospectus is delivered to a purchaser, or if it shall be necessary, in the reasonable opinion of either such counsel, to amend or supplement the Registration Statement or the Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, immediate notice shall be given, and confirmed in writing, to the Agents to cease the solicitation of offers to purchase the Notes in the Agents' capacity as agent and to cease sales of any Notes any Agent may then own as principal, and the Corporation will promptly prepare and file with the SEC such amendment or supplement, whether by filing documents pursuant to the 1934 Act, the 1933 Act or otherwise, as may be necessary to correct such untrue statement or omission or to make the Registration Statement and Prospectus comply with such requirements.

(f) Prospectus Revisions -- Periodic Financial Information. Except as otherwise provided in subsection (k) of this Section, on or prior to the date on which there shall be released to the general public interim financial statement information related to the Corporation with respect to each of the first three quarters of any fiscal year or preliminary financial statement information with respect to any fiscal year, the Corporation shall furnish such information to the Agents, confirmed in writing, and thereafter shall cause the Prospectus to be amended or supplemented to include or incorporate by reference financial information with respect thereto, as well as such other information and explanations as shall be necessary for an understanding thereof, as may be required by the 1933 Act or the 1934 Act or otherwise.

(g) Prospectus Revisions -- Audited Financial Information. Except as otherwise provided in subsection (k) of this Section, on or prior to the date on which there shall be released to the general public financial information included in or derived from the audited financial statements of the Corporation for the preceding fiscal year, the Corporation shall furnish such information to the Agents and thereafter shall cause the Registration Statement and the Prospectus to be amended to include or incorporate by reference such audited financial statements and the report or reports, and consent or consents to such inclusion or incorporation by reference, of the independent accountants with respect thereto, as well as such other information and explanations as shall be necessary for an understanding of such financial statements, as may be required by the 1933 Act or the 1934 Act or otherwise.

(h) Earnings Statements. The Corporation will make

generally available to its security holders as soon as practicable, but not later than 90 days after the close of the period covered thereby, an earnings statement (in form complying with the provisions of Rule 158 under the 1933 Act) covering each twelve-month period beginning, in each case, not later than the first day of the Corporation's fiscal quarter next following the "effective date" (as defined in such Rule 158) of the Registration Statement with respect to each sale of Notes.

(i) Blue Sky Qualification. The Corporation will endeavor, in cooperation with the Agents, to qualify the Notes for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States as the Agents may designate and will maintain such qualifications in effect for as long as may be required for the distribution of the Notes; provided, however, that the Corporation shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation in any jurisdiction in which it is not so qualified. The Corporation will file such statements and reports as may be required by the laws of each jurisdiction in which the Notes have been qualified as above provided. The Corporation will promptly advise the Agents of the receipt by the Corporation of any notification with respect to the suspension of the qualification of the Notes for sale in any such state or jurisdiction or the initiating or threatening of any proceeding for such purpose.

(j) 1934 Act Filings. The Corporation, during the period when the Prospectus is required to be delivered under the 1933 Act, will file promptly all documents required to be filed with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the 1934 Act.

(k) Suspension of Certain Obligations. The Corporation shall not be required to comply with the provisions of subsections (e), (f) or (g) of this Section during any period from the time (i) the Agents shall have suspended solicitation of purchases of the Notes in their capacity as agent pursuant to a request from the Corporation and (ii) the Agents shall not then hold any Notes as principal purchased from the Corporation, to the time the Corporation shall determine that solicitation of purchases of the Notes should be resumed or shall subsequently agree for the Agents to purchase Notes as principal.

#### SECTION 4. Conditions of Obligations.

The obligations of an Agent to solicit offers to purchase the Notes as agent of the Corporation, the obligations of any purchasers of the Notes sold through any Agent as agent and any obligation of an Agent to purchase Notes as principal or otherwise will be subject to the accuracy of the representations and warranties on the part of the Corporation herein and to the accuracy of the statements of the Corporation's officers made in any certificate furnished pursuant to the provisions hereof, to the performance and observance by the Corporation of all its covenants and agreements herein contained and to the following additional conditions precedent:

(a) Legal Opinions. On the date hereof, the Agents shall have received the following legal opinions, dated as of the date hereof and in form and substance satisfactory to the Agents:

(1) Opinion of Corporation Counsel. The opinion of Smith Helms Mulliss & Moore, L.L.P., counsel to the Corporation, to the effect of paragraphs (i) and (iv) through (x) below, and the opinion of Paul J. Polking, Executive Vice President and General Counsel to the Corporation, to the effect of paragraphs (ii) and (iii) below:

(i) The Corporation is a duly organized and validly existing corporation in good standing under the laws of the State of North Carolina, has the corporate power and authority to own its properties and conduct its business as described in the Prospectus and is duly registered as a bank holding company under the Bank Holding Company Act of 1956, as amended; each of (A) NationsBank, National Association, (B) NationsBank, National Association (South), and (C) NationsBank of Texas, National Association (or the successors to such entities) (collectively, the "Principal Banking Subsidiaries"), is a national banking association formed under the laws of the United States and authorized thereunder to transact business.

(ii) Except for those jurisdictions specifically enumerated in such opinion, to the best of such counsel's knowledge, neither the Corporation nor any of the Principal Banking Subsidiaries is required to be qualified or licensed to do business as a foreign corporation in any jurisdiction.

(iii) All the outstanding shares of capital stock of each Principal Banking Subsidiary have been duly and validly authorized and issued and are fully paid and (except as provided in 12 U.S.C. Section 55, as amended) nonassessable, and, except as otherwise set forth in the Prospectus, all outstanding shares of capital stock of the Principal Banking Subsidiaries (except directors' qualifying shares) are owned, directly or indirectly, by the Corporation free and clear of any perfected security interest and, to the knowledge of such counsel, after due inquiry, any other security interests, claims, liens or encumbrances.

(iv) This Agreement has been duly authorized, executed and delivered by the Corporation and constitutes a legal, valid and binding agreement of the Corporation, enforceable against the Corporation in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or other similar laws affecting the rights of creditors now or hereafter in effect, and to equitable principles that may limit the right to specific enforcement of remedies, and except insofar as the enforceability of the indemnity and contribution provisions contained in this Agreement may be limited by federal and state securities laws, and further subject to 12 U.S.C. Section 1818(b)(6)(D) and similar bank regulatory powers and to the application of principles of public policy underlying all such laws).

(v) Each of the Indentures has been duly authorized, executed and delivered by the Corporation, has been duly qualified under the 1939 Act, as applicable, and constitutes a legal, valid and binding instrument of the Corporation enforceable against the Corporation in accordance with its terms, and the Notes have been duly authorized and, when the terms of the Notes have been established and when the Notes have been completed, executed, authenticated and delivered in accordance with the provisions of the applicable Indenture, the applicable Board Resolutions and this Agreement against payment of the consideration therefor, will constitute legal, valid and binding obligations of the Corporation entitled to the benefits of such Indenture, subject (with respect to each of the Indentures and the Notes) as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or other similar laws affecting the rights of creditors now or hereafter in effect, and to equitable principles that may limit the right to specific enforcement of remedies, and further subject to 12 U.S.C. Section 1818(b)(6)(D) and similar bank regulatory powers and to the application of principles of public policy underlying all such laws.

(vi) The forms of Notes attached to the Secretary's Certificate delivered to the Agents conform in all material respects to the description thereof contained in the Prospectus, as supplemented or amended.

(vii) The Registration Statement has become effective under the 1933 Act; to the best knowledge of such counsel no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or threatened; the Registration Statement, the Prospectus and each amendment thereof or supplement thereto (other than the financial statements and other financial and statistical information contained therein or incorporated by reference therein, as to which such counsel need express no opinion) comply as to form in all material respects with the applicable requirements of the 1933 Act and the 1934 Act and the respective rules thereunder.

(viii) To the best knowledge of such counsel, except as disclosed in the Registration Statement or the Prospectus, there is no pending or threatened action, suit or proceeding before or by any court or governmental agency, authority or body or any arbitrator involving the Corporation or any of the Principal Banking Subsidiaries, of a character required to be disclosed in the Registration Statement, which is not adequately disclosed in the Prospectus, and there is no franchise, contract or other document of a character required to be described in the Registration Statement or the Prospectus, or to be filed as an exhibit, which is not described or filed as required.

(ix) To the best knowledge of such counsel, neither the issuance and sale of the Notes, the consummation of any other of the transactions contemplated by this Agreement nor the fulfillment of the terms thereof will conflict with, result in a breach of, or constitute a default under the Restated Articles of Incorporation or the Amended and Restated Bylaws of the Corporation or, to the best of such counsel's knowledge, the terms of any material indenture or other agreement or instrument known to such counsel and to which the Corporation or any of the Principal Banking Subsidiaries is a party or bound, or any order or regulation known to such counsel to be applicable to the Corporation or any of the Principal Banking Subsidiaries of any court, regulatory body, administrative agency, governmental body or arbitrator having jurisdiction over the Corporation or any of the Principal Banking Subsidiaries.

(x) To the best knowledge of such counsel, no authorization, order, approval or consent of, or filing with, any court or governmental authority or agency is necessary or required on behalf of the Corporation in connection with the sale of the Notes hereunder, except such as have been obtained under the 1933 Act or the 1933 Act Regulations and such as may be required under foreign or state securities or insurance laws in connection with the distribution of the Notes.

In rendering such opinion, such counsel may rely (A) as to matters involving the application of laws of any jurisdiction other than the State of North Carolina or the United States, to the extent deemed proper and specified in such opinion, upon counsel for the Agents or upon the opinion of other counsel of good standing believed to be reliable and who are satisfactory to counsel for the Agents; and (B) as to matters of fact, to the extent deemed proper, on certificates of responsible officers of the Corporation and the Principal Banking Subsidiaries and public officials.

(2) Opinion of Counsel to the Agents. The opinion of Stroock & Stroock & Lavan, counsel to the Agents, covering the matters referred to in subparagraph (1) under the subheadings (iv) through (vii), inclusive, above.

In rendering such opinion, such counsel may rely (A) as to matters involving the application of laws of any jurisdiction other than the State of New York or the United States, to the extent deemed proper and specified in such opinion, upon counsel for the Corporation or upon the opinion of other counsel of good standing believed to be reliable and who are satisfactory to counsel for the Corporation; and (B) as to matters of fact, to the extent deemed proper, on certificates of responsible officers of the Corporation and the Principal Banking Subsidiaries and public officials.

(3) In giving their opinions required by subsections (a)(1) and (a)(2) of this Section, but without opining in connection therewith, Smith Helms Mulliss & Moore, L.L.P. and Stroock & Stroock & Lavan shall each additionally state that although they have not independently verified, are not passing upon and assume no responsibility for, the accuracy, completeness or fairness of the statements contained in the Registration Statement, such counsel has no reason to believe that the Registration Statement or any amendment thereof at the time it became effective, or that the Prospectus, as amended or supplemented, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the

circumstances under which they were made, not misleading.

(b) Officer's Certificate. On the date hereof, the Agents shall have received a certificate of the Chairman and Chief Executive Officer or a Senior Vice President and the Chief Financial or Chief Accounting Officer of the Corporation, dated as of the date hereof, to the effect that the signers of such certificate have carefully examined the Registration Statement, the Prospectus and this Agreement and that to the best of their knowledge (i) since the respective dates as of which information is given in the Registration Statement and the Prospectus, there has not been any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Corporation and its subsidiaries considered as one enterprise, whether or not arising from transactions in the ordinary course of business, except as set forth or contemplated in the Prospectus, as supplemented or amended, (ii) the other representations and warranties of the Corporation contained in Section 2 hereof are true and correct in all material respects with the same force and effect as though expressly made at and as of the date of such certificate, (iii) the Corporation has performed or complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the date of such certificate, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or threatened by the SEC.

(c) Comfort Letter. On the date hereof, the Agents shall have received a letter from Price Waterhouse LLP ("Price Waterhouse") dated as of the date hereof and in form and substance satisfactory to the Agents, to the effect that:

(i) They are independent public accountants with respect to the Corporation and its subsidiaries within the meaning of the 1933 Act and the 1933 Act Regulations.

(ii) In their opinion, the consolidated financial statements of the Corporation and its subsidiaries audited by them and included or incorporated by reference in the Registration Statement and Prospectus comply as to form in all material respects with the applicable accounting requirements of the 1933 Act and the 1933 Act Regulations with respect to registration statements on Form S-3 and the 1934 Act and the 1934 Act Regulations.

(iii) On the basis of procedures (but not an audit in accordance with generally accepted auditing standards) consisting of:

Reading the minutes of the meetings of the shareholders, the board of directors, executive committee and audit committee of the Corporation and the boards of directors and executive committees of its subsidiaries as set forth in the minute books through a specified date not more than five business days prior to the date of delivery of such letter;

(a) Performing the procedures specified by the American Institute of Certified Public Accountants for a review of interim financial information as described in SAS NO. 71, Interim Financial Information, on the unaudited condensed consolidated interim financial statements of the Corporation and its consolidated subsidiaries included or incorporated by reference in the Registration Statement and Prospectus and reading the unaudited interim financial data, if any, for the period from the date of the latest balance sheet included or incorporated by reference in the Registration Statement and Prospectus to the date of the latest available interim financial data; and

(b) Making inquiries of certain officials of the Corporation who have responsibility for financial and accounting matters regarding the specific items for which representations are requested below;

nothing has come to their attention as a result of the foregoing procedures that caused them to believe that:

(1) the unaudited condensed consolidated interim financial statements, included or incorporated by reference in the Registration Statement and Prospectus, do not comply as to form in all material respects with the applicable accounting requirements of the 1934 Act

and the published rules and regulations thereunder;

(2) any material modifications should be made to the unaudited condensed consolidated interim financial statements, included or incorporated by reference in the Registration Statement and Prospectus, for them to be in conformity with generally accepted accounting principles;

(3) (i) at the date of the latest available interim financial data and at the specified date not more than five business days prior to the date of the delivery of such letter, there was any change in the capital stock or the long-term debt (other than scheduled repayments of such debt) or any decreases in shareholders' equity of the Corporation and the subsidiaries on a consolidated basis as compared with the amounts shown in the latest balance sheet included or incorporated by reference in the Registration Statement and the Prospectus or (ii) for the period from the date of the latest available financial data to a specified date not more than five business days prior to the delivery of such letter, there was any change in the capital stock or the long-term debt (other than scheduled repayments of such debt) or any decreases in shareholders' equity of the Corporation and the subsidiaries on a consolidated basis, except in all instances for changes or decreases which the Registration Statement and Prospectus discloses have occurred or may occur, or Price Waterhouse shall state any specific changes or decreases.

(iv) The letter shall also state that Price Waterhouse has carried out certain other specified procedures, not constituting an audit, with respect to certain amounts, percentages and financial information which are included or incorporated by reference in the Registration Statement and Prospectus and which are specified by the Agents and agreed to by Price Waterhouse, and has found such amounts, percentages and financial information to be in agreement with the relevant accounting, financial and other records of the Corporation and its subsidiaries identified in such letter.

(a) Other Documents. On the date hereof and on each Settlement Date with respect to any purchase of Notes by an Agent as principal, counsel to the Agents shall have been furnished with such documents and opinions as such counsel may reasonably require for the purpose of enabling such counsel to pass upon the issuance and sale of Notes as herein contemplated, or in order to evidence the accuracy and completeness of any of the representations and warranties, or the fulfillment of any of the conditions, contained herein; and all proceedings taken by the Corporation in connection with the issuance and sale of Notes as herein contemplated shall be satisfactory in form and substance to such Agent and to counsel to the Agents.

If any condition specified in this Section 4 shall not have been fulfilled in all material respects when and as required to be fulfilled, this Agreement may be terminated by the Agents by notice to the Corporation at any time and any such termination shall be without liability of any party to any other party, except that the covenant regarding provision of an earnings statement set forth in Section 3(h) hereof, the provisions concerning payment of expenses under Section 8 hereof, the indemnity and contribution agreements set forth in Section 7 hereof, the provisions concerning the representations, warranties and agreements to survive delivery set forth in Section 9 hereof and the provisions regarding parties set forth under Section 13 hereof shall remain in effect.

SECTION 5. Delivery of and Payment for Notes Sold through the Agents.

Delivery of Notes sold through an Agent as agent shall be made by the Corporation to such Agent for the account of any purchaser only against payment therefor in immediately available funds. In the event that a purchaser shall fail either to accept delivery of or to make payment for a Note on the date fixed for settlement, the Agent shall promptly notify the Corporation and deliver the Note to the Corporation, and, if the Agent has theretofore paid the Corporation for such Note, the Corporation will promptly return such funds to the Agent. If such failure occurred for any reason other than default by the Agent in the

performance of its obligations hereunder, the Corporation will reimburse the Agent on an equitable basis for its loss of the use of the funds for the period such funds were credited to the Corporation's account. Unless otherwise agreed between the Corporation and the Agent, all Notes will be issued in book-entry only form and will be represented by one or more fully registered global securities.

SECTION 6. Additional Covenants of the Corporation.

The Corporation covenants and agrees with the Agents that:

(a) Reaffirmation of Representations and Warranties. Each acceptance by it of an offer for the purchase of Notes, and each delivery of Notes to an Agent pursuant to a sale of Notes to such Agent as principal, shall be deemed to be an affirmation that the representations and warranties of the Corporation contained in this Agreement and in any certificate theretofore delivered to such Agent pursuant hereto are true and correct at the time of such acceptance or sale, as the case may be, and an undertaking that such representations and warranties will be true and correct at the time of delivery to the purchaser or his agent, or to such Agent, of the Note or Notes relating to such acceptance or sale, as the case may be, as though made at and as of each such time (and it is understood that such representations and warranties shall relate to the Registration Statement and Prospectus as amended and supplemented to each such time).

(b) Subsequent Delivery of Certificates. Each time that (i) there is filed with the SEC any Quarterly Report on Form 10-Q or Annual Report on Form 10-K that is incorporated by reference into the Prospectus, or (ii) if required by the Agents, the Registration Statement or the Prospectus shall be amended or supplemented (other than by an amendment or supplement providing solely for a change in the interest rates or maturity dates of Notes or similar changes, an amendment or supplement which relates exclusively to an offering of securities other than the Notes or, except as hereinbefore described, an amendment or supplement resulting from the filing of any document incorporated by reference therein), the Corporation shall furnish or cause to be furnished to the Agents forthwith a certificate of the Chairman and Chief Executive Officer, any Senior Vice President, the Chief Financial Officer, the Chief Accounting Officer or Treasurer of the Corporation dated the date of filing with the SEC of such supplement or document or the date of effectiveness of such amendment, as the case may be, in form satisfactory to the Agents to the effect that the statements contained in the certificate referred to in Section 4(b) hereof which was last furnished to the Agents are true and correct at the time of such filing, amendment or supplement, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such time) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 4(b), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate.

(c) Subsequent Delivery of Legal Opinions. Each time that (i) there is filed with the SEC any Annual Report on Form 10-K, (ii) if required by the Agents, there is filed any Quarterly Report on Form 10-Q, or (iii) if required by the Agents, the Registration Statement or the Prospectus shall be amended or supplemented (other than by an amendment or supplement providing solely for a change in the interest rates or maturity dates of the Notes or similar changes or solely for the inclusion of additional financial information, an amendment or supplement which relates exclusively to an offering of securities other than the Notes or, except as hereinbefore described, an amendment or supplement resulting from the filing of any document incorporated by reference therein), the Corporation shall furnish or cause to be furnished forthwith to the Agents and to counsel to the Agents the written opinions of Smith Helms Mulliss & Moore, L.L.P., counsel to the Corporation, and Paul J. Polking, General Counsel to the Corporation, or other counsel satisfactory to the Agents, dated the date of filing with the SEC of such supplement or document or the date of effectiveness of such amendment, as the case may be, in form and substance satisfactory to the Agents, of the same tenor as the opinions referred to in Section 4(a)(1) hereof, but modified, as necessary, to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinions; or, in lieu of such opinions, counsel last furnishing such opinions to the Agents shall furnish the Agents with a letter substantially to the effect that the Agents may rely on such last opinion to the same extent as though

it was dated the date of such letter authorizing reliance (except that statements in such last opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such letter authorizing reliance).

