UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 1998

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER: 1-6523

EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER:

BankAmerica Corporation

STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION:

Delaware

I.R.S. EMPLOYER IDENTIFICATION NUMBER:

56-0906609

ADDRESS OF PRINCIPAL EXECUTIVE OFFICES:
100 North Tryon Street
Charlotte, North Carolina 28255

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE:

(704) 386-5000

FORMER NAME, IF CHANGED SINCE LAST REPORT:

NationsBank Corporation

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X   No
     ---   ----

On October 31, 1998, there were 1,730,654,246 shares of BankAmerica Corporation Common Stock outstanding.

BankAmerica Corporation

September 30, 1998 Form 10-Q

- --

INDEX

<TABLE>
<CAPTION>

<TABLE>
<CAPTION>

Part I. Financial Information
Item 1. Financial Statements
BankAmerica Corporation and Subsidiaries
Consolidated Statement of Income

	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in Millions, Except Per Share Information)	1998	1997	1998	1997
<S>	<C>	<C>	<C>	<C>
INTEREST INCOME				
Interest and fees on loans and leases	$ 7,084	$ 7,370	$ 21,301	$ 21,924
Interest and dividends on securities	1,105	787	3,311	2,256
Federal funds sold and securities purchased under agreements to resell	492	382	1,342	1,102
Trading account securities	584	675	2,014	1,891
Other interest income	343	229	982	626
TOTAL INTEREST INCOME	9,608	9,443	28,950	27,799
INTEREST EXPENSE				
Deposits	2,830	2,715	8,213	7,955
Borrowed funds	1,278	1,062	3,817	

				2,941
Trading account liabilities	194	227	730	697
Long-term debt	862	804	2,501	2,332
TOTAL INTEREST EXPENSE	5,164	4,808	15,261	13,925
NET INTEREST INCOME	4,444	4,635	13,689	13,874
PROVISION FOR CREDIT LOSSES	1,405	489	2,410	1,406
NET CREDIT INCOME	3,039	4,146	11,279	12,468
GAINS ON SALES OF SECURITIES	280	54	613	160
NONINTEREST INCOME				
Service charges on deposit accounts	855	860	2,515	2,505
Mortgage servicing and other mortgage-related income	(176)	97	12	298
Investment banking income	376	315	1,653	834
Trading account profits and fees	(529)	281	75	853
Brokerage income	198	71	566	222
Other nondeposit-related service fees	178	163	546	494
Asset management and fiduciary service fees	238	252	744	752
Credit card income	379	320	1,050	882
Other income	886	719	2,373	1,691
TOTAL NONINTEREST INCOME	2,405	3,078	9,534	8,531
FORECLOSED PROPERTIES EXPENSE	7	13	42	24
MERGER AND RESTRUCTURING ITEMS EXPENSE, NET	725	72	1,195	72
OTHER NONINTEREST EXPENSE				
Personnel	2,246	2,118	7,111	6,350
Occupancy, net	427	433	1,230	1,184
Equipment	346	351	1,020	1,036
Marketing	143	173	446	483
Professional fees	206	189	610	514
Amortization of intangibles	224	214	679	631
Data processing	195	153	560	446
Telecommunications	142	122	411	360
Other general operating	503	537	1,509	1,523
General administrative and miscellaneous	144	116	436	338
TOTAL OTHER NONINTEREST EXPENSE	4,576	4,406	14,012	12,865
INCOME BEFORE INCOME TAXES	416	2,787	6,177	8,198
INCOME TAX EXPENSE	42	1,057	2,174	3,115
NET INCOME	$ 374	$ 1,730	$ 4,003	$ 5,083

NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	$ 372	$ 1,706	$ 3,979	$ 4,988
PER SHARE INFORMATION(1)				
Earnings per common share	$ 0.21	$ 0.99	$ 2.30	$ 2.87
Diluted earnings per common share	$ 0.21	$ 0.96	$ 2.24	$ 2.80
Dividends per common share	$ 0.38	$ 0.33	$ 1.14	$ 0.99
AVERAGE COMMON SHARES ISSUED (IN THOUSANDS)(1)	1,740,092	1,722,243	1,732,297	1,736,460

</TABLE>

(1) Shares and per share data reflect a 2-for-1 stock split on February 27, 1997
See accompanying notes to consolidated financial statements.

<TABLE>
<CAPTION>
BankAmerica Corporation and Subsidiaries
Consolidated Balance Sheet

(Dollars in Millions)	September 30 1998	December 31 1997
<S>	<C>	<C>
ASSETS		
Cash and cash equivalents	$ 24,715	$ 28,466
Time deposits placed and other short-term investments	6,692	8,363
Securities		
Held for investment, at cost (market value - $3,935 and $4,905)	4,180	4,822
Available for sale	67,959	62,209
Total securities	72,139	67,031
Federal funds sold and securities purchased under agreements to resell	30,725	20,200
Trading account assets	34,509	35,937
Loans and leases, net of unearned income	350,687	341,059
Factored accounts receivable	1,295	1,081
Allowance for credit losses	(7,215)	(6,778)
Loans, leases and factored accounts receivable, net of unearned income and allowance for credit losses	344,767	335,362
Premises and equipment, net	7,249	8,123
Customers' acceptance liability	3,917	4,891
Interest receivable	3,838	3,584
Unrealized gains on off-balance sheet instruments	17,141	14,824
Mortgage servicing rights	2,155	2,040
Goodwill	12,802	13,551
Core deposits and other intangibles	2,080	2,203
Other assets	31,944	26,408
TOTAL ASSETS	$ 594,673	$ 570,983
LIABILITIES		
Deposits in domestic offices:		
Interest-bearing	$ 198,790	$ 202,082
Noninterest-bearing	83,508	85,815
Deposits in foreign offices:		
Interest-bearing	61,807	56,719
Noninterest-bearing	1,651	1,681
Total deposits	345,756	346,297
Federal funds purchased and securities sold under agreements to repurchase	65,625	61,414
Trading account liabilities	17,775	17,300

Commercial paper	5,579	5,925
Other short-term borrowings	22,793	12,120
Liability to factoring clients	769	591
Acceptances outstanding	3,916	4,893
Unrealized losses on off-balance sheet instruments	16,024	13,639
Accrued expenses and other liabilities	16,659	16,755
Trust preferred securities	4,918	4,578
Long-term debt	47,552	42,887
TOTAL LIABILITIES	547,366	526,399
Contingent liabilities and other financial commitments (Note Six)		
SHAREHOLDERS' EQUITY		
Preferred stock: authorized - 100,000,000 shares; issued and outstanding - 1,967,245 and 10,933,884 shares	84	708
Common stock: authorized - 5,000,000,000 shares; issued and outstanding - 1,742,037,974 and 1,722,537,672 shares	15,939	15,140
Retained earnings	30,615	28,438
Accumulated other comprehensive income	784	407
Other	(115)	(109)
TOTAL SHAREHOLDERS' EQUITY	47,307	44,584
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	$ 594,673	$ 570,983

</TABLE>

See accompanying notes to consolidated financial statements.

<TABLE>
<CAPTION>

BankAmerica Corporation and Subsidiaries
Consolidated Statement of Cash Flows

	Nine Months Ended September 30	
(Dollars in Millions)	1998	1997
<S>	<C>	<C>
OPERATING ACTIVITIES		
Net income	$ 4,003	$ 5,083
Reconciliation of net income to net cash provided by operating activities		
Provision for credit losses	2,410	1,406
Gains on sales of securities	(613)	(160)
Merger and restructuring expense	1,625	72
Gain on divestitures	(430)	--
Depreciation and premises improvements amortization	822	827
Amortization of intangibles	679	631
Deferred income tax expense	322	636
Net change in trading instruments	1,801	(4,641)
Net increase in interest receivable	(260)	(418)
Net increase in interest payable	261	106
Other operating activities	(3,970)	(3,234)
Net cash provided by operating activities	6,650	308

INVESTING ACTIVITIES		
Proceeds from maturities of securities held for investment	942	1,347
Purchases of securities held for investment	(249)	(361)
Proceeds from sales and maturities of securities available for sale	53,900	31,239
Purchases of securities available for sale	(54,923)	(32,288)
Net increase in federal funds sold and securities purchased under agreements to resell	(10,606)	(4,709)
Net decrease (increase) in time deposits placed and other short-term investments	1,671	(17)
Purchases and net originations of loans and leases	(67,424)	(32,618)
Proceeds from sales and securitizations of loans and leases	46,886	27,347
Purchases and originations of mortgage servicing rights	(437)	(323)
Purchases of factored accounts receivable	(6,005)	(5,939)
Collections of factored accounts receivable	5,784	5,740
Net purchases of premises and equipment	(122)	(460)
Proceeds from sales of foreclosed properties	416	527
Sales and acquisitions of business activities, net of cash	(57)	2,419
Net cash used in investing activities	(30,224)	(8,096)
FINANCING ACTIVITIES		
Net increase (decrease) in deposits	4,507	(5,292)
Net increase in federal funds purchased and securities sold under agreements to repurchase	4,219	21,148
Net increase (decrease) in other short-term borrowings and commercial paper	7,693	(3,526)
Proceeds from issuance of trust preferred securities	340	1,636
Proceeds from issuance of long-term debt	11,225	5,833
Retirement of long-term debt	(6,328)	(5,285)
Proceeds from issuance of common stock	1,330	1,723
Cash dividends paid	(1,826)	(1,617)
Common stock repurchased	(600)	(7,989)
Other financing activities	(754)	(1,508)
Net cash provided by financing activities	19,806	5,123
Effect of exchange rate changes on cash and cash equivalents	17	55
Net decrease in cash and cash equivalents	(3,751)	(2,610)
Cash and cash equivalents on January 1	28,466	28,571
Cash and cash equivalents on September 30	$ 24,715	$ 25,961

</TABLE>

Loans transferred to foreclosed properties amounted to $285 and $423 for the nine months ended September 30, 1998 and 1997, respectively. Loans securitized and retained in the securities portfolio amounted to $4,177 and $8,140 for the nine months ended September 30, 1998 and 1997, respectively.

See accompanying notes to consolidated financial statements.

<TABLE>
<CAPTION>

BankAmerica Corporation and Subsidiaries

Consolidated Statement of Changes in Shareholders' Equity

<S> <C> <C> <C> <C> <C> <C> <C> <C>

(Dollars in Millions, Shares in Thousands)	Preferred Stock	Common Stock Shares	Common Stock Amount	Retained Earnings	Accumulated Other Comprehensive Income(1)	Other	Total Share-holders' Equity	Comprehensive Income
BALANCE ON DECEMBER 31, 1996	$ 2,413	1,602,764	$ 11,419	$ 24,071	$ 20	$(130)	$37,793	
Net income				5,083			5,083	$ 5,083
Other comprehensive income, net of tax					258		258	258
Comprehensive income								$ 5,341
Cash dividends								
Common				(1,522)			(1,522)	
Preferred				(95)			(95)	
Common stock issued under employee plans		32,370	1,734			(11)	1,723	
Stock issued in acquisitions	82	213,711	10,041				10,123	
Common stock repurchased		(133,568)	(7,989)				(7,989)	
Conversion of preferred stock	(85)	3,822	85					
Redemption of preferred stock	(1,467)						(1,467)	
Other		11	(29)	(1)		7	(23)	
BALANCE ON SEPTEMBER 30, 1997	$943	1,719,110	$ 15,261	$ 27,536	$ 278	$(134)	$43,884	
BALANCE ON DECEMBER 31, 1997	$ 708	1,722,538	$ 15,140	$ 28,438	$ 407	$(109)	$44,584	
Net income				4,003			4,003	$ 4,003
Other comprehensive income, net of tax					377		377	377
Comprehensive income								$ 4,380
Cash dividends								
Common				(1,802)			(1,802)	
Preferred				(24)			(24)	
Common stock issued under employee plans		27,768	1,349			(19)	1,330	
Stock issued in acquisitions		385	15				15	
Common stock repurchased		(9,349)	(600)				(600)	
Conversion of preferred stock	(10)	417	10					
Redemption of preferred stock	(614)						(614)	
Other		279	25			13	38	
BALANCE ON SEPTEMBER 30, 1998	$ 84	1,742,038	$ 15,939	$ 30,615	$ 784	$(115)	$47,307	

</TABLE>

(1) Accumulated Other Comprehensive Income includes after tax net unrealized gains (losses) on securities available for sale and marketable equity securities, and foreign currency translation adjustments.

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

NOTE 1. ACCOUNTING POLICIES

The consolidated financial statements include the accounts of BankAmerica Corporation and its majority-owned subsidiaries (the Corporation). All significant intercompany accounts and transactions have been eliminated.

The information contained in the consolidated financial statements is unaudited. In the opinion of management, all normal recurring adjustments necessary for a fair presentation of the interim period results have been made. Certain prior period amounts have been reclassified to conform to current period classifications.

Accounting policies followed in the presentation of interim financial results are presented on pages 7 to 12 of the Corporation's Current Report on Form 8-K filed November 16, 1998, which reflects the supplemental consolidated financial statements of NationsBank Corporation (NationsBank) to reflect the merger of NationsBank and the former BankAmerica Corporation (BankAmerica) which was completed on September 30, 1998 and the merger of NationsBank with Barnett Banks, Inc. (Barnett) on January 9, 1998. NationsBank is the predecessor company of the Corporation.