(d) Subsequent Delivery of Comfort Letters. Each time that (i) there is filed with the SEC any Annual Report on Form 10-K, (ii) if required by the Agents, there is filed with the SEC any Quarterly Report on Form 10-Q or (iii) if required by the Agents, the Registration Statement or the Prospectus shall be amended or supplemented to include additional financial information (other than an amendment or supplement resulting from the filing of a Current Report on Form 8-K that is incorporated by reference therein), the Corporation shall cause Price Waterhouse forthwith to furnish the Agents a letter, dated the date of effectiveness of such amendment, supplement or document filed with the SEC, as the case may be, in form satisfactory to the Agents, of the same tenor as the portions of the letter referred to in clauses (i) and (ii) of Section 4(c) hereof but modified to relate to the Registration Statement and Prospectus, as amended and supplemented to the date of such letter, and of the same general tenor as the portions of the letter referred to in clauses (iii) and (iv) of said Section 4(c) with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Corporation; provided, however, that if the Registration Statement or the Prospectus is amended or supplemented solely to include financial information as of and for a fiscal quarter, Price Waterhouse may limit the scope of such letter to the unaudited financial statements included in such amendment or supplement. If any other information included therein is of an accounting, financial or statistical nature, the Agents may request procedures be performed with respect to such other information. If Price Waterhouse is willing to perform and report on the requested procedures, such letter should cover such other information. Any letter required to be provided by Price Waterhouse hereunder shall be provided within five business days of the filing of the Annual Report on Form 10-K or, with respect to any letter required by the Agents pursuant to subparagraph (ii) or (iii) hereof, the request by the Agents.

#### SECTION 7. Indemnification and Contribution.

(a) The Corporation agrees to indemnify and hold harmless each Agent and each person who controls any Agent within the meaning of either the 1933 Act or the 1934 Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the 1933 Act, the 1934 Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement as originally filed or in any amendment thereof, or arise out of or are based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Prospectus, or any amendment or supplement thereof, or arise out of or are based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and agrees to reimburse each such indemnified party for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that (i) the Corporation will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Corporation by or on behalf of any Agent specifically for use in connection with the preparation thereof, or arises out of or is based upon statements in or omissions from that part of the Registration Statement which shall constitute the Statement of Eligibility and Qualification of the Trustee (Form T-1) under the 1939 Act of either of the Trustees, and (ii) such indemnity with respect to the Prospectus shall not inure to the benefit of any Agent (or any person controlling such Agent) from whom the person asserting any such loss, claim, damage or liability purchased the Notes which are the subject thereof if such person did not receive a copy of the Prospectus as amended or supplemented in connection with the sale

of such Notes excluding documents incorporated therein by reference at or prior to the written confirmation of the sale of such Notes to such person in any case where such delivery is required by the 1933 Act and the untrue statement or omission of a material fact contained in the Prospectus was corrected in the Prospectus as amended or supplemented. This indemnity agreement will be in addition to any liability which the Corporation may otherwise have.

(b) Each Agent severally agrees to indemnify and hold harmless the Corporation, each of its directors, each of its officers who signs the Registration Statement and each person who controls the Corporation within the meaning of either the 1933 Act or the 1934 Act, to the same extent as the foregoing indemnity from the Corporation to each Agent, but only with reference to written information relating to such Agent furnished to the Corporation by or on behalf of such Agent specifically for use in the preparation of the documents referred to in the foregoing indemnity. This indemnity agreement will be in addition to any liability which any Agent may otherwise have. The Corporation acknowledges that the statements set forth in the last two paragraphs on the cover page and under the heading "Plan of Distribution" in the Prospectus, as supplemented or amended, constitute the only information furnished in writing by or on behalf of the several Agents for inclusion in the documents referred to in the foregoing indemnity, and you, as the Agents, confirm that such statements are correct.

(c) Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 7, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party otherwise than under this Section 7. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein, and, to the extent that it may elect by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof, with counsel satisfactory to such indemnified party; provided, however, that if the defendants in any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of its election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party will not be liable to such indemnified party under this Section 7 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel, approved by the Agent in the case of subparagraph (a), representing the indemnified parties under subparagraph (a) who are parties to such action), (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party; and except that if clause (i) or (iii) is applicable, such liability shall be only in respect of the counsel referred to in such clause (i) or (iii).

(d) To provide for just and equitable contribution in circumstances in which the indemnification provided for in paragraph (a) of this Section 7 is due in accordance with its terms but is for any reason held by a court to be unavailable from the Corporation on the grounds of policy or otherwise, the Corporation and the Agents shall contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) to which the Corporation and one or more of the Agents may be subject in such proportion so that

each Agent is responsible for that portion represented by the percentage that the total commissions and underwriting discounts received by such Agent bears to the total sales price from the sale of Notes sold to or through the Agents to the date of such liability, and the Corporation is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 7, each person who controls any Agent within the meaning of the 1933 Act shall have the same rights to contribution as such Agent, and each person who controls the Corporation within the meaning of either the 1933 Act or the 1934 Act, each officer of the Corporation who shall have signed the Registration Statement and each director of the Corporation shall have the same rights to contribution as the Corporation, subject in each case to the provisions of this paragraph (d). Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this paragraph (d), notify such party or parties from whom contribution may be sought, but the omission to so notify such party or parties shall not relieve the party or parties from whom contribution may be sought from any other obligation it or they may have hereunder or otherwise than under this paragraph (d).

SECTION 8. Payment of Expenses.

The Corporation will pay all expenses incident to the performance of its obligations under this Agreement, including:

(a) The preparation and filing of the Registration Statement and all amendments thereto and the Prospectus and any amendments or supplements thereto;

(b) The preparation, filing and reproduction of this Agreement ;

(c) The preparation, printing, issuance and delivery of the Notes, including any fees and expenses relating to the use of book-entry notes;

(d) The fees and disbursements of the Corporation's accountants and counsel, of the Trustees and their counsel, and of any registrar, transfer agent, paying agent or calculation agent;

(e) The reasonable fees and disbursements of counsel to the Agents incurred from time to time in connection with the transactions contemplated hereby;

(f) The qualification of the Notes under state securities or insurance laws in accordance with the provisions of Section 4(i) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Agents in connection therewith and in connection with the preparation of any Blue Sky Survey and any Legal Investment Survey;

(g) The printing and delivery to the Agent in quantities as hereinabove stated of copies of the Registration Statement and any amendments thereto, and of the Prospectus and any amendments or supplements thereto, and the delivery by the Agent of the Prospectus and any amendments or supplements thereto in connection with solicitations or confirmations of sales of the Notes;

(h) The preparation, printing, reproduction and delivery to the Agents of copies of the Indentures and all supplements and amendments thereto;

(i) Any fees charged by rating agencies for the rating of the Notes;

(j) The fees and expenses incurred in connection with the listing of the Notes on any securities exchange;

(k) The fees and expenses, if any, incurred with respect to any filing with the National Association of Securities Dealers, Inc.;

(l) Any advertising and other out-of-pocket expenses of the Agents incurred with the approval of the Corporation;

(m) The cost of providing any CUSIP or other identification

numbers for the Notes; and

(n) The fees and expenses of any depository and any nominees thereof in connection with the Notes.

SECTION 9. Representations, Warranties and Agreements to Survive Delivery.

All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Corporation submitted pursuant hereto shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Agent or any controlling person of any Agent, or by or on behalf of the Corporation, and shall survive each delivery of and payment for any of the Notes.

SECTION 10. Termination.

(a) Termination of this Agreement. This Agreement (excluding any agreement hereunder by an Agent to purchase Notes as principal) may be terminated for any reason, with respect to one or more, or all, of the Agents, at any time by either the Corporation or one or more of the Agents upon the giving of 30 days' written notice of such termination to the other party hereto. Any termination by the Corporation of this Agreement with respect to one or more, but less than all, of the Agents shall be effective with respect to such designated Agents only, and the Agreement will remain in force and effect with respect to any other Agents who remain parties hereto.

(b) Termination of Agreement to Purchase Notes as Principal. An Agent may terminate any agreement hereunder by such Agent to purchase Notes as principal, immediately upon notice to the Corporation at any time prior to the Settlement Date relating thereto, (i) if there has been, since the date of such agreement or since the respective dates as of which information is given in the Registration Statement, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Corporation and its subsidiaries considered as one enterprise, or (ii) if there shall have occurred, since the date of such agreement, any outbreak or material escalation of hostilities or other national or international calamity or crisis the effect of which is such as to make it, in the judgment of such Agent, impracticable to market the Notes or enforce contracts for the sale of the Notes, or (iii) if, since the date of such agreement, trading in securities generally on the New York Stock Exchange shall have been suspended or limited, or (iv) if, since the date of such agreement, a banking moratorium shall have been declared by either Federal or New York authorities.

If, after the date of an agreement hereunder to purchase Notes as principal and prior to the Settlement Date with respect to such agreement, the rating assigned by Standard & Poor's Ratings Group, a division of McGraw Hill, Inc., or Moody's Investors Service, Inc., as the case may be, to any debt securities of the Corporation shall have been lowered or if either of such rating agencies shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any debt securities of the Corporation, then the Corporation and the Agent mutually shall determine whether the terms of such agreement to purchase Notes shall need to be renegotiated and, if so, shall so negotiate in good faith the revised terms of such agreement to purchase Notes. In the event that the Corporation and the Agent reasonably fail to agree on any such revised terms, then either the Corporation or the Agent may terminate such agreement to purchase Notes.

(b) General. In the event of a termination under this Section 10, or following the Settlement Date in connection with a sale to or through an Agent appointed on a one-time basis, neither party will have any liability to the other party hereto, except that (i) the Agents shall be entitled to any commission earned in accordance with Section 1(c) hereof, (ii) if at the time of termination (a) any Agent shall own any Notes purchased by it as principal with the intention of reselling them or (b) an offer to purchase any of the Notes has been accepted by the Corporation but the time of delivery to the purchaser or his agent of the Note or Notes relating thereto has not occurred, the covenants set forth in Sections 3 and 6 hereof shall remain in effect until such Notes are so resold or delivered, as the case may be, and (iii) the covenant set forth in Section 3(h) hereof, the provisions of Section 8 hereof, the indemnity and contribution agreements set forth in Section 7 hereof, and the provisions of Sections 9, 12 and 13 hereof shall remain in

effect.

SECTION 11. Notices.

Unless otherwise provided herein, all notices required under the terms and provisions hereof shall be in writing, either delivered by hand, by mail or by telex, telecopier or telegram. Notices to the Corporation shall be delivered to it at the address specified below and notices to any Agent shall be delivered to it at the address set forth on Exhibit A.

If to the Corporation:  
NationsBank Corporation  
NationsBank Corporate Center  
Charlotte, North Carolina 28255  
Corp. Treas. Div. NC1-007-23-01  
Attention: John E. Mack, Treasurer  
Telecopy: (704) 386-0270

With a copy to:

Paul J. Polking  
General Counsel  
NationsBank Corporation  
NationsBank Corporate Center  
Legal Department, NC1-007-20-01  
Charlotte, North Carolina 28255  
Telecopy: (704) 386-6453

Smith Helms Mulliss & Moore, L.L.P.  
214 North Church Street  
Charlotte, North Carolina 28202  
Attention: Boyd C. Campbell, Jr.  
Telecopy: (704) 334-8467

or at such other address as such party may designate from time to time by notice duly given in accordance with the terms of this Section 11.

SECTION 12. Governing Law; Counterparts.

This Agreement and all the rights and obligations of the parties shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in such State. This Agreement may be executed in counterparts and the executed counterparts shall together constitute a single instrument.

SECTION 13. Parties.

This Agreement shall inure to the benefit of and be binding upon the Agents and the Corporation and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons and officers and directors referred to in Section 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and respective successors and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Notes shall be deemed to be a successor by reason merely of such purchase.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Corporation a counterpart hereof, whereupon this instrument along with all counterparts will become a binding agreement between the Agents and the Corporation in accordance with its terms.

Very truly yours,

NATIONSBANK CORPORATION

By:/S/ JOHN E. MACK  
Name: John E. Mack  
Title: Senior Vice President and  
Treasurer

Accepted:

NATIONSBANC CAPITAL MARKETS, INC.

By:/S/ LYNN T. MCCONNELL  
Name: Lynn T. McConnell  
Title: Director

LEHMAN BROTHERS, INC.

By:/S/ JEARALD WIGDORTZ  
Name: Jearald Wigdortz  
Title:Managing Director

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: /s/ SCOTT G. PRIMROSE  
Name: Scott G. Primrose  
Title: Authorized Signatory

MORGAN STANLEY & CO., INC.

By:/s/ MICHAEL ROLLINGS  
Name: Michael Rollings  
Title:\_\_\_\_\_

SALOMON BROTHERS INC

By:/s/ MARTHA D. BAILEY  
Name: Martha D. Bailey  
Title: Vice President

EXHIBIT A

AGENTS

NationsBanc Capital Markets, Inc.  
NationsBank Corporate Center  
7th Floor, NC1-007-07-01  
Charlotte, North Carolina 28255-0065  
Telecopy: (704) 388-9982  
Telephone: (704) 388-8856

With a copy to:

Stroock & Stroock & Lavan  
Seven Hanover Square  
New York, New York 10004  
Attention: James R. Tanenbaum  
Telecopy: (212) 806-6006

Lehman Brothers  
Lehman Brothers Inc.  
3 World Financial Center  
12th Floor  
New York, New York 10285-1200  
Attention: Medium-Term Note Department  
Telecopy: (212) 528-1718  
Telephone: (212) 526-2040

Merrill Lynch & Co.  
Merrill Lynch, Pierce, Fenner & Smith Incorporated  
North Tower - 10th Floor  
World Financial Center  
New York, New York 10281-1310  
Attention: MTN Product Management  
Telecopy: (212) 449-2234

Morgan Stanley & Co. Incorporated  
1585 Broadway  
New York, New York 10036  
Attention: Mike Fusco  
Telecopy: (212) 761-0781

Salomon Brothers Inc  
32nd Floor  
Seven World Trade Center

New York, New York 10048  
Attention: MTN Group  
Telecopy: (212) 783-2274

EXHIBIT B

The following terms, if applicable, shall be agreed to by an Agent and the Corporation in connection with each sale of Notes:

Principal Amount: \$ \_\_\_\_\_  
(or principal amount of foreign currency)

Interest Rate:

If Fixed Rate Note, Interest Rate:

If Floating Rate Note:

Interest Rate Basis:

Base Rate:

Initial Interest Rate:

Initial Interest Reset Date:

Spread or Spread Multiplier, if any:

Interest Rate Reset Month(s):

Interest Payment Month(s):

Index Maturity for Initial Interest Rate

(if different):

Index Maturity:

Index Maturity for Final Interest Payment

Period (if different):

Maximum Interest Rate, if any:

Minimum Interest Rate, if any:

Interest Rate Reset Period:

Interest Payment Period:

Interest Payment Date:

Calculation Agent:

If Redeemable:

Initial Redemption Date:

Initial Redemption Percentage:

Annual Redemption Percentage Reduction:

Original Issue Date:

Date of Maturity:

Purchase Price: \_\_\_\_\_%

Settlement Date and Time:

Additional Terms:

EXHIBIT C

As compensation for the services of an Agent hereunder, the Corporation shall pay it, on a discount basis, a commission for the sale of each Note by such Agent which, unless otherwise agreed between the Corporation and Agent, shall be equal to the principal amount of such Note multiplied by the appropriate percentage set forth below:

PERCENT OF MATURITY RANGES	PRINCIPAL AMOUNT
From 9 months to less than 1 year. . . . .	.125%
From 1 year to less than 18 months . . . . .	.150
From 18 months to less than 2 years. . . . .	.200
From 2 years to less than 3 years. . . . .	.250
From 3 years to less than 4 years. . . . .	.350
From 4 years to less than 5 years. . . . .	.450
From 5 years to less than 6 years. . . . .	.500
From 6 years to less than 7 years. . . . .	.550
From 7 years to less than 10 years . . . . .	.600
From 10 years to less than 15 years. . . . .	.625
From 15 years to less than 20 years. . . . .	.700
From 20 years to 30 years. . . . .	.750

The commission for Notes with a maturity more than 30 years or sold to one or more Agents as principal also is subject to negotiation between the Corporation and the Agent at the time of sale.

EXHIBIT D

[Date]

[Name and Address of Agent]

Re: Issuance of \$ \_\_\_\_\_ Medium Term Senior/Subordinated Notes, Series F, by NationsBank Corporation

Dear \_\_\_\_\_:

The Master United States Distribution Agreement dated \_\_\_\_\_, 1996 (the "Agreement"), among NationsBank Corporation ("NationsBank") and the Agents named therein, provides for the issue and sale by NationsBank of its Medium Term Notes, Series F.

Subject to and in accordance with the terms of the Agreement and accompanying Administrative Procedures, NationsBank hereby appoints you as Agent (as such term is defined in the Agreement) in connection with the purchase of the notes as described in the accompanying Pricing Supplement No. \_\_\_\_, dated \_\_\_\_\_, 199\_\_, (the "Notes") but only for this one reverse inquiry transaction. Your appointment is made subject to the terms and conditions applicable to Agents under the Agreement and terminates upon payment for the Notes or other termination of this transaction. Accompanying this letter is a copy of the Agreement, the provisions of which are incorporated herein by reference. Copies of the officer's certificate, opinions of counsel, and auditors' letter described in the Agreement are not enclosed but are available upon your request.

This letter agreement, like the Agreement, is governed by and construed in accordance with the laws of the State of New York.

If the above is in accordance with your understanding of our agreement, please sign and return this letter to us on or before settlement date. This action will confirm your appointment and your acceptance and agreement to act as Agent in connection with the issue and sale of the above described Notes under the terms and conditions of the Agreement.

Very truly yours,

AGREED AND ACCEPTED

NATIONSBANK CORPORATION

[Name of Agent]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE OF A DEPOSITORY. THIS SECURITY IS NOT EXCHANGEABLE FOR NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THIS NOTE IS NOT A SAVINGS ACCOUNT OR A DEPOSIT, IS NOT AN OBLIGATION OF OR GUARANTEED BY ANY BANKING OR NONBANKING AFFILIATE OF NATIONSBANK CORPORATION AND IS NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY.

REGISTERED \$ \_\_\_\_\_  
NUMBER FXR \_\_\_\_\_ CUSIP 63858R \_\_\_\_\_

NATIONSBANK CORPORATION  
MEDIUM-TERM SENIOR NOTE, SERIES F  
(Fixed Rate)

ORIGINAL ISSUE DATE:  
INTEREST RATE:  
STATED MATURITY DATE:  
FINAL MATURITY DATE:  
INITIAL REDEMPTION DATE:  
INITIAL REDEMPTION PERCENTAGE:  
ANNUAL REDEMPTION PERCENTAGE:  
PERCENTAGE REDUCTION:  
OPTIONAL REPAYMENT DATE(S):  
ADDITIONAL TERMS:

This Note is a Renewable Note.  
See Attached Rider.  
This Note is an Extendible Note.  
See Attached Rider.