During the second quarter of 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133). This standard requires the Corporation to recognize all derivatives as either assets or liabilities in its financial statements and measure such instruments at their fair values. Hedging activities must be redesignated and documented pursuant to the provisions of the statement. This statement becomes effective for all fiscal quarters of fiscal years beginning after June 15, 1999. The Corporation is still assessing the impact of SFAS 133 on its financial condition and results of operations.

In October 1998, SFAS No. 134, "Accounting for Mortgage-Backed Securities Retained after the Securitization of Mortgage Loans Held for Sale by a Mortgage Banking Enterprise" (SFAS 134), was issued. SFAS 134 provides guidance for mortgage banking firms on how to account for interests retained after securitizing mortgage loans previously held for sale. SFAS 134 is effective for fiscal quarters beginning after December 15, 1998. The Corporation does not expect the adoption of this standard to have a material impact on its results of operations or financial condition.

NOTE 2. MERGER-RELATED ACTIVITY

On September 25, 1998, the Corporation reincorporated in Delaware and on September 30, 1998, the Corporation completed its merger with BankAmerica, a multi-bank holding company headquartered in San Francisco, California (the Merger). In connection with the Merger, the Corporation changed its name from NationsBank Corporation to BankAmerica Corporation. Prior to the Merger, BankAmerica provided banking and various other financial services throughout the U.S. and in selected international markets to consumers and business customers, including corporations, governments and other institutions. In the Merger, each outstanding share of BankAmerica common stock was converted into 1.1316 shares of the Corporation's common stock, resulting in the net issuance of approximately 779 million common shares to the BankAmerica shareholders. In addition, approximately 88 million options to purchase the Corporation's common stock were issued to convert stock options granted to certain BankAmerica employees. This transaction was accounted for as a pooling of interests. Under this method of accounting, the recorded assets, liabilities, shareholders' equity, income and expenses of NationsBank and BankAmerica have been combined and reflected at their historical amounts. BankAmerica's total assets, total deposits and total shareholders' equity on the date of the Merger amounted to approximately $263.4 billion, $179.0 billion and $19.6 billion, respectively.

In connection with the Merger, the Corporation incurred pre-tax merger and restructuring items during the third quarter of 1998 of approximately $725 million ($519 million after-tax). The merger and restructuring charge recognized certain employee termination benefits and other costs to exit redundant activities. Specifically, it included approximately $390 million for severance related to employees that have been identified as being impacted, management who have given notice related to change in control arrangements, and other related employee costs. The merger charge also included $205 million for contract terminations and the writing-off of supplies, signage, abandoned equipment and other assets where no future benefit is expected. In addition, legal and investment banking costs of $130 million were factored into the charge. The Corporation anticipates recording additional merger and restructuring items during the fourth quarter of 1998 and in 1999.

In compliance with certain requirements of the Federal Reserve Board, the Department of Justice and certain New Mexico authorities, in connection with the Merger, the Corporation has entered into an agreement to divest certain branches with loans and deposits aggregating approximately $167 million and $500 million, respectively, in various markets in New Mexico. These divestitures are expected to be completed in the fourth quarter of 1998.

For further information regarding the Merger, see the Corporation's Current Report on Form 8-K, as amended, dated April 17, 1998.

On August 31, 1998, the Corporation completed the sale of the investment banking operations of Robertson Stephens and incurred a loss of $15.3 million.

On January 9, 1998, the Corporation completed its merger with Barnett, a multi-bank holding company headquartered in Jacksonville, Florida (the Barnett merger). Barnett's total assets, total deposits and total shareholders' equity on the date of the merger were approximately $46.0 billion, $35.4 billion and $3.4 billion, respectively. As a result of the Barnett merger each outstanding share of Barnett common stock was converted into 1.1875 shares of the Corporation's common stock, resulting in the net issuance of approximately 233 million common shares to the former Barnett shareholders. In addition, approximately 11 million options to purchase the Corporation's common stock were issued to convert stock options previously granted to certain Barnett employees. This transaction was accounted for as a pooling of interests and, accordingly, the recorded assets, liabilities, shareholders' equity, income and expenses of the Corporation and Barnett have been combined and reflected at their historical amounts.

In connection with the Barnett merger, the Corporation incurred pre-tax merger and restructuring items during the first quarter of 1998 of approximately $900 million ($642 million after-tax). This cost consisted of approximately $375 million, primarily in severance and change in control payments and other employee related items, $300 million of conversion and related costs and occupancy and equipment expenses (primarily lease exit costs and the elimination of duplicate facilities and other capitalized assets), $125 million of exit costs related to contract terminations and $100 million of other Barnett merger costs (including legal and investment banking fees).

The following table summarizes the activity in the merger and restructuring reserves related to the BankAmerica merger and the Barnett merger for the nine months ended September 30, 1998:

(Dollars in Millions)	BankAmerica Merger	Barnett Merger

Balance on January 1, 1998	$ -	$ -
Establishment of reserve	725	900
Cash payments	(62)	(476)
Non-cash items	(98)	(134)
Balance on September 30, 1998	$565	$ 290

During the second quarter of 1998, the Corporation divested 67 Florida branches with aggregate loans and deposits of $1.4 billion and $2.4 billion, respectively, in accordance with the Federal Reserve Board, the Department of Justice and certain Florida authorities' approvals of the Barnett merger. These regulatory-required divestitures resulted in a pre-tax gain of approximately $430 million ($277 million after-tax) which has been reflected in Merger and Restructuring Items Expense on the Consolidated Statement of Income. These divestitures offset the first quarter merger and restructuring items, resulting in net pretax merger and restructuring items related to the Barnett merger of $470 million ($365 million after-tax) for the nine months ended September 30, 1998.

On June 1, 1997, the branching provisions of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 took effect, allowing banking companies to consolidate their subsidiary bank operations across state lines. On May 6, 1998, the Corporation merged NationsBank of Texas, N.A. into NationsBank, N.A. On October 8, 1998, Barnett Bank, N.A. merged into NationsBank, N.A. As of October 8, 1998, the Corporation operated its banking activities primarily under three charters: Bank of America NT&SA, NationsBank, N.A. and NationsBank of Delaware, N.A., which (together with Bank of America National Association) operates the Corporation's credit card business. The Corporation plans to continue the consolidation of other banking subsidiaries (other than NationsBank of Delaware, N.A.) throughout 1999.

NOTE 3. TRADING ACCOUNT ASSETS AND LIABILITIES

The fair values of the components of trading account assets and liabilities on September 30, 1998 and December 31, 1997 and the average fair values for the nine months ended September 30, 1998 were:

<TABLE>
<CAPTION>

(DOLLARS IN MILLIONS)	SEPTEMBER 30 1998	DECEMBER 31 1997	AVERAGE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1998
<S>	<C>	<C>	<C>
SECURITIES OWNED			
U.S. Treasury securities	$5,390	$10,537	$10,155
Securities of other U.S. Government agencies and corporations	907	2,392	1,930
Certificates of deposit, bankers' acceptances and commercial paper	5,427	1,867	2,754
Corporate debt	3,306	3,439	3,816
Foreign sovereign debt	9,997	12,650	13,697
Mortgage-backed securities	3,918	3,277	3,491
Other securities	5,564	1,775	4,060
TOTAL TRADING ACCOUNT ASSETS	$34,509	$35,937	$ 39,903
SHORT SALES			
U.S. Treasury securities	$13,294	$13,087	$9,111
Corporate debt	569	217	2,045
Foreign sovereign debt	2,170	2,983	3,355
Other securities	1,742	1,013	4,066
TOTAL TRADING ACCOUNT LIABILITIES	$17,775	$17,300	$18,577

</TABLE>

Derivatives-dealer assets and liabilities are reported as unrealized gains on off-balance sheet instruments and unrealized losses on off-balance sheet instruments, respectively. Unrealized gains and losses on off-balance sheet instruments were $17.1 billion and $16.0 billion on September 30, 1998, respectively, compared to $14.8 billion and $13.7 billion on December 31, 1997, respectively.

NOTE 4.
LOANS, LEASES AND FACTORED ACCOUNTS RECEIVABLE

The distribution of net loans, leases and factored accounts receivable on September 30, 1998 and December 31, 1997 was as follows:

<TABLE>
<CAPTION>

	September 30, 1998		December 31, 1997	
(Dollars in Millions)	Amount	Percent	Amount	Percent
<S>	<C>	<C>	<C>	<C>
Commercial - domestic	$132,256	37.6%	$121,382	35.5%
Commercial - foreign	34,016	9.7	30,080	8.8
Commercial real estate - domestic	29,347	8.3	28,567	8.3
Commercial real estate - foreign	333	0.1	324	0.1
Total commercial	195,952	55.7	180,353	52.7
Residential mortgage	69,461	19.7	71,540	20.9
Home equity lines	15,997	4.5	16,536	4.8
Bankcard (including private label)	12,256	3.5	14,908	4.4
Direct/Indirect consumer	39,812	11.3	40,058	11.7
Consumer finance	13,707	3.9	14,566	4.3
Foreign consumer	3,502	1.0	3,098	0.9
Total consumer	154,735	43.9	160,706	47.0
Factored accounts receivable	1,295	0.4	1,081	0.3
TOTAL LOANS, LEASES AND FACTORED ACCOUNTS RECEIVABLE, NET OF UNEARNED INCOME	$ 351,982	100.0%	$ 342,140	100.0%

</TABLE>

The recorded investment in certain loans that were considered to be impaired totaled $1.3 billion and $942 million on September 30,1998 and December 31, 1997, respectively, all of which were classified as nonperforming. Impaired loans on September 30, 1998 were comprised of commercial - domestic loans of $669 million, commercial - foreign loans of $288 million, commercial real estate - domestic loans of $303 million and commercial real estate - foreign loans of $1 million. On September 30, 1998 and December 31, 1997 the allowance for credit losses on impaired loans was $276 million and $145 million, respectively.

On September 30, 1998 and December 31, 1997, nonperforming loans, including certain loans which are considered to be impaired, totaled $2.3 billion and $2.1 billion, respectively. Foreclosed properties amounted to $288 million and $309 million on September 30, 1998 and December 31, 1997, respectively.

NOTE 5.
DEBT

In the third quarter of 1998, the Corporation issued $2.8 billion in senior long-term debt, with maturities ranging from 2000 to 2028. Of the $2.8 billion issued, $420 million was converted to floating rates through interest rate swaps at spreads ranging from 1 to 20 basis points over three-month LIBOR. Fixed-rate debt of $450 million issued but not swapped bears an interest rate of 6.125 percent. The remaining $1.9 billion of debt issued bears interest at spreads ranging from 5 to 14 basis points over three-month LIBOR and spreads equal to 1 basis point over six-month LIBOR.

NationsBank, N.A. maintains a program to offer up to $25.0 billion of bank notes from time to time with fixed or floating rates and maturities from seven days or more from date of issue. During the first nine months of 1998, $4.4 billion of bank notes classified as long-term debt were issued under this program, and $427 million of bank notes classified as long-term debt were issued under a prior program in the second quarter. Under this program, on September 30, 1998, there were short-term bank notes outstanding of $3.8 billion. In addition, under this program, there were bank notes outstanding on September 30, 1998 totaling $8.9 billion which

were classified as long-term debt.

Bank of America NT&SA and Bank of America, N.A. maintain a program to offer up to $12.0 billion of bank notes from time to time with fixed or floating rates and maturities from 30 days to 15 years from date of issue. During the first nine months of 1998, $1.2 billion of bank notes classified as long-term debt were issued under this program. Under this program, on September 30, 1998, there were short-term bank notes outstanding of $2.4 billion. In addition, under this program, there were notes outstanding on September 30, 1998 totaling $4.5 billion which were classified as long-term debt.

Since October 1996, the Corporation (or its predecessors) formed thirteen wholly owned grantor trusts (NationsBank Capital Trusts I, II, III and IV, BankAmerica Institutional Capital A and B, BankAmerica Capital I, II, III and IV, and Barnett Capital I, II and III) to issue preferred securities and to invest the proceeds of such preferred securities into notes of the Corporation. Certain of the preferred securities were issued at a discount. Such preferred securities may be redeemed prior to maturity at the option of the Corporation. The sole assets of each of the grantor trusts are the Junior Subordinated Deferrable Interest Notes of the Corporation (the Notes) held by such grantor trusts. The terms of the preferred securities as of September 30, 1998 are summarized as follows:

<TABLE>
<CAPTION>

(Dollars in Millions)	FACE AMOUNT ISSUED	AGGREGATE PRINCIPAL AMOUNTS OF THE NOTES	INTEREST RATE	REDEEMABLE	MATURITY
NATIONSBANK					
Capital Trust I (Issued Dec. 1996)	$600	$619	7.84%	Dec. 2001	Dec. 2026
Capital Trust II (Issued Dec. 1996)	365	376	7.83	Dec. 2006	Dec. 2026
Capital Trust III (Issued Feb. 1997)	500	516	3-mo. LIBOR +55.0 bps	Jan. 2007	Jan. 2027
Capital Trust IV (Issued Apr. 1997)	500	516	8.25	Apr. 2007	Apr. 2027
BANKAMERICA					
Institutional Capital A (Issued Nov. 1996)	450	464	8.07	Dec. 2006	Dec. 2026
Institutional Capital B (Issued Nov. 1996)	300	309	7.70	Dec. 2006	Dec. 2026
Capital I (Issued Dec. 1996)	300	309	7.75	Dec. 2001	Dec. 2026
Capital II (Issued Dec. 1996)	450	464	8.00	Dec. 2006	Dec. 2026
Capital III (Issued Jan. 1997)	400	412	3-mo. LIBOR + 57.0 bps	Jan. 2002	Jan. 2027
Capital IV (Issued Feb. 1998)	350	361	7.00	Feb. 2003	Mar. 2028
BARNETT					
Capital I (Issued Nov. 1996)	300	309	8.06	Dec. 2006	Dec. 2026
Capital II (Issued Dec. 1996)	200	206	7.95	Dec. 2006	Dec. 2026
Capital III (Issued Jan. 1997)	250	258	3-mo. LIBOR +62.5 bps	Feb. 2007	Feb. 2027

</TABLE>

As of November 13, 1998, the Corporation has unused commercial paper back-up lines of credit totaling $1.2

billion of which $671 million expires in October 1999 and $479 million expires in October 2002. In addition, the Corporation has an unused $1.6 billion line of credit which expires in May 2001. These lines are supported by fees paid directly by the Corporation to unaffiliated banks.