NATIONSBANK CORPORATION, a corporation duly organized and existing under the laws of the State of North Carolina (herein called the "Corporation," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of

\_\_\_\_\_ DOLLARS on the Stated Maturity Date specified above (except to the extent redeemed or repaid prior to the Stated Maturity Date), and to pay interest on said principal sum, semi-annually in arrears on \_\_\_\_\_ and \_\_\_\_\_ of each year (each an "Interest Payment Date"), at the Interest Rate per annum specified above, until payment of such principal sum has been made or duly provided for, commencing on the first Interest Payment Date next succeeding the Original Issue Date specified above, unless the Original Issue Date occurs between a Regular Record Date, as defined below, and the next succeeding Interest Payment Date, in which case commencing on the Interest Payment Date following the next succeeding Regular Record Date, and on the Stated Maturity Date or Final Maturity Date shown above (or any Redemption Date as defined on the reverse hereof or any Optional Repayment Date as specified above with respect to which any such option has been exercised, each such Stated Maturity Date, Final Maturity Date, Redemption Date and Optional Repayment Date being herein referred to as a "Maturity Date" with respect to the principal payable on such date). Interest on this Note will accrue from the Original Issue Date specified above until the principal amount is paid and will be computed on the basis of a 360-day year of twelve 30-day months. Interest payments will be in the amount of interest accrued from and

including the next preceding Interest Payment Date in respect of which interest has been paid or duly provided for (or from and including the Original Issue Date specified above, if no interest has been paid or duly provided for with respect hereto) to but excluding the Interest Payment Date or the Maturity Date, as the case may be. If the Maturity Date or an Interest Payment Date falls on a day which is not a Business Day as defined below, principal or interest payable with respect to such Maturity Date or Interest Payment Date will be paid on the next succeeding Business Day with the same force and effect as if made on such Maturity Date or Interest Payment Date, as the case may be, and no additional interest shall accrue for the period from and after such Maturity Date or Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Note (or one or more predecessor Notes evidencing all or a portion of the same debt as this Note) is registered at the close of business on the Regular Record Date, which shall be the \_\_\_\_\_ or the \_\_\_\_\_, whether or not a Business Day, as the case may be, immediately preceding such Interest Payment Date; provided, however, that the first payment of interest on any Note with an Original Issue Date, as specified above, between a Regular Record Date and an Interest Payment Date or on an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date to the person in whose name this Note is registered at the close of business on such next succeeding Regular Record Date; and provided, further, that interest payable on the Maturity Date will be payable to the person to whom the principal hereof shall be payable. Any interest not punctually paid or duly provided for shall be payable as provided in the Indenture. As used herein, "Business Day" means any day, other than a Saturday or Sunday or a legal holiday in New York, New York or Charlotte, North Carolina that is not a day on which banks in New York, New York, or Charlotte, North Carolina are authorized or required by law or regulation to be closed.

The principal of and interest on this Note are payable in immediately available funds in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts at the office or agency of the Corporation designated as provided in the Indenture; provided, however, that interest may be paid, at the option of the Corporation, by check mailed to the person entitled thereto at his address last appearing on the registry books of the Corporation relating to the Notes. Notwithstanding the preceding sentence, payments of principal of and interest payable on the Maturity Date will be made by wire transfer of immediately available funds to a designated account maintained in the United States upon (i) receipt of written notice by the Issuing and Paying Agent (described on the reverse hereof) from the registered holder hereof not less than one Business Day prior to the due date of such principal and (ii) presentation of this Note to the Issuing and Paying Agent at The Bank of New York, 101 Barclay Street, New York, New York 10286 (the "Corporate Trust Office").

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee or by an Authenticating Agent on behalf of the Trustee by manual signature, this Note shall not be entitled to any benefit under such Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Corporation has caused this Instrument to be duly executed, by manual or facsimile signature, under its corporate seal or a facsimile thereof.

NATIONSBANK CORPORATION

By: \_\_\_\_\_  
Title: Senior Vice President

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: \_\_\_\_\_

FIRST TRUST OF NEW YORK,  
NATIONAL ASSOCIATION,  
as Trustee

By: The Bank of New York,  
as Authenticating Agent

By: \_\_\_\_\_  
Authorized Signatory

[Reverse of Note]

NATIONSBANK CORPORATION  
MEDIUM-TERM SENIOR NOTE, SERIES F  
(Fixed Rate)

This Note is one of a duly authorized series of Securities of the Corporation unlimited in aggregate principal amount (herein called the "Notes") issued and to be issued under an Indenture dated as of January 1, 1995 (herein called the "Indenture"), between the Corporation and First Trust of New York, National Association, as successor trustee to BankAmerica National Trust Company (herein called the "Trustee," which term includes any successor trustee under the Indenture) to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights thereunder of the Corporation, the Trustee and the holders of the Notes, and the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is also one of the Notes designated as the Corporation's Senior Medium-Term Notes, Series F, limited in aggregate principal amount to \$2,000,000,000. The Bank of New York initially has been appointed as Security Registrar, Authenticating and Paying Agent in connection with the Notes. The Notes may bear different dates, mature at different times, bear interest at different rates and vary in such other ways as are provided in the Indenture.

This Note is not subject to any sinking fund.

This Note may be subject to repayment at the option of the registered holder on the Optional Repayment Date(s), if any, indicated on the face hereof. IF NO OPTIONAL REPAYMENT DATES ARE SET FORTH ON THE FACE HEREOF, THIS NOTE MAY NOT BE SO REPAYED AT THE OPTION OF THE HOLDER HEREOF PRIOR TO THE STATED MATURITY DATE. On any Optional Repayment Date this Note shall be repayable in whole or in part in increments of \$1,000 at the option of the holder hereof at a repayment price equal to 100% of the principal amount to be repaid, together with interest thereon payable to the date of repayment. For this Note to be repaid in whole or in part at the option of the holder hereof, this Note must be received, with the form entitled "Option to Elect Repayment" below duly completed, by the Issuing and Paying Agent at the Corporate Trust Office, or such other address of which the Corporation shall from time to time notify the holders of the Notes, not more than 60 nor less than 30 days prior to an Optional Repayment Date. Exercise of such repayment option by the holder hereof shall be irrevocable.

This Note may be redeemed at the option of the Corporation on any date on and after the Initial Redemption Date, if any, specified on the face hereof (the "Redemption Date"). IF NO INITIAL REDEMPTION DATE IS SET FORTH ON THE FACE HEREOF, THIS NOTE MAY NOT BE REDEEMED AT THE OPTION OF THE CORPORATION PRIOR TO THE STATED MATURITY DATE. On and after the Initial Redemption Date, if any, this Note may be redeemed at any time in whole or from time to time in part in increments of \$1,000 at the option of the Corporation at the applicable Redemption Price (as defined below) together with interest thereon payable to the Redemption Date, on notice given not more than 60 nor less than 30 days prior to the Redemption Date. In the event of redemption of this Note in part only, a new Note for the unredeemed portion hereof shall be issued in the name of the registered holder hereof upon the surrender hereof. If this Note is redeemable at the option of the Corporation, the "Redemption Price" shall initially be the Initial Redemption Percentage specified on the face hereof of the

principal amount of this Note to be redeemed and shall decline at each anniversary of the Initial Redemption Date by the Annual Redemption Percentage Reduction, if any, specified on the face hereof of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount.

The provisions of Article Fourteen of the Indenture do not apply to Securities of this Series.

If an Event of Default (defined in the Indenture as (i) the Corporation's failure to pay principal of (or premium, if any, on) the Notes when due, or to pay interest on the Notes within 30 days after the same becomes due, (ii) the Corporation's breach of its other covenants contained in this Note or in the Indenture, which breach is not cured within 90 days after written notice by the Trustee or by the holders of at least 25% in outstanding principal amount of all Securities issued under the Indenture and affected thereby, and (iii) certain events involving the bankruptcy, insolvency or liquidation of the Corporation) shall occur with respect to the Notes, the principal of all the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Corporation and the rights of the holders of the Notes under the Indenture at any time by the Corporation with the consent of the holders of not less than  $\frac{66}{100}$  in aggregate principal amount of the Notes then outstanding and all other Securities then outstanding under the Indenture and affected by such amendment and modification. The Indenture also contains provisions permitting the holders of a majority in aggregate principal amount of Notes then outstanding and all other Securities then outstanding under the Indenture and affected thereby, on behalf of the holders of all Securities, to waive compliance by the Corporation with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the holder of this Note shall be conclusive and binding upon such holder and upon all future holders of this Note and of any Note issued upon the registration or transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Corporation, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

No recourse shall be had for the payment of the principal of or the interest on this Note, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, officer or director, as such, past, present or future, of the Corporation or any predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for issue hereof, expressly waived and released.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered on the registry books of the Corporation relating to the Notes, upon surrender of this Note for registration of transfer at the office or agency of the Corporation designated by it pursuant to the Indenture, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Corporation and the Trustee or the Security Registrar duly executed by, the registered holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable only as registered Notes without coupons in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture, and subject to certain limitations therein set forth, Notes are exchangeable for a like aggregate principal amount of Notes of different authorized denominations, as requested by the holder surrendering the same.

No service charge will be made for any such registration of



Attorney to transfer said Note on the books of the Corporation, with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change [OPTION TO ELECT REPAYMENT]

The undersigned hereby irrevocably request(s) and instruct(s) the Corporation to repay this Note (or portion hereof specified below) pursuant to its terms at a price equal to the principal amount hereof together with interest to the repayment date, to the undersigned, at

\_\_\_\_\_  
\_\_\_\_\_  
(Please print or typewrite name and address of the undersigned)

For this Note to be repaid, the Trustee (or any duly appointed paying agent) must receive at \_\_\_\_\_, or at such other place or places of which the Corporation shall from time to time notify the registered holder of this Note, not more than 60 nor less than 30 days prior to an Optional Repayment Date, if any, shown on the face hereof, this Note with this "Option to Elect Repayment" form duly completed.

If less than the entire principal amount of this Note is to be repaid, specify the portion hereof (which shall be in increments of \$1,000) which the registered holder elects to have repaid and specify the denomination or denominations (which shall be \$ \_\_\_\_\_ or an integral multiple of \$1,000 in excess of \$ \_\_\_\_\_) of the Notes to be issued to the registered holder for the portion of this Note not being repaid (in the absence of any such specification, one such Note will be issued for the portion not being repaid).

\$ \_\_\_\_\_  
DATE: \_\_\_\_\_

NOTICE: The signature on this Option to Elect Repayment must correspond with the name as written upon the face of this Note in every particular, without alteration or enlargement or any change whatever.

RENEWABLE NOTE RIDER

The Corporation and the purchaser of this Note have agreed that this Note is a Renewable Note which initially matures on the Stated Maturity Date shown on the face hereof. At each Renewal Date, as specified below, the maturity of this Note will be automatically extended to the corresponding New Maturity Date, as specified below, unless the registered holder of this Note elects to terminate the automatic extension of the maturity of this Note or any portion hereof and delivers a completed Extension Termination Notice to the Trustee (or any duly appointed paying agent) not less than 15 nor more than 30 days prior to the applicable Renewal Date. The Extension Termination Notice may specify all or a portion of the outstanding principal amount of the Note so long as the principal amount of the Note remaining outstanding after repayment is an integral multiple of \$1,000. Upon timely delivery of such Extension Termination Notice, the term of the principal amount of this Note subject to such notice will be deemed automatically to mature on the Stated Maturity Date or the then applicable New Maturity Date, as the case may be. The remaining principal balance of such Note, if any, will be deemed to automatically be extended to the corresponding New Maturity Date but in no circumstances may such maturity be extended beyond the Final Maturity Date set forth below. An election to terminate the automatic extension of the maturity hereof shall be irrevocable and binding on each holder hereof. Notwithstanding any such extension, the interest rate applicable to this Note will continue to be calculated as set forth in this Note.

STATED MATURITY DATE: \_\_\_\_\_

FINAL MATURITY DATE: \_\_\_\_\_

Renewal Date (s)

New Maturity Date(s)

EXTENDIBLE NOTE RIDER

The Corporation and the purchaser of this Note have agreed that this Note is an Extendible Note, whereby the Corporation has the option to extend the maturity of this Note for one or more whole year periods, as set forth below (each, an "Extension Period"), up to but not beyond the Final Maturity Date set forth below, under the terms of this Note as supplemented by this Extendible Note Rider.

Stated Maturity Date:  
Final Maturity Date:

Extension Notice  
Due Date  
Extended  
Maturity Date

The Corporation may exercise its option with respect hereto by delivery to the Trustee (or any duly appointed paying agent) of notice of such exercise at least 45 but not more than 60 days prior to the Stated Maturity Date originally in effect with respect hereto or, if the Stated Maturity Date has already been extended, prior to the maturity date then in effect (each, an "Extended Maturity Date"). After such receipt and not later than 40 days prior to the Stated Maturity Date or an Extended Maturity Date, as the case may be (each, a "Maturity Date"), the Trustee (or any duly appointed Paying Agent) will mail first class mail, postage prepaid, to the registered holder hereof a notice (the "Extension Notice") relating to such extension period (the "Extension Period") setting forth (i) the election of the Corporation to extend the maturity hereof, (ii) the new Extended Maturity Date, (iii) the interest rate applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which, the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the mailing by the Trustee (or any duly appointed Paying Agent) of an Extension Notice to the registered holder hereof, the maturity hereof shall be extended automatically as set forth in such Extension Notice, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the mailing of such Extension Notice.

Notwithstanding the foregoing, not later than 20 days prior to the Maturity Date hereof (or, if such date is not a Business Day, on the immediately succeeding Business Day), the Corporation may, at its option, revoke the interest rate provided for in the Extension Notice and establish a higher interest rate for the Extension Period by mailing or causing the Trustee (or any duly appointed paying agent) to mail notice of such higher interest rate, first class mail, postage prepaid, to the registered holder hereof. Such notice shall be irrevocable. Thereafter, this Note will bear such higher interest rate for the Extension Period.

If the Corporation elects to extend the maturity hereof, the registered holder hereof will have the option to elect repayment hereof by the Corporation on the Maturity Date then in effect at a price equal to the principal amount hereof plus any accrued and

unpaid interest to such date. In order for this Note to be so repaid on the Maturity Date, the Corporation must receive, at least 15 days but not more than 30 days prior to the Maturity Date then in effect with respect hereto, (i) this Note with the form "Option to Elect Repayment" on the reverse hereof duly completed or (ii) a telegram, telex, facsimile transmission or a letter from a member of a national securities exchange, or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States setting forth the name of the registered holder hereof, the principal amount hereof to be repaid, the certificate number or a description of the tenor and terms hereof, a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note, together with the duly completed form entitled "Option to Elect Repayment" attached hereto, will be received by the Trustee (or any duly appointed paying agent) not later than the fifth Business Day after the date of such telegram, telex, facsimile transmission or letter, provided, however, that such telegram, telex, facsimile transmission or letter shall only be effective if this Note and duly completed form are received by the Trustee (or any duly appointed paying agent) by such fifth Business Day. Such option may be exercised by the registered holder hereof for less than the aggregate principal amount hereof then outstanding, provided that the principal amount hereof remaining outstanding after repayment is an integral multiple of \$1,000.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE OF A DEPOSITORY. THIS SECURITY IS NOT EXCHANGEABLE FOR NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THIS NOTE IS NOT A SAVINGS ACCOUNT OR A DEPOSIT, IS NOT AN OBLIGATION OF OR GUARANTEED BY ANY BANKING OR NONBANKING AFFILIATE OF NATIONSBANK CORPORATION AND IS NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY.

REGISTERED NUMBER FLR \_\_\_\_\_ \$ \_\_\_\_\_  
CUSIP 63858R \_\_\_\_\_

NATIONSBANK CORPORATION  
MEDIUM-TERM SENIOR NOTE, SERIES F  
(Floating Rate)

ORIGINAL ISSUE DATE: \_\_\_\_\_ BASE RATE: \_\_\_\_\_  
STATED MATURITY DATE: \_\_\_\_\_ (check one)  
FINAL MATURITY DATE: \_\_\_\_\_ CD Rate \_\_\_\_\_  
INITIAL INTEREST RATE: \_\_\_\_\_ Commercial Paper Rate \_\_\_\_\_  
INDEX MATURITY FOR INITIAL \_\_\_\_\_ LIBOR \_\_\_\_\_  
INTEREST RATE (IF DIFFERENT): \_\_\_\_\_ Federal Funds Rate \_\_\_\_\_  
INDEX MATURITY: \_\_\_\_\_ Prime Rate \_\_\_\_\_  
INDEX MATURITY FOR FINAL \_\_\_\_\_ Treasury Rate \_\_\_\_\_  
INTEREST PAYMENT PERIOD \_\_\_\_\_ CMT Rate \_\_\_\_\_  
(IF DIFFERENT): \_\_\_\_\_ CMT Telerate Page: \_\_\_\_\_  
SPREAD: \_\_\_\_\_ CMT Maturity Index: \_\_\_\_\_  
SPREAD MULTIPLIER: \_\_\_\_\_ Eleventh District Cost \_\_\_\_\_  
MAXIMUM INTEREST RATE: \_\_\_\_\_ of Funds Rate \_\_\_\_\_  
MINIMUM INTEREST RATE: \_\_\_\_\_ Other: \_\_\_\_\_  
INTEREST PAYMENT DATES: \_\_\_\_\_  
INTEREST RESET DATES: \_\_\_\_\_ This Note is a Renewable  
INTEREST RESET PERIOD: \_\_\_\_\_ Note.  
INITIAL REDEMPTION DATE: \_\_\_\_\_ See Attached Rider.  
INITIAL REDEMPTION PERCENTAGE: \_\_\_\_\_  
ANNUAL REDEMPTION PERCENTAGE REDUCTION: \_\_\_\_\_  
OPTIONAL REPAYMENT DATE(S): \_\_\_\_\_  
CALCULATION AGENT: \_\_\_\_\_ This Note is an  
ADDITIONAL TERMS: \_\_\_\_\_ Extendible Note.  
See Attached Rider.

NATIONSBANK CORPORATION, a corporation duly organized and existing under the laws of the State of North Carolina (herein called the "Corporation," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of \_\_\_\_\_ DOLLARS on the Stated Maturity Date specified above (except to the extent redeemed or repaid prior to the Stated Maturity Date), and to pay interest thereon at a rate per annum equal to the Initial Interest Rate specified above until the initial Interest Reset Date as specified above and thereafter at a rate determined in accordance with the provisions on the reverse hereof, depending upon the appropriate Base Rate and Index Maturity specified above, until the principal hereof is paid or duly made available for payment. The Corporation will pay interest on the Interest Payment Dates specified above, commencing with the first Interest Payment Date next succeeding the Original Issue Date specified above, unless the Original

Issue Date occurs between a Regular Record Date, as defined below, and the next succeeding Interest Payment Date, in which case commencing on the Interest Payment Date following the next succeeding Regular Record Date, and on the Stated Maturity Date or Final Maturity Date shown above (or any Redemption Date as defined on the reverse hereof or any Optional Repayment Date as specified above with respect to which any such option has been exercised, each such Stated Maturity Date, Final Maturity Date, Redemption Date and Optional Repayment Date being herein referred to as a "Maturity Date" with respect to the principal repayable on such date). Interest on this Note will accrue from the Original Issue Date specified above until the principal amount is paid and will be computed as hereinafter described. Interest payable on this Note on any Interest Payment Date or the Maturity Date will include interest accrued from and including the next preceding Interest Payment Date in respect of which interest has been paid or duly provided for (or from and including the Original Issue Date specified above if no interest has been paid or duly provided for) to but excluding such Interest Payment Date or Maturity Date, as the case may be; provided, however, that if the Interest Reset Period specified above is daily or weekly, interest payable on any Interest Payment Date or the Maturity Date will include interest accrued from but excluding the Regular Record Date through which interest has been paid or duly provided for (or from and including the Original Issue Date specified above if no interest has been paid or duly provided for) to and including the Regular Record Date next preceding such Interest Payment Date, except that interest payable on any such Maturity Date will include interest accrued to, but excluding, such Maturity Date. If any Interest Payment Date falls on a day that is not a Business Day, as defined below, such Interest Payment Date shall be the following day that is a Business Day, except that if the Base Rate is LIBOR, if such next Business Day falls in the next succeeding calendar month, such Interest Payment Date will be the preceding day that is a Business Day; and if the Maturity Date falls on a day that is not a Business Day, principal or interest payable with respect to such Maturity Date will be paid on the next succeeding Business Day with the same force and effect as if made on such Maturity Date, and no additional interest shall accrue for the period from and after such Maturity Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Note (or one or more predecessor Notes evidencing all or a portion of the same debt as this Note) is registered at the close of business on the date 15 calendar days prior to such Interest Payment Date, whether or not a Business Day (the "Regular Record Date"); provided, however, that the first payment of interest on any Note with an Original Issue Date, as specified above, between a Regular Record Date and an Interest Payment Date or on an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date to the person in whose name this Note is registered at the close of business on such next succeeding Regular Record Date; and provided, further, that interest payable on the Maturity Date will be payable to the person to whom the principal hereof shall be payable. Any such interest not punctually paid or duly provided for shall be payable as provided in the Indenture. As used herein, "Business Day" means any day, other than a Saturday or Sunday or a legal holiday in New York, New York or Charlotte, North Carolina, that (i) is not a day on which banks in New York, New York, or Charlotte, North Carolina are authorized or required by law or regulation to be closed and (ii) if the Base Rate is LIBOR, is a day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

The principal of and interest on this Note are payable in immediately available funds in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts at the office or agency of the Corporation designated as provided in the Indenture; provided, however, that interest may be paid, at the option of the Corporation, by check mailed to the person entitled thereto at his address last appearing on the registry books of the Corporation relating to the Notes. Notwithstanding the preceding sentence, payments of principal of and interest payable on the Maturity Date will be made by wire transfer of immediately available funds to a designated account maintained in the United States upon (i) receipt of written notice by the Issuing and Paying Agent (as described on the reverse hereof) from the registered holder hereof not less than one Business Day prior to the due date of such principal and (ii) presentation of this Note to The Bank of New York, as Issuing and Paying Agent, 101 Barclay Street, New York, New York 10286 (the "Corporate Trust Office").