As of November 13, 1998, the Corporation had the authority to issue approximately $9.6 billion of corporate debt and other securities under existing shelf registration statements.

The Corporation and NationsBank, N.A. may offer up to an aggregate of $8.5 billion of senior, or in the case of the Corporation, subordinated notes exclusively to non-United States residents under a joint Euro medium-term note program. Authority to issue additional debt under

BankAmerica's Euro medium term note program was cancelled in September 1998. As of November 13,1998, the Corporation and NationsBank N.A. had the authority to issue approximately $3.2 billion and $2.0 billion, respectively, of corporate debt securities under this program.

NOTE 6.
COMMITMENTS AND CONTINGENCIES

Credit Extension Commitments

The Corporation enters into commitments to extend credit, standby letters of credit and commercial letters of credit to meet the financing needs of its customers. The commitments shown below have been reduced by amounts collateralized by cash and participated to other financial institutions. The following summarizes commitments outstanding:

<TABLE>
<CAPTION>

(DOLLARS IN MILLIONS)	SEPTEMBER 30 1998	DECEMBER 31 1997
<S>	<C>	<C>
Commitments to extend credit:		
Credit card commitments	$ 74,064	$ 69,297
Other loan commitments	240,253	226,773
Standby letters of credit and financial guarantees	33,861	31,315
Commercial letters of credit	3,969	3,748

</TABLE>

On September 30, 1998, the Corporation had commitments to purchase and sell when-issued securities of $1.7 billion and $2.6 billion, respectively. This compares to commitments to purchase and sell when-issued securities of $8.8 billion and $8.2 billion, respectively, on December 31, 1997.

Derivatives

The following table presents the notional or contract amounts on September 30, 1998 and December 31, 1997 and the current credit risk amounts (the net replacement cost of contracts in a gain position on September 30, 1998 and December 31, 1997) of the Corporation's derivatives-dealer positions which are primarily executed in the over-the-counter market for trading purposes. The notional or contract amounts indicate the total volume of transactions and significantly exceed the amount of the Corporation's credit or market risk associated with these instruments. The credit risk amounts presented in the following table do not consider the value of any collateral, but generally take into consideration the effects of legally enforceable master netting agreements.

<TABLE>
<CAPTION>

DERIVATIVES - DEALER POSITIONS

(DOLLARS IN MILLIONS)	SEPTEMBER 30, 1998 CONTRACT/ NOTIONAL	SEPTEMBER 30, 1998 CREDIT RISK AMOUNT (1)	DECEMBER 31, 1997 CONTRACT/ NOTIONAL	DECEMBER 31, 1997 CREDIT RISK AMOUNT (1)
<S>	<C>	<C>	<C>	<C>
INTEREST RATE CONTRACTS				
Swaps	$ 1,300,893	$ 6,241	$ 868,708	$ 3,759
Futures and forwards	859,658	382	470,640	120
Written options	766,403	-	476,152	--
Purchased options	904,499	3,203	449,383	1,078
FOREIGN EXCHANGE CONTRACTS				
Swaps	36,164	2,011	31,028	1,577
Spot, futures and forwards	724,397	3,120	628,265	7,214
Written options	78,668	-	80,438	--
Purchased options	75,596	800	75,998	970
COMMODITY AND OTHER CONTRACTS				
Swaps	4,725	259	2,713	80
Futures and forwards	6,416	-	3,147	--
Written options	24,763	-	14,159	--
Purchased options	26,274	1,433	13,954	403
Total before cross product netting		17,449		15,201
Less: Cross product netting		1,504		749
NET REPLACEMENT COST		$ 15,945		$ 14,452

</TABLE>

(1) Represents the net replacement cost the Corporation could incur should counterparties with contracts in a gain position to the Corporation completely fail to perform under the terms of those contracts. Amounts include accrued interest.

Credit risk associated with derivatives is measured as the net replacement cost should the counterparties with contracts in a gain position to the Corporation completely fail to perform under the terms of those contracts and any collateral underlying the contracts proves to be of no value. In managing derivatives credit risk, both the current exposure, which is the replacement cost of contracts on the measurement date, as well as an estimate of the potential change in value of contracts over their remaining lives, are considered. In managing credit risk associated with its derivatives activities, the Corporation deals primarily with U.S. and foreign commercial banks, broker-dealers and corporates.

During the first nine months of 1998, there were $42 million in credit losses associated with Asset and Liability Management (ALM) transactions. On September 30, 1998, there were no nonperforming derivatives positions that were material to the Corporation. To minimize credit risk, the Corporation enters into legally enforceable master netting agreements, which reduce risk by permitting the close out and netting of transactions with the same counterparty upon the occurrence of certain events.

A portion of the derivatives-dealer activity involves exchange-traded instruments. Because exchange-traded instruments conform to standard terms and are subject to policies set by the exchange involved, including counterparty approval, margin requirements and security deposit requirements, the credit risk is minimal.

As of September 30, 1998, the Corporation had a notional value of $14.8 billion in credit derivatives, primarily credit defaults swaps.

LITIGATION

In the ordinary course of business, the Corporation and its subsidiaries are routinely defendants in or parties to a number of pending and threatened legal actions and proceedings, including actions brought on behalf of various classes of claimants. In certain of these actions and proceedings, substantial money damages are asserted against the Corporation and its subsidiaries and certain of these actions and proceedings are based on alleged violations of consumer protection, securities, environmental, banking and other laws.

The Corporation's subsidiary, Bank of America NT & SA has been named in one such suit by the City of San Francisco and several related public entities, and by the State of California, in an action entitled State of California, etc ex rel Stull v. Bank of America NT & SA, et. al. (No. 968-484). The case was instituted on April 1, 1995 in the Superior Court for the City and County of San Francisco. The City of San Francisco and related public entities intervened in the case on May 1, 1997, and the State of California took over prosecution of the case on May 5, 1997. The chief allegation of this suit is that Bank of America retained unclaimed funds related to bonds and coupons that were not presented by bondholders rather than returning them to certain bond issuers or escheating such funds to the State. The suit also alleges False Claims Act exposure for alleged fee overcharges and claims that Bank of America improperly invested bond program funds. On November 12, 1998, the plaintiffs and Bank of America settled this suit whereby Bank of America agreed to pay $187.5 million to the plaintiffs. The settlement is subject to court approval.

The Corporation and certain present and former officers have been named as defendants in approximately 24 uncertified class actions filed in federal court alleging, among other things, that the defendants failed to disclose material facts about BankAmerica's losses relating to DE Shaw & Co., L.P. until mid-October 1998, in violation of various provisions of the federal securities laws. The uncertified class periods consist generally of persons who were entitled to vote on the merger of NationsBank Corporation and BankAmerica Corporation, or who purchased or acquired securities of the Corporation or its predecessors between August 4, 1998 and October 13, 1998. Similar actions are pending in California state court, alleging violations of the California Corporations Code and involving factual allegations essentially the same as the federal actions. In addition, certain cases filed in California state court have alleged that the proxy statement-prospectus of August 4,1998, falsely stated that the merger would be one of equals, and allege a conspiracy on the part of certain executives to gain control over the newly merged entity. At least one such complaint seeks recovery under various state common law theories. The Corporation believes the actions lack merit and will defend them vigorously. The amount of any ultimate exposure cannot be determined with certainty at this time.

Management believes, based upon the advice of counsel, that the actions and proceedings and the losses, if any, resulting from the final outcome thereof, will not be material in the aggregate to the Corporation's financial position or results of operations.

NOTE 7. On January 1, 1998, the Corporation adopted SFAS 131,

BUSINESS SEGMENT INFORMATION

"Disclosures about Segments of an Enterprise and Related Information". Management reports the results of operations of the Corporation through four business segments: Consumer Banking, which provides comprehensive retail banking services to individuals and small businesses through multiple delivery channels; Commercial Banking, which provides a wide range of commercial banking services for businesses with annual revenues of up to $500 million; Global Corporate and Investment Banking, which provides a broad array of financial and investment banking products such as capital-raising products, trade finance, treasury management, capital markets and financial advisory services to domestic and international corporations, financial institutions and government entities; and Wealth Management and Principal Investing, which includes direct equity investments in businesses and investments in general partnership funds and the Private Bank which provides asset management, banking and trust services for high net worth clients both in the U.S. and internationally.

The following table includes revenues and net income for the nine months ended September 30, 1998 and assets as of September 30, 1998 for each business segment:

(DOLLARS IN MILLIONS)	REVENUES	NET INCOME	ASSETS
Consumer Banking	$ 14,054	$ 3,053	$ 257,979
Commercial Banking	2,153	728	65,759
Global Corporate and Investment Banking	5,002	109	230,020
Wealth Management and Principal Investing	1,825	434	22,652
TOTAL	$ 23,034	$ 4,324	$ 576,410

There were no material intersegment revenues between the four business segments.

A reconciliation of the total of the segments' net income to consolidated net income follows:

(DOLLARS IN MILLIONS)	NINE MONTHS ENDED SEPTEMBER 30, 1998
Segments' net income	$ 4,324
Adjustments:	
Gains on sales of securities, net of taxes	386
Net gain on sales of subsidiary companies, net of taxes	37
Merger and restructuring items, net of taxes	(884)
Earnings associated with unassigned capital, net of taxes	140
CONSOLIDATED NET INCOME	$4,003

NOTE. 8 SUBSEQUENT EVENTS

On October 13, 1998, the Corporation entered into an agreement with DE Shaw Securities Group, Inc. (DE Shaw), a trading and investment firm, to which a banking subsidiary of the Corporation had outstanding credit balances of approximately $1.4 billion as of September 30, 1998. This agreement provides for the purchase by a banking subsidiary of the Corporation of approximately $20 billion of fixed-income securities along with the related hedge positions (purchased portfolio) and a modification of certain terms of the outstanding loans to such firm to provide, among other things, for an accelerated schedule of repayment. DE Shaw positions and the purchased portfolio will be marked-to-market and reflected in earnings currently on an ongoing basis. Markets continue to be volatile, and the Corporation anticipates that it may likely recognize losses with respect to the positions in DE Shaw and the purchased portfolio, relating to deterioration occurring in the market prices for such positions and the purchased portfolio, the scope of which will be dependent upon the magnitude of such deterioration.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On September 25, 1998, the Corporation reincorporated in Delaware and on September 30, 1998, NationsBank Corporation (NationsBank) completed its merger with the former BankAmerica Corporation (BankAmerica) and changed its name to "BankAmerica Corporation" (the Corporation). In addition, on January 9, 1998, the Corporation completed its merger with Barnett. The BankAmerica and Barnett mergers were each accounted for as a pooling of interests and, accordingly, all financial information has been restated for all periods presented.

This report on Form 10-Q contains forward-looking statements that are subject to risks and uncertainties and include information about possible or assumed future results of operations. Many possible events or factors could affect the future financial results and performance of the Corporation. This could cause results or performance to differ materially from those expressed in our forward-looking statements. Words such as "expects", "anticipates", "believes", "estimates", variations of such words and other similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in, or implied by, such forward-looking statements. Readers of the Corporation's Form 10-Q should not rely solely on the forward-looking statements and should consider all uncertainties and risks discussed throughout this report, as well as those discussed in the Corporation's most recent Annual Report on Form 10-K and its Current Report on Form 8-K filed November 16, 1998 which includes the Corporation's supplemental consolidated financial statements restated for the BankAmerica and Barnett mergers. These statements are representative only on the date hereof, and the Corporation undertakes no obligation to update any forward-looking statements made.

The possible events or factors include the following, the Corporation's loan growth is dependent on economic conditions as well as various discretionary factors, such as decisions to securitize, sell, or purchase certain loans or loan portfolios, syndications or participations of loans, the retention of residential mortgage loans generated by the mortgage subsidiary, the management of borrower, industry, product and geographic concentrations and the mix of the loan portfolio. The rate of charge-offs and provision expense can be affected by local, regional and international economic and market conditions, concentrations of borrowers, industries, products and geographic locations, the mix of the loan portfolio and management's judgments regarding the collectibility of loans. Liquidity requirements may change as a result of fluctuations in assets and liabilities and off-balance sheet exposures, which will impact the capital and debt financing needs of the Corporation and the mix of funding sources. Decisions to purchase, hold or sell securities are also dependent on liquidity requirements and market volatility, as well as, on- and off-balance sheet positions. Factors that may impact interest rate risk include local, regional and international economic conditions, levels, mix, maturities, yields or rates of assets and liabilities, utilization and effectiveness of interest rate contracts and the wholesale and retail funding sources of the Corporation. Factors that may cause actual noninterest expense to differ from estimates include uncertainties relating to the Corporation's efforts to prepare its technology systems and non-information technology systems for the Year 2000 and the Euro conversion, as well as uncertainties relating to the ability of third parties with whom the Corporation has business relationships to address the Year 2000 issue and the Euro conversion issue in a timely and adequate manner. The Corporation is also exposed to the potential of losses arising from adverse changes in market rates and prices which can adversely impact the value of financial products, including securities, loans, deposits, debt and derivative financial instruments, such as futures, forwards, swaps, options and other financial instruments with similar characteristics.

In addition, the banking industry in general is subject to various monetary and fiscal policies and regulations, which include those determined by the Federal Reserve Board, the Office of the Comptroller of the Currency, Federal Deposit Insurance Corporation, state regulators and the Office of Thrift Supervision, which policies and regulations could affect the Corporation's results. Other factors that may cause actual results to differ from the forward-looking statements include competition with other local, regional and international banks, savings and loan associations, credit unions and other non-bank financial institutions, such as investment banking firms, investment advisory firms, brokerage firms, mutual funds and insurance companies, as well as other entities which offer financial services, located both within and outside the United States; interest rate, market and monetary fluctuations; inflation; market volatility; general economic conditions and economic conditions in the geographic regions and industries in which the Corporation operates; introduction and acceptance of new banking-related products, services and enhancements; fee pricing strategies, mergers and acquisitions and their integration into the Corporation, and management's ability to manage these and other risks.

EARNINGS REVIEW

TABLE ONE presents a comparison of selected operating results for the three months and nine months ended September 30, 1998 and 1997. Significant changes in the Corporation's results of operations and financial position are discussed in the sections that follow.

Operating net income (net income excluding merger and restructuring items) for the third quarter of 1998 decreased to $893 million from $1.77 billion in the third quarter of 1997, mainly due to the establishment of a $500 million reserve for the impact of uncertainties in global economic conditions and volatility in U.S.markets, and an additional provision for a $372 million write-down of a credit to DE Shaw Securities Group, Inc. (DE Shaw), a trading and investment firm. For additional discussion see "Concentrations of Credit Risk", page 42. Operating earnings per common share and diluted operating earnings per common share were $0.51 and $0.50, respectively, for the third quarter of 1998 compared to $1.02 and $0.99 in the comparable prior year period. Including a merger and restructuring charge of $725 million ($519 million, net of tax) related to the costs associated with the Merger, net income for the third quarter of 1998 was $374 million, or $0.21 per common share.

Operating net income for the first nine months of 1998 decreased 5 percent to $4.89 billion from $5.13 billion for the first nine months of 1997. Operating earnings per common share and diluted operating earnings per common share were $2.81 and $2.73, respectively, for the first nine months of 1998 compared to $2.90 and $2.82 in the comparable prior year period. Including merger and restructuring items for the first nine months of 1998 of $1.20 billion ($884 million, net of tax), net income was $4.00 billion, or $2.30 per common share, compared to the same year ago period net income of $5.08 billion or $2.87 per common share, which included merger and restructuring items of $72 million ($44 million, net of tax).

KEY PERFORMANCE HIGHLIGHTS FOR THE FIRST NINE MONTHS OF 1998 WERE:

o Taxable-equivalent net interest income decreased approximately 1 percent to $13.8 billion in the first nine months of 1998. The net interest yield decreased to 3.74 percent compared to 4.06 percent in the first nine months of 1997 due to higher levels of investment securities and a decrease in the spreads between loans and deposits.

<TABLE>
<CAPTION>
TABLE ONE
SELECTED OPERATING RESULTS

	Three Months Ended September 30		Nine Months Ended September 30	
(Dollars in Millions Except Per Share Information)	1998	1997	1998	1997
<S>	<C>	<C>	<C>	<C>
INCOME STATEMENT				
Interest income	$ 9,608	$ 9,443	$ 28,950	$ 27,799
Interest expense	5,164	4,808	15,261	13,925
Net interest income (taxable-equivalent)	4,484	4,676	13,811	13,991
Net interest income	4,444	4,635	13,689	13,874
Provision for credit losses	1,405	489	2,410	1,406
Gains on sales of securities	280	54	613	160
Noninterest income	2,405	3,078	9,534	8,531
Foreclosed properties expense	7	13	42	24
Merger and restructuring items expense	725	72	1,195	72
Other noninterest expense	4,576	4,406	14,012	12,865
Income before taxes	416	2,787	6,177	8,198
Income tax expense	42	1,057	2,174	3,115
Net income	374	1,730	4,003	5,083
Net income available to common shareholders	372	1,706	3,979	4,988
Net income (excluding merger and restructuring items)	893	1,774	4,887	5,127
Average common shares issued (in thousands)	1,740,092	1,722,243	1,732,297	1,736,460
PER COMMON SHARE				
Earnings	$ 0.21	$ 0.99	$ 2.30	$ 2.87
Earnings (excluding merger and restructuring items)	0.51	1.02	2.81	2.90
Diluted earnings	0.21	0.96	2.24	2.80

Diluted earnings (excluding merger and restructuring items)	0.50	0.99	2.73	2.82
Cash dividends paid	0.38	0.33	1.14	0.99
Shareholders' equity (period-end)	27.12	25.00	27.12	25.00
BALANCE SHEET (PERIOD-END)				
Total loans, leases and factored accounts receivable, net of unearned income	351,982	336,293	351,982	336,293
Total assets	594,673	543,414	594,673	543,414
Total deposits	345,756	335,574	345,756	335,574
Long-term debt	47,552	42,340	47,552	42,340
Common shareholders' equity	47,245	42,981	47,245	42,981
Total shareholders' equity	47,307	43,884	47,307	43,884
PERFORMANCE RATIOS				
Return on average assets	0.26%	1.26%	0.93%	1.26%
Return on average assets (excluding merger and restructuring items)	0.61	1.30	1.13	1.27
Return on average common shareholders' equity	3.23	16.13	12.01	15.92
Return on average common shareholders' equity (excluding merger and restructuring items)	7.73	16.55	14.68	16.06
Efficiency ratio (excluding merger and restructuring items)	66.44	56.82	60.02	57.12
Total equity to total assets (period-end)	7.96	8.08	7.96	8.08
Total average equity to total average assets	7.91	7.96	7.76	8.07
Dividend payout ratio	162.10	29.54	45.29	30.51
RISK-BASED CAPITAL RATIOS (PERIOD-END)(1)				
Tier 1	7.29	7.00	7.29	7.00
Total	11.25	11.56	11.25	11.56
Leverage capital ratio	6.64	6.16	6.64	6.16
CASH BASIS FINANCIAL DATA (2)				
Earnings per common share	$ 0.34	$ 1.11	$ 2.69	$ 3.24
Earnings per common share (excluding merger and restructuring items)	0.64	1.14	3.20	3.26
Diluted earnings per common share	0.34	1.08	2.62	3.15
Diluted earnings per common share (excluding merger and restructuring items)	0.63	1.11	3.11	3.18
Return on average tangible assets	0.42%	1.46%	1.11%	1.46%
Return on average tangible assets (excluding merger and restructuring items)	0.79	1.49	1.33	1.47
Return on average tangible common shareholders' equity	7.76	28.08	21.59	27.62
Return on average tangible common shareholders' equity (excluding merger and restructuring items)	14.51	28.73	25.69	27.83
Efficiency ratio (excluding merger and restructuring items)	63.18	54.07	57.11	54.32
Ending tangible equity to tangible assets	5.59	5.52	5.59	5.52
MARKET PRICE PER SHARE OF COMMON STOCK				
Closing price	$ 53 1/2	$61 7/8	$ 53 1/2	$ 61 7/8
High for the period	88 7/16	71 11/16	88 7/16	71 11/16
Low for the period	47 7/8	56 5/8	47 7/8	48

</TABLE>

(1) Ratios for 1997 have not been restated to reflect the impact of the BankAmerica and Barnett mergers.
(2) Cash basis calculations exclude intangible assets and the related amortization expense.

- The provision for credit losses totaled $2.4 billion for the first nine months of 1998 compared to $1.4 billion for the same period in 1997. Net charge-offs as a percentage of average loans, leases and factored accounts receivable increased to .75 percent for the first nine months of 1998 compared to .53 percent for the same period in 1997. Total net charge-offs were $1.9 billion for the nine months ended September 30, 1998 compared to $1.4 billion for the same period in 1997. Higher net charge-offs were primarily the result of a third quarter $372 million write-down of a credit to DE Shaw, a trading and investment firm. For additional discussion, see "Concentrations of Credit Risk", page 42. Nonperforming assets on September 30, 1998 increased only slightly to $2.6 billion compared to $2.4 billion at December 31, 1997, the result of higher commercial nonperforming loans partially offset by lower consumer nonperforming loans.

- Noninterest income increased 12 percent to $9.5 billion in the first nine months of 1998. This growth was attributable to higher levels of income from most categories, including investment banking income, brokerage income, and other income, which included gains on securitizations during the second and third quarters, as well as the sale of a partial ownership interest in a mortgage company in the first quarter. Noninterest income increased approximately 5 percent excluding the acquisitions of Montgomery Securities (Montgomery) and Robertson Stephens in the fourth quarter of 1997, and NationsBanc Auto Leasing (formerly Oxford Resources Corp.)in the second quarter of 1997. Partially offsetting these increases were trading losses and a decrease of mortgage servicing income. For the first nine months of 1998 trading account profits and fees totaled $75 million compared to $853 million for the same period in 1997. The decrease is primarily attributed to a write-down of Russian securities and losses in corporate bonds and mortgage products as spreads widened in the third quarter. Mortgage servicing income for the first nine months of 1998 totaled $12 million compared to $298 million for the same period in 1997. The decrease was due to a write-down of mortgage servicing assets resulting from a drop in interest rates and an increase in prepayments in the third quarter.

- Other noninterest expense increased 9 percent to $14.0 billion, mainly a result of increases in personnel and data processing expenses associated with the acquisitions of Montgomery, Robertson Stephens, and NationsBanc Auto Leasing.

- Operating cash basis ratios, which measure operating performance excluding merger and restructuring items, intangible assets and the related amortization expense, fell with operating cash basis diluted earnings per common share decreasing by 2 percent to $3.11 for the nine months ended September 30, 1998 compared to $3.18 for the same period a year ago. For the nine months ended September 30, 1998, return on average tangible common shareholders' equity, excluding merger and restructuring items, decreased to 25.69 percent compared to 27.83 percent for the same period in 1997. The cash basis efficiency ratio was 57.11 percent in the first nine months of 1998, an increase of 299 basis points from the first nine months of 1997 due to the increase in noninterest expense associated with the Montgomery, Robertson Stephens, and NationsBanc Auto Leasing acquisitions in 1997.

- While the Corporation's core consumer and commercial banking activities, which are centered in the United States, continued to perform well during the third quarter, third quarter results were adversely affected by the deterioration of overseas economies and the volatility of United States financial markets. Provision expense rose sharply due to a $372 million write-down of a credit to DE Shaw and a $500 million additional reserve established against continuing uncertainties in global economic conditions. Weaker market conditions also affected investment banking income, which totaled

$376 million in the quarter, up from $315 million for the third quarter of 1997, but down from a record $664 million in the second quarter of 1998. Also within noninterest income, the Corporation recorded a $250 million write-down in the value of a mortgage servicing portfolio, primarily reflecting the impact of declining interest rates and increased prepayment rates.

- Conditions in overseas economies and United States and global market conditions continue to remain volatile. Accordingly, the Corporation may experience additional weaknesses in the fourth quarter relating to the impact of such conditions on the Corporation's credit and trading portfolios and additional weakness in income from operating units, such as investment banking, that may be adversely impacted by such conditions. As discussed under "Concentrations of Credit Risk", page 42, on October 13, 1998, the Corporation entered into an agreement with DE Shaw to which a banking subsidiary of the Corporation had outstanding credit balances of approximately $1.4 billion as of September 30, 1998. The agreement provides for the purchase by a banking subsidiary of the Corporation of approximately $20 billion of fixed income securities along with the related hedge positions (purchased portfolio) and a modification of certain terms of the outstanding loans to such firm to provide, among other things, for an accelerated schedule of repayment. DE Shaw positions and the purchased portfolio will be marked-to-market and reflected in earnings currently on an ongoing basis. Markets continue to be volatile and the Corporation anticipates that it may likely recognize additional losses with respect to such positions in DE Shaw and the purchased portfolio, relating to deterioration occurring in the market prices for such positions and the purchased portfolio, the scope of which will be dependent upon the magnitude of such deterioration.

BUSINESS SEGMENT OPERATIONS

The Corporation provides a diversified range of banking and certain nonbanking financial services and products through its various subsidiaries. Management reports the results of the Corporation's operations through four business segments: Consumer Banking, Commercial Banking, Global Corporate and Investment Banking, and Wealth Management and Principal Investing.