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth at this place.

Unless the Certificate of Authentication hereon has been executed by the Trustee or an authenticating agent on behalf of the Trustee by manual signature, this Note shall not be entitled to any benefit under such Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Corporation has caused this Instrument to be duly executed, by manual or facsimile signature, under its corporate seal or a facsimile thereof.

NATIONSBANK CORPORATION

[SEAL] By: \_\_\_\_\_  
ATTEST: Title: Senior Vice President

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: \_\_\_\_\_

FIRST TRUST OF NEW YORK, NATIONAL  
ASSOCIATION,  
as Trustee

By: The Bank of New York, as  
Authenticating Agent

By: \_\_\_\_\_  
Authorized Signatory  
[Reverse of Note]

NATIONSBANK CORPORATION  
MEDIUM-TERM SENIOR NOTE, SERIES F  
(Floating Rate)

This Note is one of a duly authorized series of Securities of the Corporation unlimited in aggregate principal amount (herein called the "Notes") issued and to be issued under an Indenture dated as of January 1, 1995 (herein called the "Indenture"), between the Corporation and First Trust of New York, National Association, as successor trustee to BankAmerica National Trust Company (herein called the "Trustee," which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights thereunder of the Corporation, the Trustee and the holders of the Notes, and the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is also one of the Notes designated as the Corporation's Senior Medium-Term Notes, Series F (herein called the "Notes"), limited in aggregate principal amount to \$2,000,000,000. The Bank of New York initially has been appointed to serve as the Security Registrar and the Issuing and Paying Agent in connection with the Notes. The Notes may bear different dates, mature at different times, bear interest at different rates and vary in such other ways as are provided in the Indenture.

This Note is not subject to any sinking fund.

This Note may be subject to repayment at the option of the registered holder only if the Optional Repayment Date(s) are indicated on the face hereof. IF NO OPTIONAL REPAYMENT DATES ARE SET FORTH ON THE FACE HEREOF, THIS NOTE MAY NOT BE SO REPAYED AT THE OPTION OF THE HOLDER HEREOF PRIOR TO THE STATED MATURITY DATE. On any Optional Repayment Date, this Note shall be repayable in whole or in part in increments of \$1,000 at the option of the holder hereof at a repayment price equal to 100% of the principal amount to be repaid, together with interest thereon payable to the date of repayment. For this Note to be repaid in whole or in part at the option of the holder hereof, this Note must be received, with the form below entitled "Option to Elect Repayment" duly completed, by the Issuing and Paying Agent at the

Corporate Trust Office, or such other address of which the Corporation shall from time to time notify the holders of the Notes, not more than 60 nor less than 30 days prior to an Optional Repayment Date. Exercise of such repayment option by the holder hereof shall be irrevocable.

This Note may be redeemed at the option of the Corporation on any date on and after the Initial Redemption Date, if any, specified on the face hereof (the "Redemption Date"). IF NO INITIAL REDEMPTION DATE IS SET FORTH ON THE FACE HEREOF, THIS NOTE MAY NOT BE REDEEMED AT THE OPTION OF THE CORPORATION PRIOR TO THE STATED MATURITY DATE. On and after the Initial Redemption Date, if any, this Note may be redeemed at any time in whole or from time to time in part in increments of \$1,000 at the option of the Corporation at the applicable Redemption Price (as defined below) together with interest thereon payable to the Redemption Date, on notice given not more than 60 nor less than 30 days prior to the Redemption Date. In the event of redemption of this Note in part only, a new Note for the unredeemed portion hereof shall be issued in the name of the registered holder hereof upon the surrender hereof. If this Note is redeemable at the option of the Corporation, the "Redemption Price" shall initially be the Initial Redemption Percentage specified on the face hereof of the principal amount of this Note to be redeemed and shall decline at each anniversary of the Initial Redemption Date by the Annual Redemption Percentage Reduction, if any, specified on the face hereof of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount.

Accrued interest hereon shall be calculated by multiplying the face amount hereof by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factor calculated for each day from and including the Original Issue Date, or from but excluding the last date to which interest has been paid, as the case may be, to and including the date for which accrued interest is being calculated. The interest factor (expressed as a decimal) for each such day shall be computed by dividing the interest rate in effect on such day by (i) 360, or (ii) the actual number of days in the year, in the case of Notes having the Treasury Rate or the CMT Rate as their Base Rate as specified on the face hereof.

The Base Rate (as defined herein) with respect to this Note may be (i) the CD Rate, (ii) the Commercial Paper Rate, (iii) LIBOR, (iv) the Federal Funds Rate, (v) the Prime Rate, (vi) the Treasury Rate, (vii) the CMT Rate, (viii) the Eleventh District Cost of Funds Rate or (ix) such other rate as will be described on the face hereof and a rider to this Note.

Except as described below, this Note will bear interest at the rate determined by reference to the appropriate interest rate basis (the "Base Rate") and Index Maturity, each as specified on the face hereof, (i) plus or minus the Spread, if any, specified on the face hereof and/or (ii) multiplied by the Spread Multiplier, if any, specified on the face hereof. The interest rate in effect with respect hereto during an Interest Reset Period will be the rate determined on the Calculation Date (as hereinafter defined) by reference to the Interest Determination Date (as hereinafter defined). The interest rate in effect on each day shall be (a) if such day is an Interest Reset Date, as specified on the face hereof, the interest rate determined as of the Interest Determination Date pertaining to such Interest Reset Date or (b) if such day is not an Interest Reset Date, the interest rate determined as of the Interest Determination Date pertaining to the immediately preceding Interest Reset Date, provided that (i) the interest rate in effect from the Original Issue Date to the initial Interest Reset Date shall be the Initial Interest Rate specified on the face hereof, and (ii) the interest rate in effect for the ten calendar days immediately prior to the Maturity Date shall be the rate in effect on the tenth calendar day preceding such Maturity Date. If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day, except that if the Base Rate specified on the face hereof is LIBOR, if such next Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the immediately preceding Business Day. The term "Final Interest Payment Period" means the period from the final Interest Reset Date to the Maturity Date.

The Interest Determination Date with respect to any Note that has as its Base Rate the CD Rate, the Commercial Paper Rate, the Federal Funds Rate, the Prime Rate or the CMT Rate will be the second Business Day preceding the applicable Interest Reset Date. The Interest Determination Date with respect to any Note

that has LIBOR as its Base Rate will be the second London Banking Day (as defined below) preceding the applicable Interest Reset Date. The Interest Determination Date with respect to any Note that has the Eleventh District Cost of Funds Rate as its Base Rate will be the last Business Day of the month immediately preceding the applicable Interest Reset Date in which the Federal Home Loan Bank (the "FHLB") of San Francisco publishes the Index (as defined below). The Interest Determination Date with respect to any Note that has the Treasury Rate as its Base Rate will be the day of the week in which the applicable Interest Reset Date falls on which Treasury bills of the Index Maturity specified on the face hereof normally would be auctioned; provided, however, that if as a result of a legal holiday an auction is held on the Friday of the week preceding the Interest Reset Date, the related Interest Determination Date shall be such preceding Friday; and provided, further, that if an auction shall fall on any Interest Reset Date then the Interest Reset Date, shall instead be the first Business Day following such auction.

The "Calculation Date" pertaining to any Interest Determination Date shall be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day, or (ii) the Business Day next preceding the applicable Interest Payment Date or Maturity Date, as the case may be.

All percentages resulting from any calculation on the Notes will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upward, and all dollar amounts used in or resulting from such calculation on the Notes will be rounded to the nearest cent (with one-half cent being rounded upward).

Determination of CD Rate. CD Rate means, with respect to an Interest Determination Date (a "CD Rate Interest Determination Date"), the rate on such CD Rate Interest Determination Date for negotiable certificates of deposit having the Index Maturity specified on the face hereof, as such rate is published by the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") in "Statistical Release H.15(519), Selected Interest Rates," or any successor publication of the Federal Reserve Board ("H.15(519)"), under the heading "CDs (Secondary Market)," or, if not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such CD Rate Interest Determination Date, the CD Rate will be the rate on such CD Rate Interest Determination Date for negotiable certificates of deposit of the Index Maturity specified on the face hereof, as published by the Federal Reserve Bank of New York in its daily statistical release "Composite 3:30 P.M. Quotations for U.S. Government Securities" ("Composite Quotations") under the heading "Certificates of Deposit." If such rate is not published in either H.15(519) or the Composite Quotations by 3:00 P.M., New York City time, on such Calculation Date, then the CD Rate on such CD Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time, on such CD Rate Interest Determination Date, of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable certificates of deposit in denominations of \$5,000,000 of major United States money center banks with a remaining maturity closest to the Index Maturity specified on the face hereof; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as set forth above, the CD Rate for such CD Rate Interest Determination Date will be the CD Rate then in effect on such CD Rate Interest Determination Date.

Determination of Commercial Paper Rate. The Commercial Paper Rate means, with respect to an Interest Determination Date (a "Commercial Paper Rate Interest Determination Date"), the Money Market Yield (as defined below) of the rate on such Commercial Paper Rate Interest Determination Date for commercial paper having the Index Maturity specified on the face hereof as published in H.15(519) under the heading "Commercial Paper." In the event such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Commercial Paper Rate Interest Determination Date, the Commercial Paper Rate shall be the Money Market Yield on such Commercial Paper Rate Interest Determination Date of the rate for commercial paper having the Index Maturity specified on the face hereof as published in Composite Quotations under the heading "Commercial Paper." If such rate is not published in either H.15(519) or Composite Quotations by 3:00 P.M., New York City time, on such Calculation

Date, the Commercial Paper Rate for such Commercial Paper Rate Interest Determination Date shall be calculated by the Calculation Agent and shall be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 A.M., New York City time, on such Commercial Paper Rate Interest Determination Date of three leading dealers of commercial paper in The City of New York (which may include the Calculation Agent or its affiliates) selected by the Calculation Agent for commercial paper of the Index Maturity specified on the face hereof placed for an industrial issuer whose bond rating is "AA", or the equivalent, by a nationally recognized securities rating agency; provided, however, that if such dealers are not so quoting such rates, the Commercial Paper Rate with respect to such Commercial Paper Rate Interest Determination Date will be the Commercial Paper Rate then in effect on such Commercial Paper Rate Interest Determination Date.

"Money Market Yield" shall be the yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the interest period for which interest is being calculated.

Determination of LIBOR. LIBOR means the rate determined by the Calculation Agent in accordance with the following provisions:

(i) With respect to an Interest Determination Date (a "LIBOR Interest Determination Date"), LIBOR will be "LIBOR Telerate" unless "LIBOR Reuters" is specified on the face of this Note. "LIBOR Telerate" is the rate for deposits in the LIBOR Currency (as defined below) having the Index Maturity specified on the face hereof that appears on the Designated LIBOR Page (as defined below) specified on the face hereof as of 11:00 A.M. London time, on that LIBOR Interest Determination Date. "LIBOR Reuters" is that rate which is the arithmetic mean of the offered rates (unless the specified Designated LIBOR Page by its terms provides only for a single rate, in which case such single rate shall be used) for deposits in the LIBOR Currency having the Index Maturity specified on the face hereof that appear on the Designated LIBOR Page specified on the face hereof as of 11:00 A.M. London time, on that LIBOR Interest Determination Date, if at least two such offered rates appear (unless, as aforesaid, only a single rate is required) on such Designated LIBOR Page. If LIBOR cannot be determined under this clause (i), LIBOR in respect of the related LIBOR Interest Determination Date will be determined as if the parties had specified the rate described in clause (ii) below.

(ii) With respect to a LIBOR Interest Determination Date on which the applicable LIBOR rate cannot be determined under clause (i) above, the Calculation Agent will request the principal London offices of each of four major reference banks in the London interbank market, as selected by the Calculation Agent, to provide the Calculation Agent with its offered quotation for deposits in the LIBOR Currency for the period of the Index Maturity specified on the face hereof to prime banks in the London interbank market commencing on the applicable Interest Reset Date at approximately 11:00 A.M., London time, on such LIBOR Interest Determination Date and in a principal amount that is representative for a single transaction in such LIBOR Currency in such market at such time. If at least two such quotations are provided, LIBOR determined on such LIBOR Interest Determination Date will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, LIBOR for such LIBOR Interest Determination Date will be the arithmetic mean of the rates quoted at approximately 11:00 A.M. in the applicable Principal Financial Center (as defined below), on such LIBOR Interest Determination Date by three major banks in such Principal Financial Center selected by the Calculation Agent for loans in the LIBOR Currency to leading European banks, having the Index Maturity specified on the face hereof commencing on the applicable Interest Reset Date and in a principal amount that is representative for a single transaction in such LIBOR Currency in such market at such time; provided, however, that if the banks so selected by

the Calculation Agent are not quoting as mentioned in this sentence, LIBOR determined on such LIBOR Interest determination Date will be LIBOR then in effect on such LIBOR Interest Determination Date.

"LIBOR Currency" means the currency (including composite currencies) specified on the face hereof for which LIBOR shall be calculated. If no such currency is specified on the face hereof, the LIBOR Currency shall be U.S. dollars.

"Designated LIBOR Page" means either (a) if "LIBOR Telerate" is specified on the face hereof, the display on the Dow Jones Telerate Service for the purpose of displaying the London interbank offered rates of major banks for the applicable LIBOR Currency, or (b) if "LIBOR Reuters" is specified on the face hereof, the display on the Reuters Monitor Money Rates Service for the purpose of displaying the London interbank offered rates of major banks for the applicable LIBOR Currency. If neither LIBOR Telerate nor LIBOR Reuters is specified on the face hereof, LIBOR for the applicable LIBOR Currency will be determined as if LIBOR Telerate (and, if the U.S. dollar is the LIBOR Currency, Page 3750) had been specified.

"Principal Financial Center" shall generally be the capital city of the country of the specified LIBOR Currency, except that with respect to U.S. dollars, Australian dollars, Canadian dollars, Deutsche marks, Italian lire, Swiss Francs and ECUs, the Principal Financial Center shall be The City of New York, Sydney, Toronto, Frankfurt, Milan, Zurich and Luxembourg, respectively.

Determination of Federal Funds Rate. The Federal Funds Rate means, with respect to an Interest Determination Date (a "Federal Funds Rate Interest Determination Date"), the rate on such date for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)." If H.15(519) is not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Federal Funds Rate Interest Determination Date, the Federal Funds Rate will be the rate on such Federal Funds Rate Interest Determination Date for Federal Funds as published in Composite Quotations under the heading "Federal Funds/Effective Rate." If such rate is not yet published in either H.15(519) or Composite Quotations by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Federal Funds Rate Interest Determination Date, the Federal Funds Rate for such Federal Funds Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight Federal Funds as of 9:00 A.M., New York City time, on such Federal Funds Rate Interest Determination Date quoted by each of three leading brokers of Federal Funds transactions in The City of New York selected by the Calculation Agent; provided, however, that if fewer than three such brokers are so quoting such rates, the Federal Funds Rate for such Federal Funds Rate Interest Determination Date will be the Federal Funds Rate then in effect on such Federal Funds Rate Interest Determination Date.

Determination of Prime Rate. Prime Rate means, with respect to an Interest Determination Date (a "Prime Rate Interest Determination Date"), the rate set forth on such date in H.15(519) under the heading "Bank Prime Loan," or if not so published prior to 9:00 A.M. New York City time, on the Calculation Date pertaining to such Prime Rate Interest Determination Date, then the Prime Rate will be determined by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 (as defined below) as such bank's prime rate or base lending rates as in effect for that Prime Rate Interest Determination Date. If fewer than four such rates but more than one such rate appear on the Reuters Screen US PRIME 1 for the Prime Rate Interest Determination Date, the Prime Rate will be determined by the Calculation Agent and will be the arithmetic mean of the prime rates, quoted on the basis of the actual number of days in the year divided by a 360-day year, as of the close of business on such Prime Rate Interest Determination Date by four major money center banks in The City of New York as selected by the Calculation Agent. If fewer than two such rates appear on the Reuters Screen US PRIME 1, the Prime Rate will be determined by the Calculation Agent as of the close of business on the Prime Rate Interest Determination Date, on the basis of the prime rates, as of the close of business on the Prime Rate Interest Determination Date, furnished in The City of New York by the appropriate number of substitute banks or trust companies organized and doing business under the laws of the United States, or any State thereof, having total equity capital of at least \$500 million and being subject to supervision or

examination by federal or state authority, selected by the Calculation Agent; provided, however, that if the banks so selected are not quoting prime rates, the Prime Rate for such Prime Rate Interest Determination Date will be the Prime Rate then in effect on such Prime Rate Interest Determination Date.

"Reuters Screen US PRIME 1" means the display designated as page "US PRIME 1" on the Reuters Monitor Money Rates Service (or such other page as may replace the US PRIME 1 page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Determination of Treasury Rate. Treasury Rate means, with respect to an Interest Determination Date (a "Treasury Rate Interest Determination Date"), the rate for the auction held on such Treasury Rate Interest Determination Date of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified on the face hereof, as published in H.15(519) under the heading "U.S. Government Securities -- Treasury Bills -- auction average (investment)." If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Treasury Rate Interest Determination Date, the Treasury Rate will be the auction average rate (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) on such Treasury Rate Interest Determination Date as otherwise announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury bills having the Index Maturity specified on the face hereof are not reported as provided by 3:00 P.M., New York City time, on such Calculation Date, or if no such auction is held on such Treasury Rate Interest Determination Date, then the Treasury Rate for such Treasury Rate Interest Determination Date shall be a yield to maturity (expressed as a bond equivalent, on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on such Treasury Rate Interest Determination Date, of three leading primary United States government securities dealers, selected by the Calculation Agent, for the issue of Treasury bills with a remaining maturity closest to the Index Maturity specified on the face hereof; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not so quoting such rates, the Treasury Rate with respect to such Treasury Rate Interest Determination Date will be the Treasury Rate then in effect on such Treasury Rate Interest Determination Date.

Determination of CMT Rate. CMT Rate means with respect to an Interest Determination Date relating to a CMT Rate Note or any Floating Rate Note for which the interest rate is determined by reference to the CMT Rate (a "CMT Rate Interest Determination Date"), the rate displayed on the designated CMT Telerate Page under the caption "Treasury Constant Maturities . . . Federal Reserve Board Release H.15 . . . Mondays approximately 3:45 p.m.," under the column for the Designated CMT Maturity Index for (i) if the Designated CMT Telerate Page is 7055, the rate on such CMT Rate Interest Determination Date and (ii) if the Designated CMT Telerate Page is 7052, the week or the month, as applicable, as specified on the face hereof, ended immediately preceding the week in which the related CMT Rate Interest Determination Date occurs. If such rate is no longer displayed on the relevant page, or if not displayed by 3:00 p.m., New York City time, on such Calculation Date, then the CMT Rate for such CMT Rate Interest Determination Date will be such Treasury Constant Maturity Rate for the Designated CMT Maturity Index as published in the relevant H.15(519). If such rate is no longer published, or if not published by 3:00 p.m. New York City time, on such Calculation Date, then the CMT Rate for such CMT Rate Interest Determination Date will be such Treasury Constant Maturity Rate for the Designated CMT Maturity Index (or other United States Treasury rate for the Designated CMT Maturity Index) for the CMT Rate Interest Determination Date with respect to such Interest Determination Date as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Telerate Page and published in the relevant H.15(519). If such information is not provided by 3:00 p.m., New York City time, on such Calculation Date, then the CMT Rate for the CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity, based on the arithmetic mean of the secondary market closing offer side prices as of approximately 3:30 p.m., New York City time, on the CMT Rate Interest Determination Date reported, according to their written records, by three leading primary United States government

securities dealers (each a "Referenced Dealer") in The City of New York selected by the Calculation Agent (from five such Referenced Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for the most recently issued direct, non-callable fixed rate obligations of the United States ("Treasury Note") with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year. If the Calculation Agent cannot obtain three such Treasury Note quotations, the CMT Rate for such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market side offer prices as of approximately 3:30 p.m. New York City time, on the CMT Rate Interest Determination Date of three Referenced Dealers in The City of New York (from five such Referenced Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the even of equality, one of the highest) and lowest quotation (or, in the event of equality, one of the lowest)), for Treasury Notes with original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining term to maturity closest to the Designated CMT Maturity Index and in an amount of at least \$100,000,000. If three or four (and not five) of such Referenced Dealers are quoting as described above, then the CMT Rate will be based on the arithmetic mean of the offer prices obtained and neither the highest nor lowest of such quotes will be eliminated; provided, however, that if fewer than three Referenced Dealers selected by the Calculation Agent are quoting as described herein, the CMT Rate will be the CMT Rate then in effect on such CMT Rate Interest Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the quotes for the Treasury Rate Note with the shorter remaining term to maturity will be used.