The business segments summarized in Table Two are primarily managed with a focus on various performance objectives including net income, return on average equity and operating efficiency. These performance objectives are also presented on a cash basis, which excludes the impact of goodwill and other intangibles and related amortization expense. The net interest income of the business segments reflects the results of a funds transfer pricing process which derives net interest income by matching assets and liabilities with similar interest rate sensitivity and maturity characteristics. Equity capital is allocated to each business segment based on an assessment of its inherent risk.

Consumer Banking

The Consumer Banking segment provides comprehensive retail banking services to individuals and small businesses through multiple delivery channels including approximately 4,800 banking centers and 14,000 automated teller machines ("ATMs"). These banking centers and ATMs are located throughout the Corporation's franchise and serve 30 million households in 22 states and the District of Columbia. This segment also provides specialized services such as the origination and servicing of residential mortgage loans, issuance and servicing of credit cards, direct banking via telephone and personal computer, student lending and certain insurance services. The consumer finance component provides personal, mortgage, home equity and automobile loans to consumers, retail finance programs to dealers and lease financing to purchasers of new and used cars.

<TABLE>
<CAPTION>

TABLE TWO
BUSINESS SEGMENT SUMMARY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1998

	Consumer Banking		Commercial Banking		Global Corporate and Investment Banking		Wealth Management and Principal Investing Group	
(Dollars in Millions)	1998	1997	1998	1997	1998	1997	1998	1997
Net interest income (taxable-equivalent)	$ 8,977	$ 9,346	$ 1,602	$ 1,590	$ 2,708	$ 2,554	$ 326	$ 296
Noninterest income	5,077	4,669	551	464	2,294	2,190	1,499	1,403
Total revenue	14,054	14,015	2,153	2,054	5,002	4,744	1,825	1,699
Provision for credit losses	959	1,345	59	(13)	1,377	71	14	3
Gains on sale of securities	9	27	4	-	1	12	-	2
Foreclosed properties expense (income)	65	24	-	-	(23)	(20)	-	(1)
Noninterest expense	8,212	8,442	1,004	955	3,562	2,520	1,141	1,071
Income before income taxes	4,827	4,231	1,094	1,112	87	2,185	670	628
Income tax expense (benefit)	1,774	1,689	366	432	(22)	824	236	234
Net income (1)	$ 3,053	$ 2,542	$ 728	$ 680	$ 109	$ 1,361	$ 434	$ 394
Cash basis earnings (2)	$ 3,691	$ 3,189	$ 839	$ 793	$ 244	$ 1,456	$ 450	$ 409
Net interest yield	5.36%	5.42%	3.79%	4.09%	1.97%	2.02%	2.84%	3.21%
Average equity to average assets	8.41	8.26	6.79	6.36	5.96	5.30	12.46	13.21
Return on risk-adjusted average equity	20	16	23	25	1	18	25	26
Return on risk-adjusted tangible equity(2)	32	27	33	38	3	21	28	30
Efficiency ratio	58.4	60.2	46.6	46.5	71.2	53.1	62.5	63.0
Cash basis efficiency ratio(2)	53.9	55.6	41.5	41.0	68.5	51.1	61.7	62.2
Average(3)								
Total loans and leases, net of unearned income	$ 174,894	$186,353	$48,789	$ 45,377	$104,801	$ 99,019	$ 14,541	$ 11,684
Total deposits	228,617	230,669	21,261	20,078	62,153	59,999	11,706	10,872
Total assets	244,656	254,766	63,082	57,818	212,934	194,909	18,468	15,068
Period-end(3)								
Total loans and leases, net of unearned income	172,075	177,769	50,353	45,778	111,831	97,783	16,500	12,859
Total deposits	225,578	230,420	22,049	22,096	65,069	61,672	11,972	11,501

Total assets	257,979	249,195	65,759	59,543	230,020	200,984	22,652	17,620

(1) Business Segment results are presented on a fully allocated basis but do not include $321 net expense for the first nine months of 1998 and $107 net income for the first nine months of 1997 which represent earnings associated with unassigned capital, gains on sales of certain securities, gains on business divestitures, merger and restructuring items as well as other corporate activities.
(2) Excludes capital associated with intangible assets and related amortization expense.
(3) The sums of balance sheet amounts differ from consolidated amounts due to activities between the Business Segments.

Consumer Banking's earnings increased 20 percent to $3.0 billion in the first nine months of 1998. Taxable-equivalent net interest income of $9.0 billion decreased 4 percent from the first nine months of 1997, primarily reflecting lower interest income on loans attributable to the impact of increased securitization activity as well as divestitures and loan sales, partially offset by reduced funding costs reflecting continued deposit expense management. As the Corporation continues to securitize loans, its role becomes that of a servicer and the income related to securitized loans is reflected in noninterest income. The net interest yield decreased 6 basis points in the first nine months of 1998, reflecting the impact of lower earnings assets and changes in spreads on loans and deposits. Excluding the impact of securitizations, acquisitions and divestitures, average total loans and leases increased approximately 4 percent in 1998 over average levels

in the first nine months of 1997. Average total deposits for the first nine months of 1998 decreased to $228.6 billion from $230.7 billion in 1997, the result of deposit declines in the former Barnett franchise resulting primarily from the divestiture of selected banking centers.

The decrease in Consumer Banking's provision for credit losses of $386 million from 1997 is attributable primarily to securitizations, loan sales and divestitures.

Noninterest income in Consumer Banking rose 9 percent to $5.1 billion due to credit card fee income, non-deposit service charges and fee income, and miscellaneous income primarily related to a gain on the sale of a manufactured housing unit and loan sales, partially offset by lower mortgage servicing income resulting from a write-down of mortgage servicing rights. Noninterest expense decreased 3 percent to $8.2 billion, reflecting the efficiencies obtained from the successful integration of the former Boatmen's and Barnett franchises and expense management efforts. The cash basis efficiency ratio was 53.9 percent, an improvement of approximately 170 basis points compared to the first nine months of 1997. The return on risk-adjusted tangible equity increased to 32 percent for the first nine months of 1998 compared to 27 percent for the same period in 1997.

Commercial Banking

The Commercial Banking segment provides a wide range of commercial banking services for businesses with annual revenues of up to $500 million. Services provided include commercial lending, treasury and cash management services, asset-backed lending, leasing and factoring. Also included in this segment are the Corporation's commercial finance operations which provide activities such as: equipment loans and leases, loans for debt restructuring, mergers and working capital, real estate and health care financing and inventory financing to manufacturers, distributors and dealers.

Commercial Banking's earnings rose 7 percent to $728 million in the first nine months of 1998 compared to the same year-ago period. Taxable-equivalent net interest income increased $12 million primarily reflecting higher loan levels partially offset by changes in spreads on loans and deposits. Commercial Banking's average loan and lease portfolio during the first nine months of 1998 increased 8 percent to $48.8 billion compared to $45.4 billion in the same period of 1997.

Noninterest income rose 19 percent to $551 million over the first nine months of 1997 primarily due to an increase in investment banking fees as well as non-deposit and deposit service charges. Noninterest expense for the period increased 5 percent to $1.0 billion, reflecting increases in data processing and personnel. The cash basis efficiency ratio increased approximately 50 basis points to 41.5 percent. The return on risk-adjusted tangible equity decreased to 33 percent from 38 percent.

Global Corporate and Investment Banking

The Global Corporate and Investment Banking segment provides a broad array of financial and investment banking products such as capital-raising, trade finance, treasury management, capital markets and financial advisory services to domestic and international corporations, financial institutions and government entities. Clients are supported through offices in 37 countries in four distinct geographic regions: U.S. and Canada; Asia; Europe, Middle East and Africa; and Latin America. Products and services provided include loan origination, cash management, foreign exchange, leasing, leveraged finance, principal investing, project finance, real estate, risk management, senior bank debt, structured finance, and trade services. Through the Corporation's Section 20 subsidiary, NationsBanc Montgomery Securities LLC, Global Corporate and Investment Banking segment is a primary dealer of U.S. Government Securities, underwrites and trades municipal bonds, and underwrites, distributes and makes

markets in high-grade and high-yield debt securities and equity securities. Asset-backed securitization, commercial paper distribution, debt and equity securities research, loan syndications, mergers and acquisitions consulting and private placements are also provided through NationsBanc Montgomery Securities LLC. Additionally, Global Corporate and Investment Banking is a market maker in derivative products which include swap agreements, option contracts, forward settlement contracts, financial futures and other derivative products in certain interest rate, foreign exchange, commodity and equity markets. In support of these activities, Global Corporate and Investment Banking takes positions to support client demands and its own account.

Global Corporate and Investment Banking net income decreased to $109 million in the first nine months of 1998 compared to $1.4 billion in the same period of 1997. Taxable-equivalent net interest income increased 6 percent for the first nine months of 1998 to $2.7 billion compared to $2.6 billion in the first nine months of 1997, reflecting increased trading related activities and higher loan volumes. Excluding the impact of a $4.2 billion securitization completed in the third quarter of 1997, the Global Corporate and Investment Banking average loan and lease portfolio increased approximately 6 percent over 1997.

The provision for credit losses increased to $1.4 billion primarily due to the increased uncertainties in global economic conditions which resulted in an addition of $500 million to reserves in the third quarter, and the $372 million write-down of a credit to a trading and investment firm which resulted in an increased provision of that amount, for additional discussion, see "Concentrations of Credit Risk", page 42.

Noninterest income rose to $2.3 billion, an increase of 5 percent over the first nine months of 1997, reflecting higher investment banking fees and brokerage income due to the Montgomery and Robertson Stephens acquisitions. Partially offsetting these increases were trading losses resulting from weaker global markets and lower miscellaneous income primarily due to write-downs of an investment in KorAm Bank in South Korea. Noninterest expense rose to $3.6 billion due primarily to higher personnel expenses associated with the Montgomery and Robertson Stephens acquisitions. Expenses in most other categories also increased in the first nine months of 1998 due to the Montgomery and Robertson Stephens acquisitions. The cash basis efficiency ratio increased to 68.5 percent primarily due to higher expense ratios at Montgomery and Robertson

Stephens. The return on risk-adjusted tangible equity decreased to 3 percent for the first nine months of 1998 from 21 percent for the same period in 1997, reflecting the difficult market conditions.

Wealth Management and Principal Investing

The Wealth Management and Principal Investing segment includes the Private Bank which provides asset management, banking and trust services for high net worth clients both in the U.S. and internationally. The Wealth Management arm of this segment provides full service and discount brokerage, investment advisory and investment management, as well as advisory services for the Corporation's affiliated family of mutual funds. The Principal Investing area includes direct equity investments in businesses and investments in general partnership funds.

Wealth Management and Principal Investing earned $434 million in the first nine months of 1998 compared to $394 million in the first nine months of 1997. The results are due to strong growth in the segment's core businesses, following the sales of certain corporate and institutional trust businesses during the third quarter of 1997. Taxable-equivalent net interest income increased 10 percent for the first nine months of 1998 to $326 million compared to $296 million in the same period a year ago, reflecting income from increased loan levels. The average loan and lease portfolio in the first nine months of 1998 increased to $14.5 billion compared to

$11.7 billion in the first nine months of 1997 as a result of core loan growth. Assets under management were $194 billion on September 30, 1998, an increase of $15 billion from September 30, 1997.

Noninterest income increased 7 percent in the first nine months of 1998 to $1.5 billion primarily attributable to growth in investment banking fees, brokerage income and other non-deposit service charges. Core revenue growth was more than offset by the sales of certain corporate and institutional trust businesses, which occurred in the third quarter of 1997. Noninterest expense increased 7 percent due primarily to increases in personnel expense, professional fees and support costs. The cash basis efficiency ratio improved approximately 50 basis points to 61.7 percent in the first nine months of 1998 compared to 62.2 percent for the first nine months of 1997. The return on risk-adjusted tangible equity decreased to 28 percent.

See NOTE SEVEN of the Notes to the Consolidated Financial Statements for additional business segment information.

RESULTS OF OPERATIONS

NET INTEREST INCOME

An analysis of the Corporation's taxable-equivalent net interest income and average balance sheet levels for the last five quarters and first nine months of 1998 and 1997 is presented in TABLES THREE AND FOUR, respectively.

Taxable-equivalent net interest income decreased approximately 4 percent to $4.48 billion in the third quarter of 1998 and amounted to $13.81 billion in the first nine months of 1998 compared to $4.68 billion and $13.99 billion for the same respective 1997 periods. This decrease was mainly the result of changes in spreads on loans and deposits and the impact of securitizations, divestitures and asset sales. While securitizations decreased net interest income by approximately $312 million and $844 million in the third quarter and first nine months of 1998, respectively, they did not significantly affect the Corporation's earnings. As the Corporation continues to securitize loans, its role becomes that of a servicer and the income related to securitized loans is reflected in other income under noninterest income.

The $163 million increase in interest income for the third quarter of 1998, was due to $616 million of higher average earning assets, partially offset by a $453 million decrease resulting from lower yields received on average earning assets. The $1.16 billion increase in interest income for the first nine months of 1998 was the result of a $1.91 billion increase due to higher average earning assets, partially offset by a $751 million decrease resulting from lower yields received on average earning assets. Interest expense increased $356 million for the third quarter of 1998, resulting mainly from higher levels of average interest-bearing liabilities. The $1.34 billion increase in interest expense for the first nine months of 1998 was the result of a $933 million increase from higher levels of average interest-bearing liabilities and a $404 million increase due to higher rates paid on average interest-bearing liabilities.

The net interest yield decreased 41 basis points to 3.60 percent in the third quarter and decreased 32 basis points to 3.74 percent in the first nine months of 1998, compared to the same periods of 1997. The decreases are due primarily to higher levels of investment securities and a decrease in the spreads between loans and deposits.

Loan growth is dependent on economic conditions as well as various discretionary factors, such as decisions to securitize certain loan portfolios, the retention of residential mortgage loans generated by the Corporation's mortgage units and the management of borrower, industry, product and geographic concentrations.

<TABLE>
<CAPTION>

TABLE THREE
QUARTERLY TAXABLE-EQUIVALENT DATA

	THIRD QUARTER 1998			SECOND QUARTER 1998		
(DOLLARS IN MILLIONS)	AVERAGE BALANCE SHEET AMOUNTS	INCOME OR EXPENSE	YIELDS/ RATES	AVERAGE BALANCE SHEET AMOUNTS	INCOME OR EXPENSE	YIELDS/ RATES
<S>	<C>	<C>	<C>	<C>	<C>	<C>
EARNING ASSETS						
Loans and leases, net of unearned income: (1)						
Commercial - domestic	$ 131,310	$ 2,538	7.67%	$ 126,623	$2,496	7.91%
Commercial - foreign	31,245	578	7.35	30,046	556	7.41
Commercial real estate - domestic	28,027	610	8.64	28,228	644	9.15
Commercial real estate - foreign	338	8	10.51	334	9	9.82
TOTAL COMMERCIAL	190,920	3,734	7.76	185,231	3,705	8.02
Residential mortgage	70,619	1,155	6.53	69,337	1,171	6.76
Home equity lines	16,024	485	12.03	16,271	473	11.64
Direct/Indirect consumer	39,582	854	8.56	40,404	895	8.90
Consumer finance	14,197	385	10.76	14,249	387	10.88
Bankcard	12,751	399	12.43	12,780	409	12.83
Foreign consumer	3,465	93	10.57	3,350	87	10.53
TOTAL CONSUMER	156,638	3,371	8.56	156,391	3,422	8.77

TOTAL LOANS AND LEASES, NET	347,558	7,105	8.12	341,622	7,127	8.36
Securities:						
Held for investment	4,286	76	6.99	4,525	79	7.03
Available for sale (2)	61,250	1,046	6.82	58,527	1,017	6.95
TOTAL SECURITIES	65,536	1,122	6.83	63,052	1,096	6.96
Federal funds sold and securities purchased under agreements to resell	27,646	492	7.06	25,275	433	6.86
Time deposits placed and other short-term investments	7,483	138	7.31	7,916	129	6.54
Trading account securities	35,487	587	6.59	42,421	693	6.56
Other earning assets	10,974	204	7.42	10,494	201	7.68
TOTAL EARNING ASSETS (3)	494,684	9,648	7.75	490,780	9,679	7.91
Cash and cash equivalents	24,160			25,071		
Factored accounts receivable	1,227			1,165		
Other assets, less allowance for credit losses	58,282			56,959		
TOTAL ASSETS	$ 578,353			$573,975		
INTEREST-BEARING LIABILITIES						
DOMESTIC INTEREST-BEARING DEPOSITS						
Savings	$ 22,775	107	1.87	$23,208	112	1.93
NOW and money market deposit accounts	95,276	634	2.64	96,605	638	2.65
Consumer CDs and IRAs	74,313	984	5.25	74,002	983	5.29
Negotiated CDs, public funds and other time deposits	8,696	120	5.45	8,388	117	5.63
TOTAL DOMESTIC INTEREST-BEARING DEPOSITS	201,060	1,845	3.64	202,203	1,850	3.66
Foreign interest-bearing deposits(4)						
Banks located in foreign countries	27,892	418	5.95	22,393	326	5.84
Governments and official institutions	11,084	156	5.59	10,629	150	5.64
Time, savings, and other	24,086	411	6.77	22,592	364	6.49
TOTAL FOREIGN INTEREST-BEARING DEPOSITS	63,062	985	6.20	55,614	840	6.07
TOTAL INTEREST-BEARING DEPOSITS	264,122	2,830	4.25	257,817	2,690	4.18
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	84,283	1,278	6.02	82,385	1,229	5.98
Trading account liabilities	15,454	194	4.97	19,817	262	5.30
Long-term debt (5)	51,365	862	6.71	49,254	830	6.74
TOTAL INTEREST-BEARING LIABILITIES (6)	415,224	5,164	4.94	409,273	5,011	4.90
NONINTEREST-BEARING SOURCES:						

Noninterest-bearing deposits	83,661			84,552		
Other liabilities	33,712			35,293		
Shareholders' equity	45,756			44,857		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 578,353			$573,975		
Net interest spread			2.81			3.01
Impact of noninterest-bearing sources			0.79			0.80
Net interest income/yield on earning assets		$ 4,484	3.60%		$4,668	3.81%

</TABLE>

(1) Nonperforming loans are included in the respective average loan balances. Income on such nonperforming loans is recognized on a cash basis.
(2) The average balance sheet amounts and yields on securities available for sale are based on the average of historical amortized cost balances.
(3) Interest income includes taxable-equivalent adjustments of $40, $42 and $40 in the third, second and first quarters of 1998 and $40 and $41 in the fourth and third quarters of 1997, respectively. Interest income also includes the impact of risk management interest rate contracts, which increased interest income on the underlying linked assets $46, $29, and $29 in the third, second, and first quarters of 1998 and $61 and $16 in the fourth and third quarters of 1997, respectively.
(4) Primarily consists of time deposits in denominations of $100,000 or more.
(5) Long-term debt includes trust preferred securities.
(6) Interest expense includes the impact of risk management interest rate contracts, which increased (decreased) interest expense on the underlying linked liabilities $9, $4, and $5 in the third, second and first quarters of 1998 and $22 and $(6) in the fourth and third quarters of 1997, respectively.

<TABLE>
<CAPTION>

FIRST QUARTER 1998			FOURTH QUARTER 1997			THIRD QUARTER 1997		
AVERAGE BALANCE SHEET AMOUNTS	INCOME OR EXPENSE	YIELDS/ RATES	AVERAGE BALANCE SHEET AMOUNTS	INCOME OR EXPENSE	YIELDS/ RATES	AVERAGE BALANCE SHEETS AMOUNTS	INCOME OR EXPENSE	YIELDS/ RATES
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
$ 122,474	$ 2,413	7.98%	$117,000	$ 2,370	8.03%	$116,411	$ 2,395	8.17%
29,840	543	7.37	29,291	519	7.04	28,823	506	6.96
29,000	648	9.06	29,020	666	9.11	29,190	704	9.57
327	8	10.48	--	--	--	178	8	16.08
181,641	3,612	8.06	175,311	3,555	8.05	174,602	3,613	8.21
70,350	1,218	6.95	73,138	1,290	7.05	80,468	1,432	7.10
16,448	457	11.28	16,308	479	11.65	15,374	457	11.82
40,280	880	8.85	39,562	874	8.78	39,184	873	8.83
14,662	419	11.60	14,163	408	11.42	13,882	406	11.60
14,259	464	13.19	14,762	491	13.17	15,759	535	13.47
3,218	83	10.46	3,403	83	9.68	3,496	79	8.95

159,217	3,521	8.94	161,336	3,625	8.91	168,163	3,782	8.94
340,858	7,133	8.47	336,647	7,180	8.47	342,765	7,395	8.57
4,713	83	7.09	4,853	86	7.00	5,180	91	7.04
61,074	1,061	6.98	55,871	962	6.87	41,023	711	6.91
65,787	1,144	6.99	60,724	1,048	6.88	46,203	802	6.92
26,632	417	6.35	24,884	414	6.59	22,668	382	6.68
8,517	136	6.48	8,037	142	7.02	8,097	135	6.59
41,868	740	7.14	38,253	691	7.18	40,197	678	6.71
9,047	175	7.76	4,542	99	8.68	3,801	92	9.81
492,709	9,745	8.00	473,087	9,574	8.04	463,731	9,484	8.13
24,558			24,203			23,556		
1,112			1,234			1,205		
60,462			58,071			54,538		
578,841			$556,595			$543,030		
$ 23,096	111	1.95	$ 23,596	118	1.98	$ 24,348	122	1.98
96,696	642	2.70	95,570	648	2.69	94,698	637	2.67
75,393	992	5.33	76,939	1,036	5.35	76,987	1,041	5.34
5,917	81	5.53	6,285	89	5.65	6,149	90	5.77
201,102	1,826	3.68	202,390	1,891	3.71	202,182	1,890	3.70
23,067	336	5.91	22,523	347	6.11	21,873	324	5.88
10,067	141	5.69	9,759	140	5.70	11,478	160	5.52
23,467	390	6.70	22,706	351	6.11	22,334	341	6.07
56,601	867	6.20	54,988	838	6.04	55,685	825	5.88
257,703	2,693	4.24	257,378	2,729	4.21	257,867	2,715	4.17
91,358	1,310	5.82	76,245	1,164	6.06	69,744	1,062	6.04
20,516	274	5.43	17,128	278	6.44	15,540	227	5.80
47,416	809	6.83	46,908	805	6.86	47,101	804	6.82
416,993	5,086	4.93	397,659	4,976	4.97	390,252	4,808	4.89
82,164			80,953			78,551		
36,056			34,176			30,986		
43,628			43,807			43,241		

$ 578,841			$556,595			$543,030
		3.07		3.07		3.24
		0.75		0.80		0.77
	$ 4,659	3.82%	$ 4,598	3.87%	$ 4,676	4.01%

</TABLE>

TABLE FOUR
NINE MONTH TAXABLE-EQUIVALENT DATA
<TABLE>
<CAPTION>

	NINE MONTHS ENDED SEPTEMBER 30					
	1998			1997		
(DOLLARS IN MILLIONS)	AVERAGE BALANCE SHEET AMOUNTS	INCOME OR EXPENSE	YIELDS/ RATES	AVERAGE BALANCE SHEET AMOUNTS	INCOME OR EXPENSE	YIELDS/ RATES
<S>	<C>	<C>	<C>	<C>	<C>	<C>
EARNING ASSETS						
Loans and leases, net of unearned income: (1)						
Commercial - domestic	$ 126,834	$ 7,446	7.85%	$ 116,045	$7,017	8.08%
Commercial - foreign	30,382	1,677	7.38	27,959	1,476	7.06
Commercial real estate - domestic	28,415	1,902	8.95	29,619	2,082	9.40
Commercial real estate - foreign	333	25	10.27	215	22	13.60
TOTAL COMMERCIAL	185,964	11,050	7.94	173,838	10,597	8.15
Residential mortgage	70,103	3,544	6.74	83,105	4,393	7.05
Home equity lines	16,246	1,415	11.65	14,239	1,334	12.53
Direct/Indirect consumer	40,087	2,630	8.77	39,172	2,589	8.83
Consumer finance	14,367	1,191	11.08	13,738	1,217	11.84
Bankcard	13,258	1,272	12.83	16,310	1,636	13.42
Foreign consumer	3,345	263	10.52	3,365	226	8.97
TOTAL CONSUMER	157,406	10,315	8.76	169,929	11,395	8.96
TOTAL LOANS AND LEASES, NET	343,370	21,365	8.32	343,767	21,992	8.55
Securities:						
Held for investment	4,506	238	7.04	5,588	303	7.24
Available for sale (2)	60,285	3,124	6.92	38,484	1,997	6.92

TOTAL SECURITIES	64,791	3,362	6.92	44,072	2,300	6.96
Federal funds sold and securities purchased under agreements to resell	26,521	1,342	6.76	22,949	1,102	6.42
Time deposits placed and other short-term investments	7,968	403	6.76	8,495	399	6.28
Trading account securities	39,903	2,021	6.77	38,294	1,897	6.62
Other earning assets	10,178	579	7.61	3,072	226	9.85
TOTAL EARNING ASSETS (3)	492,731	29,072	7.88	460,649	27,916	8.10
Cash and cash equivalents	24,595			24,182		
Factored accounts receivable	1,168			1,160		
Other assets, less allowance for credit losses	58,561			53,491		
TOTAL ASSETS	$577,055			$539,482		
INTEREST-BEARING LIABILITIES						
DOMESTIC INTEREST-BEARING DEPOSITS						
Savings	$ 23,025	330	1.92	$24,884	373	2.00
NOW and money market deposit accounts	96,188	1,914	2.66	95,080	1,880	2.64
Consumer CDs and IRAs	74,565	2,959	5.29	77,661	3,065	5.28
Negotiated CDs, public funds and other time deposits	7,677	318	5.53	6,455	271	5.61
TOTAL DOMESTIC INTEREST-BEARING DEPOSITS	201,455	5,521	3.66	204,080	5,589	3.66
Foreign interest-bearing deposits(4)						
Banks located in foreign countries	24,469	1,080	5.90	21,958	927	5.65
Governments and official institutions	10,597	447	5.64	11,152	451	5.40
Time, savings, and other	23,383	1,165	6.66	21,885	988	6.04
TOTAL FOREIGN INTEREST-BEARING DEPOSITS	58,449	2,692	6.16	54,995	2,366	5.75
TOTAL INTEREST-BEARING DEPOSITS	259,904	8,213	4.22	259,075	7,955	4.10
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	85,983	3,817	5.94	68,431	2,941	5.75
Trading account liabilities	18,577	730	5.25	14,664	697	6.36
Long-term debt (5)	49,359	2,501	6.76	46,144	2,332	6.74
TOTAL INTEREST-BEARING LIABILITIES (6)	413,823	15,261	4.93	388,314	13,925	4.79
NONINTEREST-BEARING SOURCES:						
Noninterest-bearing deposits	83,465			77,319		
Other liabilities	35,012			30,306		
Shareholders' equity	44,755			43,543		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$577,055			$539,482		
Net interest spread			2.95			3.31

Impact of noninterest-bearing sources		0.79		0.75
Net interest income/yield on earning assets	$ 13,811	3.74%	$ 13,991	4.06%

</TABLE>

(1) Nonperforming loans are included in the respective average loan balances. Income on such nonperforming loans is recognized on a cash basis.
(2) The average balance sheet amounts and yields on securities available for sale are based on the average of historical amortized cost balances.
(3) Interest income includes taxable-equivalent adjustments of $122 and $117 in 1998 and 1997, respectively. Interest income also includes the impact of risk management interest rate contracts, which increased interest income on the underlying linked assets $104 and $101 in 1998 and 1997, respectively.
(4) Primarily consists of time deposits in denominations of $100,000 or more.
(5) Long-term debt includes trust preferred securities.
(6) Interest expense includes the impact of risk management interest rate contracts, which increased (decreased) interest expense on the underlying linked liabilities $18 and $(7) in 1998 and 1997, respectively.