"Designated CMT Telerate Page" means the display on the Dow Jones Telerate Service on the page designated on the face hereof (or any other page as may replace such page on that service for the purpose of displaying Treasury Constant Maturities as reported in H.15(519)), for the purpose of displaying Treasury Constant Maturity as reported in H.15(519). If no such page is specified, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury Securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified on the face hereof with respect to which the CMT Rate will be calculated. If no such maturity is specified on the face hereof, the Designated CMT Maturity Index shall be two years.

Determination of Eleventh District Cost of Funds Rate. Eleventh District Cost of Funds Rate means, with respect to an Interest Determination Date relating to an Eleventh District Cost of Funds Rate (an "Eleventh District Cost of Funds Rate Interest Determination Date"), the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate Interest Determination Date as set forth under the caption "Eleventh District" on Telerate page 7058 as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Interest Determination Date. If such rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate Interest Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Interest Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Index") by the FHLB of San Francisco as such cost of funds for the calendar month preceding the date of such announcement. If the FHLB of San Francisco fails to announce such rate for the calendar month next preceding such Eleventh District Cost of Funds Rate Interest Determination Date, then the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Interest Determination Date will be the Eleventh District Cost of Funds Rate then in effect on such Eleventh District Cost of Funds Rate Interest Determination Date. "Telerate Page 7058" means the display on the Dow Jones Telerate Service on such page (or such other page as may replace such page on the service for the purpose of displaying the Eleventh District Cost of Funds Rate) for the purpose of displaying the monthly average cost of the funds paid by member institutions of the Eleventh Federal Home Loan Bank

District.

Notwithstanding the foregoing, the interest rate hereon shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified on the face hereof, and the interest rate on this Note will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

The Calculation Agent shall calculate the interest rate hereon in accordance with the foregoing on or before each Calculation Date. At the request of the registered holder hereof, the Calculation Agent will provide to such holder hereof the interest rate hereon then in effect and, if determined, the interest rate which will become effective as of the next Interest Reset Date.

The provisions of Article Fourteen of the Indenture do not apply to Securities of this Series.

If an Event of Default (defined in the Indenture as (i) the Corporation's failure to pay principal of (or premium, if any, on) the Notes when due, or to pay interest on the Notes within 30 days after the same becomes due, (ii) the Corporation's breach of its other covenants contained in this Note or the Indenture, which breach is not cured within 90 days after written notice by the Trustee or the holders of at least 25% in outstanding principal amount of all Securities issued under the Indenture and affected thereby, and (iii) certain events involving the bankruptcy, insolvency or liquidation of the Corporation) shall occur with respect to the Notes, the principal of all the Notes may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Corporation and the rights of the holders of the Notes under the Indenture at any time by the Corporation with the consent of the holders of not less than 66 2/3% in aggregate principal amount of the Notes then outstanding and all other Securities then outstanding under the Indenture and affected by such amendment and modification. The Indenture also contains provisions permitting the holders of a majority in aggregate principal amount of the Notes then outstanding and all other Securities then outstanding under the Indenture and affected thereby, on behalf of the holders of all Securities, to waive compliance by the Corporation with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the holder of this Note shall be conclusive and binding upon such holder and upon all future holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Corporation, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

No recourse shall be had for the payment of the principal of or the interest on this Note, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, officer or director, as such, past, present or future, of the Corporation or any predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for issue hereof, expressly waived and released.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered on the registry books of the Corporation relating to the Notes, upon surrender of this Note for registration of transfer at the office or agency of the Corporation designated by it pursuant to the Indenture, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Corporation and the Trustee or Security Registrar duly executed by, the registered holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, will

be issued to the designated transferee or transferees.

The Notes are issuable only as registered Notes without coupons in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture, and subject to certain limitations therein set forth, Notes are exchangeable for a like aggregate principal amount of Notes of different authorized denominations, as requested by the holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Corporation may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment for registration of transfer of this Note, the Corporation, the Trustee, the Issuing and Paying Agent and any agent of the Corporation, the Trustee or any Issuing and Paying Agent may treat the entity in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note be overdue, and neither the Corporation, the Trustee, the Issuing and Paying Agent nor any such agent shall be affected by notice to the contrary.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

The Notes are being issued by means of a book-entry system with no physical distribution of certificates to be made except as provided in the Indenture. The book-entry system maintained by The Depository Trust Company ("DTC") will evidence ownership of the Notes, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The Corporation will recognize Cede & Co., as nominee of DTC, while the registered holder of the Notes, as the owner of the Notes for all purposes, including payment of principal and interest, notices and voting. Transfer of principal and interest to participants of DTC will be the responsibility of DTC, and transfer of principal and interest to beneficial owners of the Notes by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. So long as the book-entry system is in effect, the selection of any Notes to be redeemed will be determined by DTC pursuant to rules and procedures established by DTC and its participants. The Corporation will not be responsible or liable for such transfers or payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Note, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM--as tenants in common
- TEN ENT-- as tenants by the entireties
- JT TEN-- as joint tenants with right of survivorship  
and not as tenants in common
- UNIF GIFT MIN ACT--.....Custodian.....  
(Cust) (Minor)
- Under Uniform Gifts to Minors Act  
.....  
(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

[PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING ZIP CODE OF ASSIGNEE]

\_\_\_\_\_

Please Insert Social Security or Other  
Identifying Number of Assignee: \_\_\_\_\_

the within Note and all rights thereunder, hereby irrevocably  
constituting and appointing \_\_\_\_\_  
Attorney to transfer said Note on the books of the Corporation,  
with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the  
name as it appears upon the face of the within Note in every  
particular, without alteration or enlargement or any change  
[OPTION TO ELECT REPAYMENT]

The undersigned hereby irrevocably request(s) and  
instruct(s) the Corporation to repay this Note (or portion hereof  
specified below) pursuant to its terms at a price equal to the  
principal amount hereof together with interest to the repayment  
date, to the undersigned, at

\_\_\_\_\_  
(Please print or typewrite name and address of the undersigned)

For this Note to be repaid, the Trustee (or any duly  
appointed paying agent) must receive at \_\_\_\_\_, or at  
such other place or places of which the Corporation shall from  
time to time notify the registered holder of this Note, not more  
than 60 nor less than 30 days prior to an Optional Repayment  
Date, if any, shown on the face hereof, this Note with this  
"Option to Elect Repayment" form duly completed.

If less than the entire principal amount of this Note is to  
be repaid, specify the portion hereof (which shall be in  
increments of \$1,000) which the Holder elects to have repaid and  
specify the denomination or denominations (which shall be  
\$ \_\_\_\_\_ or an integral multiple of \$1,000 in excess of  
\$ \_\_\_\_\_) of the Notes to be issued to the Holder for the  
portion of this Note not being repaid (in the absence of any such  
specification, one such Note will be issued for the portion not  
being repaid).

\$ \_\_\_\_\_

NOTICE: The signature on this  
Option to Elect Repayment must  
Date \_\_\_\_\_ correspond with the name as written  
upon the face of this Note in every  
particular, without alteration or  
enlargement or any change whatever.

RENEWABLE NOTE RIDER

The Corporation and the purchaser of this Note have agreed  
that this Note is a Renewable Note which initially matures on the  
Stated Maturity Date shown on the face hereof. At each Renewal  
Date, as specified below, the maturity of this Note will be  
automatically extended to the corresponding New Maturity Date, as  
specified below, unless the registered holder of this Note elects  
to terminate the automatic extension of the maturity of this Note  
or any portion hereof and delivers a completed Extension  
Termination Notice to the Trustee (or any duly appointed paying  
agent) not less than 15 nor more than 30 days prior to the  
applicable Renewal Date. The Extension Termination Notice may  
specify all or a portion of the outstanding principal amount of  
the Note so long as the principal amount of the Note remaining  
outstanding after repayment is an integral multiple of \$1,000.  
Upon timely delivery of such Extension Termination Notice, the  
term of the principal amount of this Note subject to such notice  
will be deemed automatically to mature on the Stated Maturity  
Date or the then applicable New Maturity Date, as the case may  
be. The remaining principal balance of such Note, if any, will  
be deemed to automatically be extended to the corresponding New  
Maturity Date but in no circumstances may such maturity be  
extended beyond the Final Maturity Date set forth below. An  
election to terminate the automatic extension of the maturity  
hereof shall be irrevocable and binding on each holder hereof.  
Notwithstanding any such extension, the interest rate applicable  
to this Note will continue to be calculated as set forth in this  
Note.

STATED MATURITY DATE: \_\_\_\_\_

FINAL MATURITY DATE: \_\_\_\_\_

Renewal Date (s)

New Maturity Date(s)

EXTENDIBLE NOTE RIDER

The Corporation and the purchaser of this Note have agreed that this Note is an Extendible Note, whereby the Corporation has the option to extend the maturity of this Note for one or more whole year periods, as set forth below (each, an "Extension Period"), up to but not beyond the Final Maturity Date set forth below, under the terms of this Note as supplemented by this Extendible Note Rider.

Stated Maturity Date:

Final Maturity Date:

Extension Notice

Due Date

Extended

Maturity Date

The Corporation may exercise its option with respect hereto by delivery to the Trustee (or any duly appointed paying agent) of such exercise at least 45 but not more than 60 days prior to the Stated Maturity Date originally in effect with respect hereto or, if the Stated Maturity Date has already been extended, prior to the maturity date then in effect (an "Extended Maturity Date"). After such receipt and not later than 40 days prior to the Stated Maturity Date or an Extended Maturity Date, as the case may be (each, a "Maturity Date"), the Trustee (or any duly appointed Paying Agent) will mail first class mail, postage prepaid, to the registered holder hereof a notice (the "Extension Notice") relating to such extension period (the "Extension Period") setting forth (i) the election of the Corporation to extend the maturity hereof, (ii) the new Extended Maturity Date, (iii) the Spread and/or Spread Multiplier applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which, the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the mailing by the Trustee (or any duly appointed paying agent) of an Extension Notice to the registered holder hereof, the maturity hereof shall be extended automatically as set forth in such Extension Notice, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the mailing of such Extension Notice.

Notwithstanding the foregoing, not later than 20 days prior to the Maturity Date hereof (or, if such date is not a Business Day, on the immediately succeeding Business Day), the Corporation may, at its option, revoke the Spread and/or Spread Multiplier provided for in the Extension Notice and establish a higher Spread and/or Spread Multiplier for the Extension Period by mailing or causing the Trustee (or any duly appointed Paying Agent) to mail notice of such higher Spread and/or Spread Multiplier, first class mail, postage prepaid, to the registered

holder of such Note. Such notice shall be irrevocable. Thereafter this Note will bear such higher Spread and/or Spread Multiplier for the Extension Period.

If the Corporation elects to extend the maturity hereof, the registered holder hereof will have the option to elect repayment hereof by the Corporation on the Maturity Date then in effect at a price equal to the principal amount hereof plus any accrued and unpaid interest to such date. In order for this Note to be so repaid on the Maturity Date, the Corporation must receive, at least 15 days but not more than 30 days prior to the Maturity Date then in effect with respect hereto, (i) this Note with the form "Option to Elect Repayment" on the reverse hereof duly completed or (ii) a telegram, telex, facsimile transmission or a letter from a member of a national securities exchange, or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States setting forth the name of the registered holder hereof, the principal amount hereof, the principal amount to be repaid, the certificate number or a description of the tenor and terms hereof, a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note to be repaid, together with the duly completed form entitled "Option to Elect Repayment" attached hereto, will be received by the Trustee (or any duly appointed Paying Agent) not later than the fifth Business Day after the date of such telegram, telex, facsimile transmission or letter, provided, however, that such telegram, telex, facsimile transmission or letter shall only be effective if this Note and duly completed form are received by the Trustee (or any duly appointed Paying Agent) by such fifth Business Day. Such option may be exercised by the registered holder hereof for less than the aggregate principal amount hereof then outstanding, provided that the principal amount of the Note remaining outstanding after repayment is an integral multiple of \$1,000.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE OF A DEPOSITORY. THIS SECURITY IS NOT EXCHANGEABLE FOR NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THIS NOTE IS NOT A SAVINGS ACCOUNT OR A DEPOSIT, IS NOT AN OBLIGATION OF OR GUARANTEED BY ANY BANKING OR NONBANKING AFFILIATE OF NATIONSBANK CORPORATION AND IS NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY.

REGISTERED \$ \_\_\_\_\_  
NUMBER FXR \_\_\_\_\_ CUSIP 63858S \_\_\_\_\_

NATIONSBANK CORPORATION  
MEDIUM-TERM SUBORDINATED NOTE, SERIES F  
(Fixed Rate)

ORIGINAL ISSUE DATE:  
INTEREST RATE:  
STATED MATURITY DATE:  
FINAL MATURITY DATE:  
INITIAL REDEMPTION DATE:  
INITIAL REDEMPTION PERCENTAGE:  
ANNUAL REDEMPTION PERCENTAGE:  
PERCENTAGE REDUCTION:  
OPTIONAL REPAYMENT DATE(S):  
ADDITIONAL TERMS:

This Note is a Renewable Note.  
See Attached Rider.  
This Note is an Extendible Note.  
See Attached Rider.

NATIONSBANK CORPORATION, a corporation duly organized and existing under the laws of the State of North Carolina (herein called the "Corporation," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of \_\_\_\_\_ DOLLARS on the Stated Maturity Date specified above (except to the extent redeemed or repaid prior to the Stated Maturity Date), and to pay interest on said principal sum, semi-annually in arrears on \_\_\_\_\_ and \_\_\_\_\_ of each year (each an "Interest Payment Date"), at the Interest Rate per annum specified above, until payment of such principal sum has been made or duly provided for, commencing on the first Interest Payment Date next succeeding the Original Issue Date specified above, unless the Original Issue Date occurs between a Regular Record Date, as defined below, and the next succeeding Interest Payment Date, in which case commencing on the Interest Payment Date following the next succeeding Regular Record Date, and on the Stated Maturity Date or Final Maturity Date shown above (or any Redemption Date as defined on the reverse hereof or any Optional Repayment Date as specified above with respect to which any such option has been exercised, each such Stated Maturity Date, Final Maturity Date, Redemption Date and Optional Repayment Date being herein referred to as a "Maturity Date" with respect to the principal payable on such date). Interest on this Note will accrue from the Original Issue Date specified above until the principal amount is paid and will be computed on the basis of a 360-day year of twelve 30-day months. Interest payments will be in the amount of interest accrued from and including the next preceding Interest Payment Date in respect of which interest has been paid or duly provided for (or from and

including the Original Issue Date specified above, if no interest has been paid or duly provided for ) to but excluding the Interest Payment Date or the Maturity Date, as the case may be. If the Maturity Date or an Interest Payment Date falls on a day which is not a Business Day as defined below, principal or interest payable with respect to such Maturity Date or Interest Payment Date will be paid on the next succeeding Business Day with the same force and effect as if made on such Maturity Date or Interest Payment Date, as the case may be, and no additional interest shall accrue for the period from and after such Maturity Date or Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Note (or one or more predecessor Notes evidencing all or a portion of the same debt as this Note) is registered at the close of business on the Regular Record Date, which shall be the \_\_\_\_\_ or the \_\_\_\_\_, whether or not a Business Day, as the case may be, immediately preceding such Interest Payment Date; provided, however, that the first payment of interest on any Note with an Original Issue Date, as specified above, between a Regular Record Date and an Interest Payment Date or on an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date to the person in whose name this Note is registered at the close of business on such next succeeding Regular Record Date; and provided, further, that interest payable on the Maturity Date will be payable to the person to whom the principal hereof shall be payable. Any interest not punctually paid or duly provided for shall be payable as provided in the Indenture. As used herein, "Business Day" means any day, other than a Saturday or Sunday or a legal holiday in New York, New York or Charlotte, North Carolina that is not a day on which banks in New York, New York, or Charlotte, North Carolina are authorized or required by law or regulation to be closed.

The principal of and interest on this Note are payable in immediately available funds in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts at the office or agency of the Corporation designated as provided in the Indenture; provided, however, that interest may be paid, at the option of the Corporation, by check mailed to the person entitled thereto at his address last appearing on the registry books of the Corporation relating to the Notes. Notwithstanding the preceding sentence, payments of principal of and interest payable on the Maturity Date will be made by wire transfer of immediately available funds to a designated account maintained in the United States upon (i) receipt of written notice by the Issuing and Paying Agent (as described on the reverse hereof) from the registered holder hereof not less than one Business Day prior to the due date of such principal and (ii) presentation of this Note to the Issuing and Paying Agent, at The Bank of New York, 101 Barclay Street, New York, New York 10286 (the "Corporate Trust Office").

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee or an Authenticating Agent on behalf of the Trustee by manual signature, this Note shall not be entitled to any benefit under such Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Corporation has caused this Instrument to be duly executed, by manual or facsimile signature, under its corporate seal or a facsimile thereof.

NATIONSBANK CORPORATION

By: \_\_\_\_\_  
Title: Senior Vice President

[SEAL]

ATTEST:

By:

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated

therein referred to in the within-mentioned Indenture.

Dated: \_\_\_\_\_

The Bank of New York, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

[Reverse of Note]

NATIONSBANK CORPORATION  
MEDIUM-TERM SUBORDINATED NOTE, SERIES F  
(Fixed Rate)

This Note is one of a duly authorized series of Securities of the Corporation unlimited in aggregate principal amount (herein called the "Notes") issued and to be issued under an Indenture dated as of January 1, 1995 (herein called the "Indenture"), between the Corporation and The Bank of New York, as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights thereunder of the Corporation, the Trustee and the holders of the Notes, and the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is also one of the Notes designated as the Corporation's Subordinated Medium-Term Notes, Series F (herein called the "Notes"), limited in aggregate principal amount to \$2,000,000,000. The Trustee shall initially act as Security Registrar, Authenticating and Paying Agent in connection with the Notes. The Notes may bear different dates, mature at different times, bear interest at different rates and vary in such other ways as are provided in the Indenture.

THE INDEBTEDNESS OF THE CORPORATION EVIDENCED BY THE NOTES, INCLUDING THE PRINCIPAL THEREOF AND INTEREST THEREON, IS, TO THE EXTENT AND IN THE MANNER SET FORTH IN THE INDENTURE, SUBORDINATE AND JUNIOR IN RIGHT OF PAYMENT TO ITS OBLIGATIONS TO HOLDERS OF SENIOR INDEBTEDNESS, AS DEFINED IN THE INDENTURE, AND EACH HOLDER OF THE NOTES, BY THE ACCEPTANCE HEREOF, AGREES TO AND SHALL BE BOUND BY SUCH PROVISIONS OF THE INDENTURE.

This Note is not subject to any sinking fund.