PROVISION FOR CREDIT LOSSES

The provision for credit losses totaled $1.41 billion and $2.41 billion for the third quarter and first nine months of 1998, respectively, compared to $489 million and $1.41 billion for the same periods in 1997. The increase in the provision for credit losses was due to the establishment of a $500 million reserve related to the expected impact of uncertainties in global economic conditions and volatility in US markets, a $372 million write-down of a credit to DE Shaw, a trading and investment firm (for additional information, see "Concentrations of Credit Risk", page 42), and increased net charge-offs. Net charge-offs totaled $902 million and $1.92 billion for the three months and nine months ended September 30, 1998, respectively, compared to $497 million and $1.36 billion for the same year-ago periods. For additional information on the allowance for credit losses, certain credit quality ratios and credit quality information on specific loan categories, see the "Allowance for Credit Losses" and "Concentrations of Credit Risk" sections.

GAINS ON SALES OF SECURITIES

Gains on sales of securities were $280 million and $613 million in the third quarter and first nine months of 1998, respectively, compared to $54 million and $160 million in the same year-ago periods. Securities gains were higher as a result of increased activity connected with the Corporation's overall risk management activities and favorable market conditions.

TABLE FIVE
NONINTEREST INCOME
<TABLE>
<CAPTION>

	THREE MONTHS ENDED SEPTEMBER 30		CHANGE		NINE MONTHS ENDED SEPTEMBER 30		CHANGE	
(DOLLARS IN MILLIONS)	1998	1997	AMOUNT	PERCENT	1998	1997	AMOUNT	PERCENT
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Service charges on deposit accounts	$ 855	$ 860	$ (5)	(0.6)%	$ 2,515	$ 2,505	$ 10	0.4%
Mortgage servicing and other mortgage-related income	(176)	97	(273)	(281.4)	12	298	(286)	(96.0)
Investment banking income	376	315	61	19.4	1,653	834	819	98.2
Trading account profits and fees	(529)	281	(810)	(288.3)	75	853	(778)	(91.2)

Brokerage income	198	71	127	178.9	566	222	344	155.0
Other nondeposit-related service fees	178	163	15	9.2	546	494	52	10.5
Asset management and fiduciary service fees	238	252	(14)	(5.6)	744	752	(8)	(1.1)
Credit card income	379	320	59	18.4	1,050	882	168	19.0
Other income	886	719	167	23.2	2,373	1,691	682	40.3
	$ 2,405	$ 3,078	$ (673)	(21.9)	$ 9,534	$ 8,531	$ 1,003	11.8

</TABLE>

NONINTEREST INCOME

As presented in Table Five, noninterest income decreased 22 percent to $2.41 billion in the third quarter of 1998 reflecting lower levels of income in trading account profits and fees and mortgage servicing and other mortgage-related income. Noninterest income increased 12 percent to $9.53 billion in the first nine months of 1998 reflecting higher levels of income from most categories, including investment banking income and brokerage income, as well as the acquisitions of Montgomery and Robertson Stephens.

- Mortgage servicing and other mortgage-related income decreased to $(176) million and to $12 million in the third quarter and first nine months of 1998, respectively, primarily due to a $250 million write-down of mortgage servicing rights caused primarily by a decline in interest rates and also an increase in prepayment rates. The average portfolio of loans serviced increased 5 percent from $207.4 billion in the first nine months of 1997 to $218.6 billion in the first nine months of 1998. Mortgage loan originations through the

Corporation's mortgage units increased from $25.0 billion in the first nine months of 1997 to $49.8 billion for the same period of 1998. Origination volume in the first nine months of 1998 was composed of approximately $25.5 billion of correspondent and wholesale loan volume and $24.3 billion of retail loan volume.

In conducting its mortgage production activities, the Corporation is exposed to interest rate risk for the period between loan commitment date and subsequent delivery date. To manage this risk, the Corporation enters into various financial instruments including forward delivery and option contracts. The notional amount of such contracts was approximately $9.3 billion on September 30, 1998 with associated net unrealized losses of $70 million. These contracts generally have an average expected maturity of less than 90 days. To manage risk associated with changes in prepayment rates and the impact on mortgage servicing rights, the Corporation uses various financial instruments including options and certain interest rate swaps. The notional amount of such contracts on September 30, 1998 was $21 billion with an associated net unrealized gain of $281 million.

- Investment banking income increased 19 percent to $376 million and 98 percent to $1.7 billion in the third quarter and first nine months of 1998, respectively, mainly reflecting changes in the levels of advisory, syndication and indemnity fees and the acquisitions of Montgomery and Robertson Stephens. Securities underwriting fees increased $49 million to $81 million for the third quarter of 1998 as a result of the Montgomery and Robertson Stephens acquisitions. Higher syndication fees were the result of 200 agent-only deals totaling $94.7 billion in the third quarter of 1998. Gains on principal investing activities (investing in equity or equity-related transactions) decreased $81 million in the third quarter of 1998 over the same period in 1997 due to a slow down in distributions from direct investments. Advisory services fees increased in the third quarter of 1998 by $48 million reflecting the impact of the Montgomery and Robertson Stephens acquisitions.

On August 31, 1998, the Corporation sold the investment banking operations of Robertson Stephens. Investment banking income by major business activity follows:

(DOLLARS IN MILLIONS)	THREE MONTHS ENDED SEPTEMBER 30 1998	1997	NINE MONTHS ENDED SEPTEMBER 30 1998	1997
INVESTMENT BANKING INCOME				
Syndications	$ 110	$ 55	$ 327	$ 168
Securities underwriting	81	32	518	114
Principal investment activities	78	159	496	386
Advisory services	76	28	244	76
Other	31	41	68	90
Total investment banking income	$ 376	$ 315	$1,653	$ 834

- Brokerage income increased $127 million and $344 million from the third quarter and first nine months of 1997 due mainly to the additions of Montgomery and Robertson Stephens as well as internal growth of 59 percent and 61 percent, respectively.

- Trading account profits and fees decreased $810 million and $778 million in the third quarter and first nine months of 1998, respectively. The decrease is primarily attributable to a write-down of Russian securities and losses in corporate bonds and mortgage products as spreads widened in the third quarter. Trading account profits and fees by major business activity follows:

(DOLLARS IN MILLIONS)	THREE MONTHS ENDED SEPTEMBER 30 1998	1997	NINE MONTHS ENDED SEPTEMBER 30 1998	1997
TRADING ACCOUNT PROFITS AND FEES				
Securities trading	$(646)	$ 98	$(600)	$ 318
Interest rate contracts	58	67	210	177
Foreign exchange contracts	51	106	436	322
Other	8	10	29	36
	$(529)	$ 281	$ 75	$ 853

- Asset management and fiduciary service fees decreased $14 million to $238 million in the third quarter of 1998 and decreased $8 million to $744 million for the first nine months of 1998, reflecting the impact of the third quarter 1997 sales of certain corporate and institutional trust businesses, which included businesses that provided administrative and record-keeping services for employee benefit plans.

- Other income totaled $886 million and $2.4 billion in the third quarter and first nine months of 1998, respectively, an increase of $167 million and $682 million over the same periods of 1997. The increase over the second quarter of 1998 and the first nine months of 1997 was due primarily to the gain from the sale of BankAmerica's manufactured housing business, partially offset by write-downs of an investment in KorAm Bank in South Korea. Other income includes: certain prepayment fees and other fees (such as net gains on sales of miscellaneous investments, business activities, premises and other similar items), net rental income on operating automobile leases, servicing and related fees from the Corporation's consumer finance business, insurance commissions and earnings and bankers' acceptances and letters of credit fees.

MERGER AND RESTRUCTURING ITEMS

In connection with the Merger, the Corporation incurred pre-tax merger and restructuring items during the third quarter of 1998 of approximately $725 million ($519 million after-tax). The merger and restructuring charge recognized certain employee termination benefits and other costs to exit redundant activities. Specifically, it included approximately $390 million for severance related to employees that have been identified as being impacted, management who have given notice related to change in control arrangements, and other related employee costs. The merger charge included $205 million for contract terminations and the writing off of supplies, signage, abandoned equipment and other assets where no future benefit is expected. Legal and investment banking costs of $130 million were factored into the charge. The Corporation anticipates recording additional merger and restructuring items during the fourth quarter of 1998 and in 1999. See NOTE TWO of the Notes to the Consolidated Financial Statements for additional information.

In connection with the Barnett merger during the first quarter of 1998, the Corporation incurred pretax merger and restructuring items of $900 million ($642 million after-tax). This cost included approximately $375 million primarily in severance and change in control payments, $300 million of conversion and related costs and occupancy and equipment expenses (primarily lease exit costs and the elimination of duplicate facilities and other capitalized assets), $125 million of exit costs related to contract terminations and $100 million of other Barnett merger costs (including legal and investment banking fees).

During the second quarter of 1998, the Corporation divested 67 Florida branches, resulting in a net total pre-tax gain of approximately $430 million ($277 million after-tax). These divestiture gains are included in Merger and Restructuring items expense, resulting in pre-tax merger and restructuring items related to the Barnett merger of $470 million ($365 million after-tax) for the nine months ended September 30, 1998.

<TABLE>
<CAPTION>

TABLE SIX
OTHER NONINTEREST EXPENSE

	THREE MONTHS ENDED SEPTEMBER 30		CHANGE		NINE MONTHS ENDED SEPTEMBER 30		CHANGE	
(DOLLARS IN MILLIONS)	1998	1997	AMOUNT	PERCENT	1998	1997	AMOUNT	PERCENT
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Personnel	$ 2,246	$ 2,118	$ 128	6.0%	$ 7,111	$ 6,350	$ 761	12.0%
Occupancy, net	427	433	(6)	(1.4)	1,230	1,184	46	3.9
Equipment	346	351	(5)	(1.4)	1,020	1,036	(16)	(1.5)
Marketing	143	173	(30)	(17.3)	446	483	(37)	(7.7)
Professional fees	206	189	17	9.0	610	514	96	18.7
Amortization of intangibles	224	214	10	4.7	679	631	48	7.6
Data processing	195	153	42	27.5	560	446	114	25.6
Telecommunications	142	122	20	16.4	411	360	51	14.2
Other general operating	503	537	(34)	(6.3)	1,509	1,523	(14)	(0.9)
General administrative and miscellaneous	144	116	28	24.1	436	338	98	29.0
	$ 4,576	$ 4,406	$ 170	3.9	$14,012	$12,865	$ 1,147	8.9

</TABLE>

OTHER NONINTEREST EXPENSE

As presented in TABLE SIX, the Corporation's other noninterest expense increased 4 percent and 9 percent to $4.6 billion and $14.0 billion in the third quarter and first nine months of 1998, respectively, over the same periods of 1997. Excluding acquisitions and related transition expenses, other noninterest expense increased 1 percent and 4 percent in the third quarter and the first nine months of 1998, respectively, over comparable periods in 1997.

A discussion of the significant components of other noninterest expense in the third quarter and the first nine months of 1998 compared to other noninterest expense for the same periods in 1997 follows:

- Personnel expense increased $128 million and $761 million in the third quarter and first nine months of 1998, respectively, over the comparable 1997 periods due mainly to the addition of Montgomery, Robertson Stephens and NationsBanc Auto Leasing. Excluding these acquisitions, personnel expense was essentially unchanged. On September 30, 1998, the Corporation had approximately 175,000 full-time equivalent employees compared to approximately 181,000 full-time equivalent employees on December 31, 1997.

- Professional fees increased $17 million and $96 million in the third quarter and first nine months of 1998, respectively, over the comparable 1997 periods mainly due to systems conversions and increases in outside legal and consulting services.

- Intangibles amortization expense increased to $224 million in the third quarter and $679 million in the first nine months of 1998, reflecting the impact of the Montgomery, Robertson Stephens and NationsBanc Auto Leasing transactions.