This Note may be subject to repayment at the option of the registered holder on the Optional Repayment Date(s), if any, indicated on the face hereof. IF NO OPTIONAL REPAYMENT DATES ARE SET FORTH ON THE FACE HEREOF, THIS NOTE MAY NOT BE SO REPAID AT THE OPTION OF THE HOLDER HEREOF PRIOR TO THE STATED MATURITY DATE. On any Optional Repayment Date this Note shall be repayable in whole or in part in increments of \$1,000 at the option of the holder hereof at a repayment price equal to 100% of the principal amount to be repaid, together with interest thereon payable to the date of repayment. For this Note to be repaid in whole or in part at the option of the holder hereof, this Note must be received, with the form entitled "Option to Elect Repayment" below duly completed, by the Issuing and Paying Agent at the Corporate Trust Office, or such other address of which the Corporation shall from time to time notify the holders of the Notes, not more than 60 nor less than 30 days prior to an Optional Repayment Date. Exercise of such repayment option by the holder hereof shall be irrevocable.

This Note may be redeemed at the option of the Corporation on any date on and after the Initial Redemption Date, if any, specified on the face hereof (the "Redemption Date"). IF NO INITIAL REDEMPTION DATE IS SET FORTH ON THE FACE HEREOF, THIS NOTE MAY NOT BE REDEEMED AT THE OPTION OF THE CORPORATION PRIOR TO THE STATED MATURITY DATE. On and after the Initial Redemption Date, if any, this Note may be redeemed at any time in whole or from time to time in part in increments of \$1,000 at the option of the Corporation at the applicable Redemption Price (as defined below) together with interest thereon payable to the Redemption Date, on notice given not more than 60 nor less than 30 days prior to the Redemption Date. In the event of redemption of this Note in part only, a new Note for the unredeemed portion hereof shall be issued in the name of the registered holder hereof upon

the surrender hereof. If this Note is redeemable at the option of the Corporation, the "Redemption Price" shall initially be the Initial Redemption Percentage specified on the face hereof of the principal amount of this Note to be redeemed and shall decline at each anniversary of the Initial Redemption Date by the Annual Redemption Percentage Reduction, if any, specified on the face hereof of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount.

The provisions of Article Fourteen of the Indenture do not apply to Securities of this Series.

If an Event of Default (defined in the Indenture as certain events involving the bankruptcy of the Corporation) shall occur with respect to the Notes, the principal of all the Notes may be declared due and payable in the manner and with the effect provided in the Indenture. THERE IS NO RIGHT OF ACCELERATION PROVIDED IN THE INDENTURE IN CASE OF A DEFAULT IN THE PAYMENT OF INTEREST OR THE PERFORMANCE OF ANY OTHER COVENANT BY THE CORPORATION.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Corporation and the rights of the holders of the Notes under the Indenture at any time by the Corporation with the consent of the holders of not less than 66 2/3% in aggregate principal amount of the Notes then outstanding and all other Securities then outstanding under the Indenture and affected by such amendment and modification. The Indenture also contains provisions permitting the holders of a majority in aggregate principal amount of the Notes then outstanding and all other Securities then outstanding under the Indenture and affected thereby, on behalf of the holders of all such Securities, to waive compliance by the Corporation with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the holder of this Note shall be conclusive and binding upon such holder and upon all future holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Corporation, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

No recourse shall be had for the payment of the principal of or the interest on this Note, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, officer or director, as such, past, present or future, of the Corporation or any predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for issue hereof, expressly waived and released.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered on the registry books of the Corporation relating to the Notes, upon surrender of this Note for registration of transfer at the office or agency of the Corporation designated by it pursuant to the Indenture, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Corporation and the Trustee or the Security Registrar duly executed by, the registered holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable only as registered Notes without coupons in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture, and subject to certain limitations therein set forth, Notes are exchangeable for a like aggregate principal amount of Notes of different authorized denominations, as requested by the holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Corporation may require payment of a sum sufficient to cover any tax or other governmental charge





The Corporation and the purchaser of this Note have agreed that this Note is an Extendible Note, whereby the Corporation has the option to extend the maturity of this Note for one or more whole year periods, as set forth below (each, an "Extension Period"), up to but not beyond the Final Maturity Date set forth below, under the terms of this Note as supplemented by this Extendible Note Rider.

Stated Maturity Date:  
Final Maturity Date:

Extension Notice  
Due Date  
Extended  
Maturity Date

The Corporation may exercise its option with respect hereto by delivery to the Trustee (or any duly appointed paying agent) of notice of such exercise at least 45 but not more than 60 days prior to the Stated Maturity Date originally in effect with respect hereto or, if the Stated Maturity Date has already been extended, prior to the maturity date then in effect (each, an "Extended Maturity Date"). After such receipt and not later than 40 days prior to the Stated Maturity Date or an Extended Maturity Date, as the case may be (each, a "Maturity Date"), the Trustee (or any duly appointed Paying Agent) will mail first class mail, postage prepaid, to the registered holder hereof a notice (the "Extension Notice") relating to such extension period (the "Extension Period") setting forth (i) the election of the Corporation to extend the maturity hereof, (ii) the new Extended Maturity Date, (iii) the interest rate applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which, the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the mailing by the Trustee (or any duly appointed Paying Agent) of an Extension Notice to the registered holder hereof, the maturity hereof shall be extended automatically as set forth in such Extension Notice, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the mailing of such Extension Notice.

Notwithstanding the foregoing, not later than 20 days prior to the Maturity Date hereof (or, if such date is not a Business Day, on the immediately succeeding Business Day), the Corporation may, at its option, revoke the interest rate provided for in the Extension Notice and establish a higher interest rate for the Extension Period by mailing or causing the Trustee (or any duly appointed paying agent) to mail notice of such higher interest rate, first class mail, postage prepaid, to the registered holder hereof. Such notice shall be irrevocable. Thereafter, this Note will bear such higher interest rate for the Extension Period.

If the Corporation elects to extend the maturity hereof, the registered holder hereof will have the option to elect repayment hereof by the Corporation on the Maturity Date then in effect at a price equal to the principal amount hereof plus any accrued and unpaid interest to such date. In order for this Note to be so repaid on the Maturity Date, the Corporation must receive, at least 15 days but not more than 30 days prior to the Maturity Date then in effect with respect hereto, (i) this Note with the form "Option to Elect Repayment" on the reverse hereof duly completed or (ii) a telegram, telex, facsimile transmission or a letter from a member of a national securities exchange, or the National Association of Securities Dealers, Inc. or a commercial

bank or trust company in the United States setting forth the name of the registered holder hereof, the principal amount hereof to be repaid, the certificate number or a description of the tenor and terms hereof, a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note, together with the duly completed form entitled "Option to Elect Repayment" attached hereto, will be received by the Trustee (or any duly appointed paying agent) not later than the fifth Business Day after the date of such telegram, telex, facsimile transmission or letter, provided, however, that such telegram, telex, facsimile transmission or letter shall only be effective if this Note and duly completed form are received by the Trustee (or any duly appointed paying agent) by such fifth Business Day. Such option may be exercised by the registered holder hereof for less than the aggregate principal amount hereof then outstanding, provided that the principal amount hereof remaining outstanding after repayment is an integral multiple of \$1,000.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE OF A DEPOSITORY. THIS SECURITY IS NOT EXCHANGEABLE FOR NOTES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THIS NOTE IS NOT A SAVINGS ACCOUNT OR A DEPOSIT, IS NOT AN OBLIGATION OF OR GUARANTEED BY ANY BANKING OR NONBANKING AFFILIATE OF NATIONSBANK CORPORATION AND IS NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY.

REGISTERED NUMBER FLR \_\_\_\_\_ \$ \_\_\_\_\_  
CUSIP 63858S \_\_\_\_\_

NATIONSBANK CORPORATION  
MEDIUM-TERM SUBORDINATED NOTE, SERIES F  
(Floating Rate)

ORIGINAL ISSUE DATE:	BASE RATE:
STATED MATURITY DATE:	(check one)
FINAL MATURITY DATE:	___ CD Rate
INITIAL INTEREST RATE:	___ Commercial Paper Rate
INDEX MATURITY FOR INITIAL INTEREST RATE (IF DIFFERENT):	___ LIBOR _____
INDEX MATURITY:	___ Federal Funds Rate
INDEX MATURITY FOR FINAL INTEREST PAYMENT PERIOD (IF DIFFERENT):	___ Prime Rate
SPREAD:	___ Treasury Rate
SPREAD MULTIPLIER:	___ CMT Rate
MAXIMUM INTEREST RATE:	___ CMT Telerate Page: _____
MINIMUM INTEREST RATE:	___ CMT Maturity Index: _____
INTEREST PAYMENT DATES:	___ Eleventh District Cost of Funds Rate
INTEREST RESET DATES:	___ Other: _____
INTEREST RESET PERIOD:	This Note is a Renewable Note.
INITIAL REDEMPTION DATE:	See Attached Rider.
INITIAL REDEMPTION PERCENTAGE:	
ANNUAL REDEMPTION PERCENTAGE REDUCTION:	
OPTIONAL PAYMENT DATE(S):	
CALCULATION AGENT:	This Note is an
ADDITIONAL TERMS:	Extendible Note.
	See Attached Rider.

NATIONSBANK CORPORATION, a corporation duly organized and existing under the laws of the State of North Carolina (herein called the "Corporation," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of

\_\_\_\_\_ DOLLARS on the Stated Maturity Date specified above (except to the extent redeemed or repaid prior to the Stated Maturity Date), and to pay interest thereon at a rate per annum equal to the initial Interest Rate as specified above until the Initial Interest Reset Date specified above and thereafter at a rate determined in accordance with the provisions on the reverse hereof, depending upon the appropriate Base Rate and Index Maturity specified above, until the principal hereof is paid or duly made available for payment. The Corporation will pay interest on the Interest Payment Dates specified above, commencing with the first Interest Payment Date next succeeding

the Original Issue Date specified above, unless the Original Issue Date occurs between a Regular Record Date, as defined below, and the next succeeding Interest Payment Date, in which case commencing on the Interest Payment Date following the next succeeding Regular Record Date, and on the Stated Maturity Date or Final Maturity Date shown above (or any Redemption Date as defined on the reverse hereof or any Optional Repayment Date as specified above with respect to which any such option has been exercised, each such Stated Maturity Date, Final Maturity Date, Redemption Date and Optional Repayment Date being herein referred to as a "Maturity Date" with respect to the principal repayable on such date). Interest on this Note will accrue from the Original Issue Date specified above until the principal amount is paid and will be computed as hereinafter described. Interest payable on this Note on any Interest Payment Date or the Maturity Date will include interest accrued from and including the next preceding Interest Payment Date in respect of which interest has been paid or duly provided for (or from and including the Original Issue Date specified above, if no interest has been paid) to but excluding such Interest Payment Date or Maturity Date, as the case may be; provided, however, that if the Interest Reset Period specified above is daily or weekly, interest payable on any Interest Payment Date or the Maturity Date will include interest accrued from but excluding the Regular Record Date through which interest has been paid or duly provided for (or from and including the Original Issue Date specified above if no interest has been paid or duly provided for) to and including the Regular Record Date next preceding such Interest Payment Date, except that interest payable on any such Maturity Date will include interest accrued to, but excluding, such Maturity Date. If any Interest Payment Date falls on a day that is not a Business Day, as defined below, such Interest Payment Date shall be the following day that is a Business Day, except that if the Base Rate is LIBOR, if such next Business Day falls in the next succeeding calendar month, such Interest Payment Date will be the preceding day that is a Business Day; and if the Maturity Date falls on a day that is not a Business Day, principal or interest payable with respect to such Maturity Date will be paid on the next succeeding Business Day with the same force and effect as if made on such Maturity Date, and no additional interest shall accrue for the period from and after such Maturity Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Note (or one or more predecessor Notes evidencing all or a portion of the same debt as this Note) is registered at the close of business on the date 15 calendar days prior to such Interest Payment Date, whether or not a Business Day (the "Regular Record Date"); provided, however, that the first payment of interest on any Note with an Original Issue Date, as specified above, between a Regular Record Date and an Interest Payment Date or on an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date to the person in whose name this Note is registered at the close of business on such next succeeding Regular Record Date; and provided, further, that interest payable on the Maturity Date will be payable to the person to whom the principal hereof shall be payable. Any such interest not punctually paid or duly provided for shall be payable as provided in the Indenture. As used herein, "Business Day" means any day, other than a Saturday or Sunday or a legal holiday in New York, New York or Charlotte, North Carolina, that (i) is not a day on which banking institutions in New York, New York, or Charlotte, North Carolina are authorized or required by law or regulation to be closed and (ii) if the Base Rate is LIBOR, is a day on which dealings in deposits in U.S. dollars are transacted in the London interbank market.

The principal of and interest on this Note are payable in immediately available funds in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts at the office or agency of the Corporation designated as provided in the Indenture; provided, however, that interest may be paid, at the option of the Corporation, by check mailed to the person entitled thereto at his address last appearing on the registry books of the Corporation relating to the Notes. Notwithstanding the preceding sentence, payments of principal of and interest payable on the Maturity Date will be made by wire transfer of immediately available funds to a designated account maintained in the United States upon (i) receipt of written notice by the Issuing and Paying Agent (as described on the reverse hereof) from the registered holder hereof not less than one Business Day prior to the due date of such principal and (ii) presentation of this Note to The Bank of New York, as Issuing and Paying Agent, 101 Barclay Street, New York, New York 10286 (the "Corporate Trust Office").

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth at this place.

Unless the Certificate of Authentication hereon has been executed by the Trustee or an authenticating agent on behalf of the Trustee by manual signature, this Note shall not be entitled to any benefit under such Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Corporation has caused this Instrument to be duly executed, by manual or facsimile signature, under its corporate seal or a facsimile thereof.

NATIONSBANK CORPORATION

By: \_\_\_\_\_  
Title: Senior Vice President

[SEAL]  
ATTEST:

\_\_\_\_\_  
CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

Dated: \_\_\_\_\_

THE BANK OF NEW YORK, as Trustee

By: \_\_\_\_\_  
Authorized Signatory  
[Reverse of Note]

NATIONSBANK CORPORATION  
MEDIUM-TERM SUBORDINATED NOTE,  
SERIES F  
(Floating Rate)

This Note is one of a duly authorized series of Securities of the Corporation unlimited in aggregate principal amount (herein called the "Notes") issued and to be issued under an Indenture dated as of January 1, 1995 (herein called the "Indenture"), between the Corporation and The Bank of New York, as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights thereunder of the Corporation, the Trustee and the holders of the Notes, and the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is also one of the Notes designated as the Corporation's Subordinated Medium-Term Notes, Series F, limited in aggregate principal amount to \$2,000,000,000. The Trustee shall initially act as Security Registrar, Issuing and Paying Agent in connection with the Notes. The Notes may bear different dates, mature at different times, bear interest at different rates and vary in such other ways as are provided in the Indenture.

THE INDEBTEDNESS OF THE CORPORATION EVIDENCED BY THE NOTES, INCLUDING THE PRINCIPAL THEREOF AND INTEREST THEREON, IS, TO THE EXTENT AND IN THE MANNER SET FORTH IN THE INDENTURE, SUBORDINATE AND JUNIOR IN RIGHT OF PAYMENT TO ITS OBLIGATIONS TO HOLDERS OF SENIOR INDEBTEDNESS, AS DEFINED IN THE INDENTURE, AND EACH HOLDER OF THE NOTES, BY THE ACCEPTANCE HEREOF, AGREES TO AND SHALL BE BOUND BY SUCH PROVISIONS OF THE INDENTURE.

This Note is not subject to any sinking fund.

This Note may be subject to repayment at the option of the registered holder only if Optional Repayment Date(s) are indicated on the face hereof. IF NO OPTIONAL REPAYMENT DATES ARE SET FORTH ON THE FACE HEREOF, THIS NOTE MAY NOT BE SO REPAYED AT THE OPTION OF THE HOLDER HEREOF PRIOR TO THE STATED MATURITY DATE. On any Optional Repayment Date, this Note shall be repayable in whole or in part in increments of \$1,000 at the option of the holder hereof at a repayment price equal to 100% of

the principal amount to be repaid, together with interest thereon payable to the date of repayment. For this Note to be repaid in whole or in part at the option of the holder hereof, this Note must be received, with the form below entitled "Option to Elect Repayment" duly completed, by the Issuing and Paying Agent at the Corporate Trust Office, or such other address of which the Corporation shall from time to time notify the holders of the Notes, not more than 60 nor less than 30 days prior to an Optional Repayment Date. Exercise of such repayment option by the holder hereof shall be irrevocable.

This Note may be redeemed at the option of the Corporation on any date on and after the Initial Redemption Date, if any, specified on the face hereof (the "Redemption Date"). IF NO INITIAL REDEMPTION DATE IS SET FORTH ON THE FACE HEREOF, THIS NOTE MAY NOT BE REDEEMED AT THE OPTION OF THE CORPORATION PRIOR TO THE STATED MATURITY DATE. On and after the Initial Redemption Date, if any, this Note may be redeemed at any time in whole or from time to time in part in increments of \$1,000 at the option of the Corporation at the applicable Redemption Price (as defined below) together with interest thereon payable to the Redemption Date, on notice given not more than 60 nor less than 30 days prior to the Redemption Date. In the event of redemption of this Note in part only, a new Note for the unredeemed portion hereof shall be issued in the name of the registered holder hereof upon the surrender hereof. If this Note is redeemable at the option of the Corporation, the "Redemption Price" shall initially be the Initial Redemption Percentage specified on the face hereof of the principal amount of this Note to be redeemed and shall decline at each anniversary of the Initial Redemption Date by the Annual Redemption Percentage Reduction, if any, specified on the face hereof of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount.

Accrued interest hereon shall be calculated by multiplying the face amount hereof by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factor calculated for each day from and including Original Issue Date, or from but excluding the last date to which interest has been paid, as the case may be, to and including the date for which accrued interest is being calculated. The interest factor (expressed as a decimal) for each such day shall be computed by dividing the interest rate in effect on such day by (i) 360, or (ii) the actual number of days in the year, in the case of Notes having the Treasury Rate or the CMT Rate as their Base Rate, as specified on the face hereof.

The Base Rate (as defined herein) with respect to this Note may be (i) the CD Rate, (ii) the Commercial Paper Rate, (iii) LIBOR, (iv) the Federal Funds Rate, (v) the Prime Rate, (vi) the Treasury Rate, (vii) the CMT Rate, (viii) the Eleventh District Cost of Funds Rate or (ix) such other rate as will be described on the face hereof and a rider to this Note.

Except as described below, this Note will bear interest at the rate determined by reference to the appropriate interest rate basis (the "Base Rate") and Index Maturity, each as specified on the face hereof, (i) plus or minus the Spread, if any, specified on the face hereof, and/or (ii) multiplied by the Spread Multiplier, if any, specified on the face hereof. The interest rate in effect with respect hereto during an Interest Reset Period will be the rate determined on the Calculation Date (as hereinafter defined) by reference to the Interest Determination Date (as hereinafter defined). The interest rate in effect on each day shall be (a) if such day is an Interest Reset Date, as specified on the face hereof, the interest rate determined as of the Interest Determination Date pertaining to such Interest Reset Date or (b) if such day is not an Interest Reset Date, the interest rate determined as of the Interest Determination Date pertaining to the immediately preceding Interest Reset Date, provided that (i) the interest rate in effect from the Original Issue Date to the initial Interest Reset Date shall be the Initial Interest Rate specified on the face hereof, and (ii) the interest rate in effect for the ten calendar days immediately prior to the Maturity Date shall be the rate in effect on the tenth calendar day preceding such Maturity Date. If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day, except that if the Base Rate specified on the face hereof is LIBOR, if such next Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the immediately preceding Business Day. The term "Final Interest Payment Period" means the period from the final Interest Reset Date to the Maturity Date.

The Interest Determination Date with respect to any Note that has as its Base Rate the CD Rate, the Commercial Paper Rate, the Federal Funds rate, the Prime Rate or the CMT Rate will be the second Business Day preceding the applicable Interest Reset Date. The Interest Determination Date with respect to any Note that has LIBOR as its Base Rate will be the second London Banking Day (as defined below) preceding the applicable Interest Reset Date. The Interest Determination Date with respect to any Note that has the Eleventh District Cost of Funds Rate as its Base Rate will be the last Business Day of the month immediately preceding the applicable Interest Reset Date in which the Federal Home Loan Bank (the "FHLB") of San Francisco publishes the Index (as defined below). The Interest Determination Date with respect to any Note that has the Treasury Rate as its Base Rate will be the day of the week in which the applicable Interest Reset Date falls on which Treasury bills of the Index Maturity specified on the face hereof normally would be auctioned; provided, however, that if as a result of a legal holiday an auction is held on the Friday of the week preceding the Interest Reset Date, the related Interest Determination Date shall be such preceding Friday; and provided, further, that if an auction shall fall on any Interest Reset Date, then the Interest Reset Date shall instead be the first Business Day following such auction.

The "Calculation Date" pertaining to any Interest Determination Date shall be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day, or (ii) the Business Day next preceding the applicable Interest Payment Date or Maturity Date, as the case may be.

All percentages resulting from any calculation on the Notes will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upward, and all dollar amounts used in or resulting from such calculation on the Notes will be rounded to the nearest cent (with one-half cent being rounded upward).

Determination of CD Rate. CD Rate means, with respect to an Interest Determination Date (a "CD Rate Interest Determination Date"), the rate on such CD Rate Interest Determination Date for negotiable certificates of deposit having the Index Maturity specified on the face hereof, as such rate is published by the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") in "Statistical Release H.15(519), Selected Interest Rates," or any successor publication of the Federal Reserve Board ("H.15(519)"), under the heading "CDS (Secondary Market)," or, if not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such CD Rate Interest Determination Date, the CD Rate will be the rate on such CD Rate Interest Determination Date for negotiable certificates of deposit of the Index Maturity specified on the face hereof, as published by the Federal Reserve Bank of New York in its daily statistical release "Composite 3:30 P.M. Quotations for U.S. Government Securities" ("Composite Quotations") under the heading "Certificates of Deposit." If such rate is not published in either H.15(519) or the Composite Quotations by 3:00 P.M., New York City time, on such Calculation Date, then the CD Rate on such CD Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time, on such CD Rate Interest Determination Date, of three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable certificates of deposit of major United States money center banks with a remaining maturity closest to the Index Maturity specified on the face hereof in denominations of \$5,000,000; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as set forth above, the CD Rate for such CD Rate Interest Determination Date will be the CD Rate in effect on such CD Rate Interest Determination Date.

Determination of Commercial Paper Rate. The Commercial Paper Rate means, with respect to an Interest Determination Date (a "Commercial Paper Rate Interest Determination Date"), the Money Market Yield (as defined below) of the rate on such date for commercial paper having the Index Maturity specified on the face hereof as published in H.15(519) under the heading "Commercial Paper." In the event such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Commercial Paper Rate Interest Determination Date, the Commercial Paper Rate shall be the Money Market Yield on such Commercial Paper Rate Interest Determination Date of the rate for

commercial paper having the Index Maturity specified on the face hereof as published in Composite Quotations under the heading "Commercial Paper." If such rate is not published in either H.15(519) or Composite Quotations by 3:00 P.M., New York City time, on such Calculation Date, the Commercial Paper Rate for that Commercial Paper Rate Interest Determination Date shall be calculated by the Calculation Agent and shall be the Money Market Yield of the arithmetic mean of the offered rates as of 11:00 A.M., New York City time, on such Commercial Paper Rate Interest Determination Date of three leading dealers of commercial paper in The City of New York selected by the Calculation Agent for commercial paper of the Index Maturity specified on the face hereof placed for an industrial issuer whose bond rating is "AA", or the equivalent, by a nationally recognized securities rating agency; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as set forth above, the Commercial Paper Rate with respect to such Commercial Paper Rate Interest Determination Date will be the Commercial Paper Rate then in effect on such Commercial Paper Rate Interest Determination Date.

"Money Market Yield" shall be the yield calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the interest period for which interest is being calculated.

Determination of LIBOR. LIBOR means the rate determined by the Calculation Agent in accordance with the following provisions:

(i) With respect to an Interest Determination Date (a "LIBOR Interest Determination Date"), LIBOR will be "LIBOR Telerate" unless "LIBOR Reuters" is specified on the face of this Note. "LIBOR Telerate" is the rate for deposits in the LIBOR Currency (as defined below) having the Index Maturity specified on the face hereof that appears on the Designated LIBOR Page (as defined below) specified on the face hereof as of 11:00 A.M. London time, on that LIBOR Interest Determination Date. "LIBOR Reuters" is that rate which is the arithmetic mean of the offered rates (unless the specified Designated LIBOR Page by its terms provides only for a single rate, in which case such single rate shall be used) for deposits in the LIBOR Currency having the Index Maturity specified on the face hereof that appear on the Designated LIBOR Page specified on the face hereof as of 11:00 A.M. London time, on that LIBOR Interest Determination Date, if at least two such offered rates appear (unless, as aforesaid, only a single rate is required) on such Designated LIBOR Page. If LIBOR cannot be determined under this clause (i), LIBOR in respect of the related LIBOR Interest Determination Date will be determined as if the parties had specified the rate described in clause (ii) below.

(ii) With respect to a LIBOR Interest Determination Date on which the applicable LIBOR rate cannot be determined under clause (i) above, the Calculation Agent will request the principal London offices of each of four major reference banks in the London interbank market, as selected by the Calculation Agent to provide the Calculation Agent with its offered quotation for deposits in the LIBOR Currency for the period of the Index Maturity specified on the face hereof to prime banks in the London interbank market commencing on the applicable Interest Reset Date at approximately 11:00 A.M., London time, on such LIBOR Interest Determination Date and in a principal amount that is representative for a single transaction in such LIBOR Currency in such market at such time. If at least two such quotations are provided, LIBOR determined on such LIBOR Interest Determination Date will be the arithmetic mean of such quotations. If fewer than two such quotations are provided, LIBOR for such LIBOR Interest Determination Date will be the arithmetic mean of the rates quoted at approximately 11:00 A.M. in the applicable Principal Financial Center (as defined below), on such LIBOR Interest Determination Date by three major banks in such Principal Financial Center selected by the Calculation Agent for loans in the LIBOR Currency to leading European banks, having the Index Maturity specified on the face hereof

commencing on the applicable Interest Reset Date and in a principal amount that is representative for a single transaction in such LIBOR Currency in such market at such time; provided, however, that if the banks so selected by the Calculation Agent are not quoting as mentioned in this sentence, LIBOR determined on such LIBOR Interest Determination Date will be LIBOR then in effect on such LIBOR Interest Determination Date.

"LIBOR Currency" means the currency (including composite currencies) specified on the face hereof for which LIBOR shall be calculated. If no such currency is specified on the face hereof, the LIBOR Currency shall be U.S. dollars.

"Designated LIBOR Page" means either (a) if "LIBOR Telerate" is specified on the face hereof, the display on the Dow Jones Telerate Service for the purpose of displaying the London interbank offered rates of major banks for the applicable LIBOR Currency or (b) if "LIBOR Reuters" is specified on the face hereof, the display on the Reuters Monitor Money Rates Service for the purpose of displaying the London interbank offered rates of major banks for the applicable LIBOR Currency. If neither LIBOR Telerate nor LIBOR Reuters is specified on the face hereof, LIBOR for the applicable LIBOR Currency will be determined as if LIBOR Telerate (and, if the U.S. dollar is the LIBOR Currency, Page 3750) had been specified.

"Principal Financial Center" shall generally be the capital city of the country of the specified LIBOR Currency, except that with respect to U.S. dollars, Australian dollars, Canadian dollars, Deutsche marks, Italian lire, Swiss francs and ECUs, the Principal Financial Center shall be The City of New York, Sydney, Toronto, Frankfurt, Milan, Zurich and Luxembourg, respectively.

Determination of Federal Funds Rate. The Federal Funds Rate means, with respect to an Interest Determination Date (a "Federal Funds Rate Interest Determination Date"), the rate on such date for Federal Funds as published in H.15(519) under the heading "Federal Funds (Effective)." If H.15(519) is not so published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Federal Funds Rate Interest Determination Date, the Federal Funds Rate will be the rate on such Federal Funds Rate Interest Determination Date for Federal Funds as published in Composite Quotations under the heading "Federal Funds/Effective Rate." If such rate is not yet published in either H.15(519) or Composite Quotations by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Federal Funds Rate Interest Determination Date, the Federal Funds Rate for such Federal Funds Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight Federal Funds as of 9:00 A.M., New York City time, on such Federal Funds Rate Interest Determination Date quoted by each of three leading brokers of Federal Funds transactions in The City of New York selected by the Calculation Agent; provided, however, that if fewer than three such brokers are so quoting such rates, the Federal Funds Rate for such Federal Funds Rate Interest Determination Date will be the Federal Funds Rate then in effect on such Federal Funds Rate Interest Determination Date.

Determination of Prime Rate. Prime Rate means, with respect to an Interest Determination Date (a "Prime Rate Interest Determination Date"), the rate set forth on such date in H.15(519) under the heading "Bank Prime Loan," or if not so published prior to 9:00 A.M. New York City time, on the Calculation Date pertaining to such Prime Rate Interest Determination Date, then the Prime Rate will be determined by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 (as defined below) as such bank's prime rate or base lending rates as in effect for that Prime Rate Interest Determination Date. If fewer than four such rates but more than one such rate appear on the Reuters Screen US PRIME 1 for the Prime Rate Interest Determination Date, the Prime Rate will be determined by the Calculation Agent and will be the arithmetic mean of the prime rates, quoted on the basis of the actual number of days in the year divided by a 360-day year, as of the close of business on such Prime Rate Interest Determination Date by four major money center banks in The City of New York as selected by the Calculation Agent. If fewer than two such rates appear on the Reuters Screen US PRIME 1, the Prime Rate shall be determined by the Calculation Agent as of the close of business on the Prime Rate Interest Determination Date, on the basis of the prime rates, as of the close of business on the Prime Rate Interest Determination Date, furnished in The City of

New York by the appropriate number of substitute banks or trust companies organized and doing business under the laws of the United States, or any State thereof, having total equity capital of at least \$500,000,000 and being subject to supervision or examination by federal or state authority, selected by the Calculation Agent; provided, however, that if the banks so selected as aforesaid are not quoting prime rates, the Prime Rate for such Prime Rate Interest Determination Date will be the Prime Rate then in effect on such Prime Rate Interest Determination Date.

"Reuters Screen US PRIME 1" means the display designated as page "US PRIME 1" on the Reuters Monitor Money Rates Service (or such other page as may replace the US PRIME 1 page on that service for the purpose of displaying prime rates or base lending rates of major United States banks).

Determination of Treasury Rate. Treasury Rate means, with respect to an Interest Determination Date (a "Treasury Rate Interest Determination Date"), the rate for the auction held on such Treasury Rate Interest Determination Date of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified on the face hereof, as published in H.15(519) under the heading "U.S. Government Securities -- Treasury Bills -- auction average (investment)." If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Treasury Rate Interest Determination Date, the Treasury Rate will be the auction average rate (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) on such Treasury Rate Interest Determination Date as otherwise announced by the United States Department of the Treasury. In the event that the results of the auction of Treasury bills having the Index Maturity specified on the face hereof are not reported as provided by 3:00 P.M., New York City time, on such Calculation Date, or if no such auction is held on such Treasury Rate Interest Determination Date, then the Treasury Rate for such Treasury Rate Interest Determination Date shall be a yield to maturity (expressed as a bond equivalent, on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on such Treasury Rate Interest Determination Date, of three leading primary United States government securities dealers, selected by the Calculation Agent, for the issue of Treasury bills with a remaining maturity closest to the Index Maturity specified on the face hereof; provided, however, that if the dealers selected as aforesaid by the Calculation Agent are not so quoting such rates, the Treasury Rate with respect to such Treasury Rate Interest Determination Date will be the Treasury Rate then in effect on such Treasury Rate Interest Determination Date.

Determination of CMT Rate. CMT Rate means with respect to an Interest Determination Date relating to a CMT Rate Note or any Floating Rate Note for which the interest rate is determined by reference to the CMT Rate (a "CMT Rate Interest Determination Date"), the rate displayed on the designated CMT Telerate Page under the caption "Treasury Constant Maturities . . . Federal Reserve Board Release H.15 . . . Mondays approximately 3:45 p.m.," under the column for the Designated CMT Maturity Index for (i) if the Designated CMT Telerate Page is 7055, the rate on such CMT Rate Interest Determination Date and (ii) if the Designated CMT Telerate Page is 7052, the week or the month, as applicable, as specified on the face hereof, ended immediately preceding the week in which the related CMT Rate Interest Determination Date occurs. If such rate is no longer displayed on the relevant page, or if not displayed by 3:00 p.m., New York City time, on such Calculation Date, then the CMT Rate for such CMT Rate Interest Determination Date will be such Treasury Constant Maturity Rate for the Designated CMT Maturity Index as published in the relevant H.15(519). If such rate is no longer published, or if not published by 3:00 p.m. New York City time, on such Calculation Date, then the CMT Rate for such CMT Rate Interest Determination Date will be such Treasury Constant Maturity Rate for the Designated CMT Maturity Index (or other United States Treasury rate for the Designated CMT Maturity Index) for the CMT Rate Interest Determination Date with respect to such Interest Reset Date as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Telerate Page and published in the relevant H.15(519). If such information is not provided by 3:00 p.m., New York City time, on such Calculation Date, then the CMT Rate for the CMT Rate Interest Determination Date will be calculated by the

Calculation Agent and will be a yield to maturity, based on the arithmetic mean of the secondary market closing offer side prices as of approximately 3:30 p.m., New York City time, on the CMT Interest Determination Date reported, according to their written records, by three leading primary United States government securities dealers (each a "Referenced Dealer") in The City of New York selected by the Calculation Agent (from five such Referenced Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for the most recently issued direct, non-callable fixed rate obligations of the United States ("Treasury Note") with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year. If the Calculation Agent cannot obtain three such Treasury Note quotations, the CMT Rate for such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market side offer prices as of approximately 3:30 p.m. New York City time on the CMT Rate Interest Determination Date of three Referenced Dealers in The City of New York (from five such Referenced Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the even of equality, one of the highest) and lowest quotation (or, in the event of equality, one of the lowest)), for Treasury Notes with original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining term to maturity closest to the Designated CMT Maturity Index and in an amount of at least \$100,000,000. If three or four (and not five) of such Referenced Dealers are quoting as described above, then the CMT Rate will be based on the arithmetic mean of the offer prices obtained and neither the highest nor lowest of such quotes will be eliminated; provided, however, that if fewer than three Referenced Dealers selected by the Calculation Agent are quoting as described herein, the CMT Rate will be the CMT Rate then in effect on such CMT Rate Interest Determination Date. If two Treasury Notes with an original maturity as described in the third preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, the quotes for the Treasury Rate Note with the shorter remaining term to maturity will be used.

"Designated CMT Telerate Page" means the display on the Dow Jones Telerate Service on the page designated on the face hereof (or any other page as may replace such page on that service for the purpose of displaying Treasury Constant Maturities as reported in H.15(519)), for the purpose of displaying Treasury Constant Maturity as reported in H.15(519). If no such page is specified, the Designated CMT Telerate Page shall be 7052, for the most recent week.

"Designated CMT Maturity Index" means the original period to maturity of the U.S. Treasury Securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified on the face hereof with respect to which the CMT Rate will be calculated. If no such maturity is specified on the face hereof, the Designated CMT Maturity Index shall be two years.

Determination of Eleventh District Cost of Funds Rate.  
Eleventh District Cost of Funds Rate means, with respect to an Interest Determination Date relating to an Eleventh District Cost of Funds Rate (an "Eleventh District Cost of Funds Rate Interest Determination Date"), the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Eleventh District Cost of Funds Rate Interest Determination Date as set forth under the caption "Eleventh District" on Telerate page 7058 as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Interest Determination Date. If such rate does not appear on Telerate page 7058 on any related Eleventh District Cost of Funds Rate Interest Determination Date, the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Interest Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Index") by the FHLB of San Francisco as such cost of funds for the calendar month preceding the date of such announcement. If the FHLB of San Francisco fails to announce such rate for the calendar month next preceding such Eleventh District Cost of Funds Rate Interest Determination Date, then the Eleventh District Cost of Funds Rate for such Eleventh District Cost of Funds Rate Interest Determination Date will be the Eleventh District Cost of Funds Rate then in effect on such Eleventh District Cost of Funds Rate Interest Determination Date. "Telerate Page 7058" means the display on

the Dow Jones Telerate Service on such page (or such other page as may replace such page on the service for the purpose of displaying the Eleventh District Cost of Funds Rate) for the purpose of displaying the monthly average cost of the funds paid by member institutions of the Eleventh Federal Home Loan Bank District.

Notwithstanding the foregoing, the interest rate hereon shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified on the face hereof, and the interest rate on this Note will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

The Calculation Agent shall calculate the interest rate hereon in accordance with the foregoing on or before each Calculation Date. At the request of the registered holder hereof, the Calculation Agent will provide to such holder hereof the interest rate hereon then in effect and, if determined, the interest rate which will become effective as of the next Interest Reset Date.

The provisions of Article Fourteen of the Indenture do not apply to the Notes.

If an Event of Default (defined in the Indenture as certain events involving the bankruptcy of the Corporation) shall occur with respect to the Notes, the principal of all the Notes may be declared due and payable in the manner and with the effect provided in the Indenture. THERE IS NO RIGHT OF ACCELERATION PROVIDED IN THE INDENTURE IN CASE OF A DEFAULT IN THE PAYMENT OF INTEREST OR THE PERFORMANCE OF ANY OTHER COVENANT BY THE CORPORATION.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Corporation and the rights of the holders of the Notes under the Indenture at any time by the Corporation with the consent of the holders of not less than 66 2/3% in aggregate principal amount of the Notes then outstanding and all other Securities then outstanding under the Indenture and affected by such amendment and modification. The Indenture also contains provisions permitting the holders of a majority in aggregate principal amount of the Notes then outstanding and all other Securities then outstanding under the Indenture and affected thereby, on behalf of the holders of all such Securities, to waive compliance by the Corporation with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the holder of this Note shall be conclusive and binding upon such holder and upon all future holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Corporation, which is absolute and unconditional, to pay the principal of and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

No recourse shall be had for the payment of the principal of or the interest on this Note, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, officer or director, as such, past, present or future, of the Corporation or any predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for issue hereof, expressly waived and released.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered on the registry books of the Corporation relating to the Notes, upon surrender of this Note for registration of transfer at the office or agency of the Corporation designated by it pursuant to the Indenture, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Corporation and the Trustee or the Security Registrar duly executed by, the registered holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or



Please Insert Social Security or Other  
Identifying Number of Assignee: \_\_\_\_\_

the within Note and all rights thereunder, hereby irrevocably  
constituting and appointing \_\_\_\_\_  
Attorney to transfer said Note on the books of the Corporation,  
with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the  
name as it appears upon the face of the within Note in every  
particular, without alteration or enlargement or any change  
[OPTION TO ELECT REPAYMENT]

The undersigned hereby irrevocably request(s) and  
instruct(s) the Corporation to repay this Note (or portion hereof  
specified below) pursuant to its terms at a price equal to the  
principal amount hereof together with interest to the repayment  
date, to the undersigned, at

\_\_\_\_\_  
\_\_\_\_\_  
(Please print or typewrite name and address of the undersigned)

For this Note to be repaid, the Trustee (or any duly  
appointed paying agent) must receive at \_\_\_\_\_, or at  
such other place or places of which the Corporation shall from  
time to time notify the registered holder of this Note, not more  
than 60 nor less than 30 days prior to an Optional Repayment  
Date, if any, shown on the face hereof, this Note with this  
"Option to Elect Repayment" form duly completed.

If less than the entire principal amount of this Note is to  
be repaid, specify the portion hereof (which shall be in  
increments of \$1,000) which the registered holder elects to have  
repaid and specify the denomination or denominations (which shall  
be \$ \_\_\_\_\_ or an integral multiple Of \$1,000 in excess of  
\$ \_\_\_\_\_) of the Notes to be issued to the registered holder  
for the portion of this Note not being repaid (in the absence of  
any such specification, one such Note will be issued for the  
portion not being repaid).

\$ \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_ NOTICE: The signature on this  
Option to Elect Repayment must  
correspond with the name as written  
upon the face of this Note in every  
particular, without alteration or  
enlargement or any change whatever.  
RENEWABLE NOTE RIDER

The Corporation and the purchaser of this Note have agreed  
that this Note is a Renewable Note which initially matures on the  
Stated Maturity Date shown on the face hereof. At each Renewal  
Date, as specified below, the maturity of this Note will be  
automatically extended to the corresponding New Maturity Date, as  
specified below, unless the registered holder of this Note elects  
to terminate the automatic extension of the maturity of this Note  
or any portion hereof and delivers a completed Extension  
Termination Notice to the Trustee (or any duly appointed paying  
agent) not less than 15 nor more than 30 days prior to the  
applicable Renewal Date. The Extension Termination Notice may  
specify all or a portion of the outstanding principal amount of  
the Note so long as the principal amount of the Note remaining  
outstanding after repayment is an integral multiple of \$1,000.  
Upon timely delivery of such Extension Termination Notice, the  
term of the principal amount of this Note subject to such notice  
will be deemed automatically to mature on the Stated Maturity  
Date or the then applicable New Maturity Date, as the case may  
be. The remaining principal balance of such Note, if any, will  
be deemed to automatically be extended to the corresponding New  
Maturity Date but in no circumstances may such maturity be  
extended beyond the Final Maturity Date set forth below. An  
election to terminate the automatic extension of the maturity  
hereof shall be irrevocable and binding on each holder hereof.  
Notwithstanding any such extension, the interest rate applicable  
to this Note will continue to be calculated as set forth in this  
Note.

STATED MATURITY DATE: \_\_\_\_\_

FINAL MATURITY DATE: \_\_\_\_\_

Renewal Date (s)

New Maturity Date(s)

EXTENDIBLE NOTE RIDER

The Corporation and the purchaser of this Note have agreed that this Note is an Extendible Note, whereby the Corporation has the option to extend the maturity of this Note for one or more whole year periods, as set forth below (each, an "Extension Period"), up to but not beyond the Final Maturity Date set forth below, under the terms of this Note as supplemented by this Extendible Note Rider.

Stated Maturity Date:

Final Maturity Date:

Extension Notice

Due Date

Extended

Maturity Date

The Corporation may exercise its option with respect hereto by delivery to the Trustee (or any duly appointed paying agent) of notice of such exercise at least 45 but not more than 60 days prior to the Stated Maturity Date originally in effect with respect hereto or, if the Stated Maturity Date has already been extended, prior to the maturity date then in effect (each, an "Extended Maturity Date"). After such receipt and not later than 40 days prior to the Stated Maturity Date or an Extended Maturity Date, as the case may be (each, a "Maturity Date"), the Trustee (or any duly appointed Paying Agent) will mail first class mail, postage prepaid, to the registered holder hereof a notice (the "Extension Notice") relating to such extension period (the "Extension Period") setting forth (i) the election of the Corporation to extend the maturity hereof, (ii) the new Extended Maturity Date, (iii) the Spread and/or Spread Multiplier applicable to the Extension Period, and (iv) the provisions, if any, for redemption during the Extension Period, including the date or dates on which, the period or periods during which and the price or prices at which such redemption may occur during the Extension Period. Upon the mailing by the Trustee (or any duly appointed Paying Agent) of an Extension Notice to the registered holder hereof, the maturity hereof shall be extended automatically as set forth in such Extension Notice, and, except as modified by the Extension Notice and as described in the next paragraph, this Note will have the same terms as prior to the mailing of such Extension Notice.

Notwithstanding the foregoing, not later than 20 days prior to the Maturity Date hereof (or, if such date is not a Business Day, on the immediately succeeding Business Day), the Corporation may, at its option, revoke the Spread and/or Spread Multiplier provided for in the Extension Notice and establish a higher Spread and/or Spread Multiplier for the Extension Period by mailing or causing the Trustee (or any duly appointed paying agent) to mail notice of such higher Spread and/or Spread Multiplier, first class mail, postage prepaid, to the registered

holder hereof. Such notice shall be irrevocable. Thereafter, this Note will bear such Spread and/or Spread Multiplier for the Extension Period.

If the Corporation elects to extend the maturity hereof, the registered holder hereof will have the option to elect repayment hereof by the Corporation on the Maturity Date then in effect at a price equal to the principal amount hereof plus any accrued and unpaid interest to such date. In order for this Note to be so repaid on the Maturity Date, the Corporation must receive, at least 15 days but not more than 30 days prior to the Maturity Date then in effect with respect hereto, (i) this Note with the form "Option to Elect Repayment" on the reverse hereof duly completed or (ii) a telegram, telex, facsimile transmission or a letter from a member of a national securities exchange, or the National Association of Securities Dealers, Inc. or a commercial bank or trust company in the United States setting forth the name of the registered holder hereof, the principal amount hereof to be repaid, the certificate number or a description of the tenor and terms hereof, a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note, together with the duly completed form entitled "Option to Elect Repayment" attached hereto, will be received by the Trustee (or any duly appointed paying agent) not later than the fifth Business Day after the date of such telegram, telex, facsimile transmission or letter, provided, however, that such telegram, telex, facsimile transmission or letter shall only be effective if this Note and duly completed form are received by the Trustee (or any duly appointed paying agent) by such fifth Business Day. Such option may be exercised by the registered holder hereof for less than the aggregate principal amount hereof then outstanding, provided that the principal amount hereof remaining outstanding after repayment is an integral multiple of \$1,000.

SMITH HELMS MULLISS & MOORE, L.L.P.  
Attorneys at Law  
Post Office Box 31247  
Charlotte, North Carolina 28231  
(704) 343-2000

November 14, 1996

NationsBank Corporation  
NationsBank Corporate Center  
Charlotte, North Carolina 28255-0065

Re: Public Offering of up to \$2,000,000,000 Aggregate Principal  
Amount of Senior Medium-Term Notes, Series F, and Subordinated  
Medium-Term Notes, Series F

Ladies and Gentlemen:

We have acted as counsel to NationsBank Corporation, a North Carolina corporation (the "Corporation"), in connection with (i) the Registration Statement on Form S-3, Registration No. 333-7229 (the "Registration Statement"), filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Act"), and (ii) the Debt Prospectus dated July 12, 1996 constituting a part thereof, as supplemented by the Prospectus Supplement dated November 8, 1996 (as so supplemented, the "Base Prospectus"), filed with the Commission pursuant to Rule 424(b) under the Act, relating to the issuance and sale from time to time by the Corporation of up to \$2,000,000,000 in aggregate principal amount of its Senior Medium-Term Notes, Series F, and its Subordinated Medium-Term Notes, Series F (collectively referred to as the "Medium-Term Notes"). The Medium-Term Notes are to be issued, separately or together, and are to be sold from time to time as set forth in the Base Prospectus and any amendments or supplements thereto.

As such counsel, we have examined and are familiar with such original or photocopies or certified copies of such records of the Corporation and its subsidiaries, certificates of officers of the Corporation and its subsidiaries and of public officials and such other documents as we have deemed relevant or necessary as the basis for the opinions set forth below. In such examinations, we have assumed the legal capacity of natural persons, the genuineness of all signatures on, and the authenticity of, all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as photocopies thereof and the authenticity of the originals of such copies. We have also relied upon statements of fact contained in documents that we have examined in connection with our representation of the Corporation.

Based solely upon the foregoing, and in reliance thereon, and subject to the limitations, qualifications and exceptions set forth below, we are of the opinion that the Medium-Term Notes have been duly authorized and, when the terms of the Medium-Term Notes have been established and when the Medium-Term Notes have been completed, executed, authenticated and delivered in accordance with the provisions of the Indenture dated January 1, 1995 between the Corporation and First Trust of New York, National Association, as successor trustee to BankAmerica National Trust Company, or the Indenture dated January 1, 1995 between the Corporation and The Bank of New York, as trustee, as applicable, the Board Resolution (as defined in the respective Indenture) dated November 8, 1996, and the Distribution Agreement among the Corporation and the Agents named in Exhibit A thereto, against payment of the consideration therefor, will constitute legal, valid and binding obligations of the Corporation subject as to enforcement of remedies to applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or other similar laws affecting the rights of creditors now or hereafter in effect, and to equitable principles that may limit the right to specific enforcement of remedies, and further subject to 12 U.S.C. Section 1818(b)(6)(D) and similar bank regulatory powers and to the application of principles of public policy.

We are licensed to practice law only in the State of North Carolina and the United States of America. In rendering this opinion, we are not expressing an opinion as to the laws of any jurisdiction other than the State of North Carolina and the United States of America, and we assume no responsibility as to the

applicability of the laws of any other jurisdiction to the issuance and sale of the Medium-Term Notes.

This opinion is rendered to you and for your benefit in connection with the above transaction. This opinion may not be relied upon by you for any other purpose, and may not be relied upon by, nor may copies thereof be provided to, any other person, firm, corporation or entity for any purposes whatsoever without our prior written consent. Notwithstanding the foregoing, we hereby consent to be named in the Registration Statement as attorneys who passed upon the legality of the Medium-Term Notes and to the filing of a copy of this opinion as part of the Corporation's Current Report on Form 8-K to be filed for the purpose of including this opinion as part of the Registration Statement.

Very truly yours,  
/s/ SMITH HELMS MULLISS & MOORE, L.L.P.

RESOLUTIONS OF COMMITTEE  
APPOINTED BY THE BOARD OF DIRECTORS OF  
NATIONSBANK CORPORATION

November 8, 1996

Approval of Medium-Term Notes, Series F

WHEREAS, by resolutions adopted by the Board of Directors (the "Board") of the Corporation at a meeting duly called and held on June 26, 1996, this Committee was appointed by the Board (the "Committee") with full authority to take action in connection with the issuance of up to an aggregate principal amount of \$3,000,000,000 of the Corporation's unsecured debt securities (either senior or subordinated and including medium-term notes), and shares of its preferred stock, including depository shares, and shares of its common stock (collectively, the "Securities") to be offered at the times and on terms to be determined by the Committee; and

WHEREAS, on June 28, 1996 the Corporation filed a Registration Statement on Form S-3, Registration No. 333-7229 (the "Registration Statement"), with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, with respect to the Securities which are to be offered on a delayed or continuous basis, which Registration Statement was declared effective on July 12, 1996; and

WHEREAS, no stop order suspending the effectiveness of the Registration Statement has been received by the Corporation and no proceedings for that purpose have been instituted or threatened against the Corporation; and

WHEREAS, the Committee has determined that issuing up to \$2,000,000,000 in aggregate principal amount of debt securities on behalf of the Corporation through a medium-term note program utilizing unsecured senior and subordinated notes with varying maturities and interest rates is advisable and in the Corporation's best interests;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to the resolutions adopted by the Board on June 26, 1996, and the respective terms and provisions of the Indenture dated as of January 1, 1995 (the Subordinated Indenture ) between the Corporation and the Bank of New York, as Trustee (the Subordinated Trustee ), and the Indenture dated as of January 1, 1995 (the Senior Indenture, and together with the Subordinated Indenture, the Indentures ) between the Corporation and First Trust of New York, National Association, as successor Trustee to BankAmerica National Trust Company (the Senior Trustee, and together with the Subordinated Trustee, the Trustees ), the Corporation hereby establishes and there is hereby authorized to be issued medium-term notes, which may be a series of senior debt securities, designated as the Senior Medium-Term Notes, Series F (the "Senior Medium-Term Notes") and a series of subordinated debt securities, designated as the Subordinated Medium-Term Notes, Series F (the "Subordinated Medium-Term Notes" and, together with the Senior Medium-Term Notes, the "Medium-Term Notes"), which Medium-Term Notes shall be subject to the terms and entitled to the benefits of the Senior Indenture, and the Subordinated Indenture, in the case of Subordinated Medium-Term Notes, all of which Medium-Term Notes shall be issued under the Registration Statement in an aggregate principal amount not in excess of \$2,000,000,000;

RESOLVED FURTHER, that the Chief Executive Officer, the Chief Financial Officer, any Senior Vice President or any Associate General Counsel and the Secretary or any Assistant Secretary of the Corporation are hereby authorized and empowered to execute and deliver, and this Committee hereby approves, the form of United States Master Distribution Agreement (the "Distribution Agreement"), dated as of November 8, 1996, among the Corporation and the Agents (as defined therein), in the form presented to the Committee and attached hereto as Exhibit A, relating, among other things, to the sale of the Medium-Term Notes and to the indemnification of and contribution to the Agents, with such changes as such officers may deem necessary or appropriate, the execution thereof being conclusive evidence of such approval;

RESOLVED FURTHER, that any of the Chief Executive Officer, the Chief Financial Officer, any Senior Vice President or the Treasurer of the Corporation (each, an "Authorized Officer") hereby is authorized and empowered to determine from time to time the method and terms of the sale of any Medium-Term Notes, including but not

limited to the selection of the persons, if any, to act as agent for the Corporation from time to time in connection with the sale of any Medium-Term Notes and the approval of administrative procedures relating to the issuance and transfer of such Medium-Term Notes;

RESOLVED FURTHER, that each Authorized Officer hereby is authorized and empowered to determine all of the specific terms and provisions of any Medium-Term Notes to be sold by the Corporation from time to time and the conditions of the sale thereof, including but not limited to (i) the specified time or times of any offering of Medium-Term Notes; (ii) whether the Medium-Term Notes to be sold will be Senior Medium-Term Notes or Subordinated Medium-Term Notes; (iii) the additional designation of such series of Medium-Term Notes, if any; (iv) the date or dates on which such Medium-Term Notes will be issued; (v) the method of and date for sale and delivery of such Medium-Term Notes; (vi) whether such Medium-Term Notes will be sold to an agent as principal or through an agent as agent for the Corporation, or whether the Corporation will sell such Medium-Term Notes directly on its own behalf; (vii) the fee or commission to be paid in connection with any such sale; (viii) the aggregate principal amount of such Medium-Term Notes which may be authenticated and delivered at any such time; (ix) the date or dates on which the principal of such Medium-Term Notes is payable; (x) the rate or rates per annum, and, if applicable, the method for determining such rate or rates, if any, at which such Medium-Term Notes will bear interest (which may be fixed or floating), the dates or dates from which such interest shall accrue, the date or dates on which such interest shall be payable and the record date or dates for the interest payable on any such Medium-Term Notes on any interest payment date; (xi) the place or places at which the principal of (and premium, if any, on) and any interest on such Medium-Term Notes shall be payable, any such Medium-Term Notes may be surrendered for registration or transfer or exchange and notices and demands to or upon the Corporation in respect of such Medium-Term Notes may be served, which may or may not be the same place and which may or may not be maintained in the City of New York, if different from that specified herein; (xii) the denominations in which such Medium-Term Notes are authorized to be issued, if different from that specified herein; (xiii) any provisions relating to the mandatory redemption of such Medium-Term Notes by the Corporation or redemption of the Medium-Term Notes at the option of the holder; (xiv) any sinking fund to be provided in connection with such Medium-Term Notes; (xv) whether such Medium-Term Notes will be original issue discount; (xvi) the person or persons who, from time to time, will serve as calculation agent with respect to such Medium-Term Notes, if different from that specified herein; (xvii) any provisions relating to the extension of maturity of, or the renewal of, Medium-Term Notes or the conversion of such Medium-Term Notes into other securities of the Corporation; and (xviii) any other terms and provisions of the Medium-Term Notes;

RESOLVED FURTHER, that the Medium-Term Notes shall be issued as Registered Securities (as defined in the respective Indentures) by an Authorized Officer, such Medium-Term Notes shall be issued in book-entry only form, represented by one or more global notes registered in the name of The Depository Trust Company or its nominee, in denominations of \$1,000 or integral multiples thereof, and shall be dated the date of authentication; and the forms of registered Senior Medium-Term Notes and the forms of registered Subordinated Medium-Term Notes presented to this Committee and attached hereto as Exhibit B and Exhibit C, respectively, together with such modifications as are appropriate to reflect the determinations of any Authorized Officer, are hereby in all respects approved;

RESOLVED FURTHER, that the Administrative Procedures dated as of November 8, 1996 (the "Procedures"), in the form presented to this Committee and attached hereto as Exhibit D, are hereby approved in all respects, and the proper officers of the Corporation are authorized and empowered to direct the issuance of Medium-Term Notes from time to time in accordance with such Procedures, as such Procedures may be revised from time to time with the approval of any Authorized Officer;

RESOLVED FURTHER, that the Medium-Term Notes shall be executed in the name of and on behalf of the Corporation by any of the Chief Executive Officer, or any Senior or other Vice President of the Corporation, the corporate seal shall be affixed thereon and shall be attested by the Secretary or any Assistant Secretary of the Corporation, and the signatures of the Chief Executive Officer, or any Senior or other Vice President, the Secretary and any Assistant Secretary may be in the form of facsimile signatures of the current or any future Chief Executive Officer or Vice

President, Secretary or Assistant Secretary, and should any officer of the Corporation who signs, or whose facsimile signature appears upon, any of the Medium-Term Notes, cease to be such an officer prior to the issuance of such Medium-Term Notes, the Medium-Term Note so signed or bearing such facsimile signature shall, nevertheless, be valid, and, without prejudice to the use of the facsimile signatures of any other officer as hereinbefore authorized, the facsimile signatures of Hugh L. McColl, Jr., Chairman and Chief Executive Officer of the Corporation, John E. Mack, Senior Vice President of the Corporation, James W. Kiser, Secretary of the Corporation, and Allison Gilliam, Assistant Secretary of the Corporation, are hereby expressly approved and accepted;

RESOLVED FURTHER, that pursuant to the provisions of the respective Indentures, each of the Chief Executive Officer, the Chief Financial Officer, any Senior Vice President or any Associate General Counsel of the Corporation is hereby authorized and empowered to cause the Medium-Term Notes, upon execution thereof, to be delivered to the Trustee under the applicable Indenture, or to any agent designated by such Trustee, for authentication and delivery and to deliver by it to said Trustee or agent thereof, as the case may be, the written order of the Corporation for the authentication and delivery of the Medium-Term Notes, if necessary, and to negotiate, execute and deliver any and all agreements and other documents and certificates necessary in connection with the issuance, sale and delivery of the Medium-Term Notes;

RESOLVED FURTHER, that, unless and until otherwise determined by an Authorized Officer, The Bank of New York initially shall act under the provisions of the Subordinated Indenture, and is appointed as the agent for the Corporation under the provisions of the Senior Indenture, in each case, for the registration, transfer, exchange and payment of the Medium-Term Notes (in such capacity the Paying Agent ), and is authorized to be appointed by the Senior Trustee as authenticating agent, and that the corporate trust office of said bank located at 101 Barclay Street, New York, New York 10286, hereby is designated, pursuant to the provisions of Section 4.02 of the respective Indentures, as the office or agency of the Corporation where the Medium-Term Notes may be presented for registration, transfer, exchange and payment, and the proper officers of the Corporation hereby are authorized and empowered to execute and deliver any documents required by the respective Trustees under the Indentures, or by the Paying Agent, with respect to such appointment, or by any other person as any Authorized Officer shall determine, agent for the Corporation for the registration, transfer, exchange or payment of, or the authentication of, the Medium-Term Notes;

RESOLVED FURTHER, that, unless and until otherwise determined by an Authorized Officer, The Bank of New York hereby initially is appointed the agent for the Corporation for the calculation of interest with respect to the Medium-Term Notes (the "Calculation Agent") as described in the Prospectus of the Corporation dated July 12, 1996, as supplemented by the Prospectus Supplement of the Corporation dated November 8, 1996, a copy of which is attached hereto as Exhibit E, and the proper officers of the Corporation are hereby authorized and empowered to execute and deliver any documents required by the Calculation Agent, with respect to such appointment of The Bank of New York, or any other person as any Authorized Officer shall determine, as Calculation Agent for the Corporation;

RESOLVED FURTHER, that whenever either of the respective Trustees under the Indentures shall, in its capacity as Trustee, deem it expedient, it may apply to counsel (which may be counsel for the Corporation) for advice or instructions, and, for its actions and good faith in such agency capacity, including but not limited to action in reliance on such advice or instructions or on advice of its own counsel, the Corporation shall fully protect and hold harmless that agent from and against any liability; and

RESOLVED FURTHER, that each of the officers of the Corporation hereby is authorized and directed to do any and all things necessary, appropriate or convenient to carry into effect the foregoing resolutions.