- Data processing expense increased $42 million and $114 million in the third quarter and first nine months of 1998, respectively, over the comparable 1997 periods due to increased processing costs associated with the Montgomery and Robertson Stephens acquisitions.

- Telecommunications expense increased $20 million and $51 million in the third quarter and first nine months of 1998, respectively, over the comparable 1997 periods, mainly due to the Barnett transition efforts, expenses related to Model Bank implementation in the West and increased call volume.

- General administrative and miscellaneous expense increased $28 million and $98 million in the third quarter and first nine months of 1998, respectively, due to the addition of Montgomery and Robertson Stephens.

YEAR 2000 PROJECT

General

Because computers frequently use only two digits to recognize years, on January 1, 2000, many computer systems, as well as equipment that uses embedded computer chips, may be unable to distinguish between 1900 and 2000. If not remediated, this problem could create system errors and failures resulting in the disruption of normal business operations. Since the Year 2000 is a leap year, there could also be business disruptions as a result of the inability of many computer systems to recognize February 29, 2000.

In October 1995 and February 1996, respectively, NationsBank and BankAmerica established project teams to address these issues. Each of these teams remains in place and continues to work on solving problems related to the Year 2000. Although each of these Year 2000 teams will proceed according to its respective work plan, they will capitalize on the best practices of both teams.

Personnel from the Corporation's business segments and project teams are identifying, analyzing, correcting and testing computer systems throughout the Corporation ("Systems"). Personnel are also taking inventory of equipment that uses embedded computer chips (i.e., "non-information technology systems" or "Infrastructure") and scheduling remediation or replacement of this Infrastructure, as necessary. Examples of Infrastructure include ATMs, building security systems, fire alarm systems, identification and access cards, date stamps and elevators.

The NationsBank team tracks Systems and Infrastructure separately, whereas the BankAmerica team tracks Systems and Infrastructure collectively ("Projects"). For purposes of this section, the information provided for Systems and Projects is generally provided on a combined basis.

State of Readiness
The Corporation's Year 2000 efforts are generally divided into phases for analysis, remediation, testing and compliance. In the analysis phase, the Corporation identifies Systems/Projects and Infrastructure that have Year 2000 issues and determines the steps necessary to remediate these issues. In the remediation phase, the Corporation replaces, modifies or retires Systems/Projects or Infrastructure, as necessary. During the testing phase, the Corporation performs testing to ensure that the remediated Systems/Projects and Infrastructure accurately process and identify dates. In the compliance phase, the Corporation internally certifies the Systems/Projects and Infrastructure that are Year 2000 compliant and implements processes to ensure that the compliant Systems/Projects and Infrastructure will continue to identify and process dates accurately through the Year 2000 and thereafter.

As of September 30, 1998, the NationsBank team has identified over 1,500 Systems, and the BankAmerica team has identified approximately 2,900 Projects, for a total of approximately 4,400 Systems/Projects. In addition, the NationsBank team has identified over 19,000 Infrastructure items that may have Year 2000 implications. For Systems/Projects, as of September 30, 1998, the analysis phase was substantially complete, the remediation phase was approximately 95% complete, the testing phase was approximately 74% complete and the compliance phase was approximately 65% complete. For Infrastructure, as of September 30, 1998, the analysis phase was approximately 80% complete, the remediation phase was approximately 64% complete, the testing phase was approximately 70% complete and the compliance phase was approximately 47% complete. The Corporation expects to substantially complete all phases by June 30, 1999, in accordance with guidelines established by the Federal Financial Institutions Examination Council (FFIEC).

The Corporation tracks Systems/Projects and Infrastructure for Year 2000-required changes based on a risk evaluation. Of the identified Systems/Projects and Infrastructure, approximately 1,900 Systems/Projects and 1,800 Infrastructure items have been designated "mission critical" (i.e., if not made Year 2000 compliant, these Systems/Projects or Infrastructure items would impact the normal conduct of business). For mission critical Systems/Projects, as of September 30, 1998, the analysis phase was substantially complete, the remediation phase was approximately 97% complete, the testing phase was approximately 74% complete and the compliance phase was approximately 65% complete. The Corporation will also perform "time machine testing" (i.e., emulate Year 2000 conditions in a dedicated environment) on selected mission critical Systems. For mission critical Infrastructure items, as of September 30, 1998, the analysis phase was approximately 89% complete, the remediation phase was approximately 34% complete, the testing phase was approximately 43% complete and the compliance phase was approximately 17% complete.

Ultimately, the potential impact of Year 2000 issues will depend not only on the corrective measures the Corporation undertakes, but also on the way in which Year 2000 issues are addressed by governmental agencies, businesses and other entities which provide data to, or receive data from, the Corporation, or whose financial condition or operational capability is important to the Corporation as borrowers, vendors, customers or investment opportunities (either for the Corporation's accounts or for the accounts of others). Accordingly, the Corporation is communicating with certain of these parties to evaluate any potential impact on the Corporation.

In particular, the Corporation is contacting its service providers and software vendors (collectively, "Vendors") and requesting information on their Year 2000 project plans. Any Vendor which has not provided appropriate documentation, has not responded timely to the Corporation's inquiries or does not expect to be compliant until 1999 is placed in an "at risk" category. As of September 30, 1998, the Corporation has received assurances that approximately 61% of its Vendors, and approximately 75% of its mission critical Vendors, are Year 2000 ready. As of September 30, 1998, the Corporation has placed approximately 17% of its Vendors, and approximately 8% of its mission critical Vendors, in an "at risk" category. In accordance with its contingency plans, the Corporation will be focusing on these "at risk" mission critical Vendors during the fourth quarter of 1998 in order to mitigate any potential risk.

In addition, the Corporation has completed Year 2000 risk assessments for the majority of its commercial credit customers. For any customers deemed higher risk, on a quarterly basis, the Corporation's Credit Review Committee reviews the results of customer assessments prepared by the customers' relationship managers. Weakness in a borrower's Year 2000

strategy is part of the overall risk assessment process. Risk ratings and exposure strategy are adjusted as required after consideration of all risk issues. Any impact on the allowance for credit losses is determined through the normal risk rating process.

The Corporation is also assessing potential Year 2000 risks associated with its investment advisory and fiduciary activities. Each investment subsidiary has a defined investment process and is integrating the consideration of Year 2000 issues into that process. When making investment decisions or recommendations, the Corporation's investment research areas consider the Year 2000 issue as a factor in their analysis, and may take certain steps to investigate Year 2000 readiness, such as reviewing ratings, research reports and other publicly available information. In the fiduciary area, the Corporation is assessing Year 2000 risks for business interests, real estate, and mineral interests that are held in Trust.

Costs

The Corporation currently estimates the total cost of the Year 2000 project to be approximately $550 million. Of this amount, the Corporation has incurred cumulative Year 2000 costs of approximately $353 million through September 30, 1998. A significant portion of the foregoing cost is not expected to be incremental to the Corporation but instead will constitute a reallocation of existing internal systems technology resources and, accordingly, will be funded from normal operations.

Contingency Plans

The Corporation has existing business continuity plans that address its response to disruptions to business due to natural disasters, civil unrest, utility outages or other occurrences. The Corporation is developing business continuity plans specific to Year 2000 issues that are based on these existing plans.

The Corporation has made substantial progress on an inventory and assessment of the existing business contingency plans. Supplements to the existing plans to address Year 2000 issues are in various stages of development and will include detailed plans to respond to these events. The Corporation intends to complete these supplemental business continuity plans by January 31, 1999. During the remainder of 1999, the business continuity plans will be tested and validated with particular attention to event management and communication processes.

Risks

Although the Corporation's remediation efforts are directed at reducing its Year 2000 exposure, there can be no assurance that these efforts will fully mitigate the effect of Year 2000 issues. In the event the Corporation fails to identify or correct a material Year 2000 problem, there could be disruptions in normal business operations, which could have a material adverse effect on the Corporation's results of operations, liquidity or financial condition. In addition, there can be no assurance that significant foreign and domestic third parties will adequately address their

Year 2000 issues. Further, there may be some such parties, such as governmental agencies, utilities, telecommunication companies, financial services vendors and other providers, where alternative arrangements or resources are not available. Also, risks associated with some foreign third parties may be greater since there is general concern that some entities operating outside the United States are not addressing Year 2000 issues on a timely basis.

In addition to the foregoing, the Corporation is subject to credit risk to the extent borrowers fail to adequately address Year 2000 issues, to fiduciary risk to the extent fiduciary assets fail to adequately address Year 2000 issues, and to liquidity risk to the extent of deposit withdrawals and to the extent its lenders are unable to provide the Corporation with funds due to Year 2000 issues. Although it is not possible to quantify the potential impact of these risks at this time, in future years, there may be increases in problem loans, credit losses, losses in the fiduciary business and liquidity problems, as well as the risk of litigation and potential losses from litigation related to the foregoing.

Forward-looking statements contained in the foregoing "Year 2000 Project" section should be read in conjunction with the cautionary statements included in the introductory paragraphs under "Management's Discussion and Analysis of Results of Operations and Financial Condition" on pages 17 and 18.

ECONOMIC AND MONETARY UNIT IN EUROPE (EMU)

On January 1, 1999, 11 member countries of the European Union will launch a common legal currency called the Euro. The new European Central Bank will direct monetary policy, including the money supply and official interest rates for the Euro. During the transition period, January 1, 1999 through January 1, 2002, the old national currencies will remain legal tender as denominations of the Euro. Beginning January 1, 2002, Euro denominated bills and coins will be issued for use in cash transactions, and by July 1, 2002, all legacy currencies will cease to be legal tender. The Corporation is continuing to assess the long-term competitive implications of the Euro conversion.

The Corporation has had a dedicated EMU project team in place since the Fall of 1997 to address operational risks resulting from the formation of the EMU and to ensure that the Corporation's technology and operations are appropriately modified by January 1, 1999. Although management expects EMU to have the most significant impact on the Corporation's European payment and clearing systems and operations, the project team is addressing the impact of the Euro on the systems and business operations of all areas of the Corporation that deal with currencies, debt or equity instruments in any of the participating EMU countries.

The Corporation has completed the assessment phase of its Euro transition plan and is engaged in thorough testing of the systems and processes affected by EMU. Management currently expects the testing plan to be completed on schedule. The Corporation is also communicating extensively with its clients and counterparties regarding the implications of EMU and the effect it will have on their business relationships and contracts with the Corporation. The Corporation expects to be prepared for EMU by the end of the fourth quarter of 1998.

Incomplete or untimely resolution of systems modifications required in connection with EMU could result in missed business opportunities, disruptions in the Corporation's payment and clearing systems, as well as erroneous or incomplete entries in the Corporation's books and records, which could ultimately cause a material loss. Furthermore, the Corporation is dependent on the successful implementation of conversion procedures by many third parties. Errors arising in these third parties' systems could also lead to disruptions in the Corporation's payment and clearing operations and other activities and could cause errors and omissions in the Corporation's records.

As part of the transition process, the Corporation is establishing contingency plans. The contingency plans provide a means to assess and communicate the impact of any Euro-related delays. These plans also address likely problems following conversion in order to maximize the Corporation's ability to avoid disruptions.

Costs associated with the Euro conversion are being expensed by the Corporation during the period in which they are incurred and are not currently anticipated to be material. The Corporation does not expect the formation of the EMU to have a material impact on its results of operations or financial condition.

Forward-looking statements contained in the foregoing "Economic and Monetary Unit in Europe" section should be read in conjunction with the cautionary statements included in the introductory paragraphs under "Management's Discussion and Analysis of Results of Operations and Financial Condition" on Page 17.

INCOME TAXES

The Corporation's income tax expense for the third quarter and first nine months of 1998 was $42 million and $2.2 billion, respectively. Excluding merger and restructuring items, the effective tax rates for the third quarter and first nine months of 1998 were 22 percent and 34 percent, respectively. Income tax expense for the third quarter and first nine months of 1997 was $1.1 billion and $3.1 billion, respectively, for an effective tax rate of 38 percent for both periods. The reduction in the effective tax rate from 1997 to 1998 is due primarily to the reorganization of certain real estate subsidiaries of the Corporation in 1998.

BALANCE SHEET REVIEW AND LIQUIDITY RISK MANAGEMENT

The Corporation utilizes an integrated approach in managing its balance sheet which includes management of interest rate sensitivity, credit risk, liquidity risk and capital position. The average balances discussed below can be derived from Table Four. The following discussion addresses changes in average balances for the first nine months of 1998 compared to the same period in 1997.

Average levels of customer-based funds for the first nine months of 1998 increased $3.5 billion to $284.9 billion compared to average levels for the first nine months of 1997. As a percentage of total sources, average levels of customer-based funds in the first nine months of 1998 decreased to 49 percent compared to 52 percent for the same period in 1997.

Average levels of market-based funds increased $24.9 billion to $163.0 billion in the first nine months of 1998 and comprised a larger portion of total sources of funds at approximately 28 percent in the first nine months of 1998 compared to approximately 26 percent during the same period in 1997. In addition, 1998 average levels of long-term debt increased by $3.2 billion over average levels during the same nine month period in 1997, mainly the result of borrowings to fund business development opportunities and to replace debt maturities.

Average loans and leases, the Corporation's primary use of funds, decreased $397 million to $343.4 billion during the first nine months of 1998. As a percentage of total uses of funds, average loans and leases for the first nine months of 1998 decreased to 60 percent from 64 percent during the same period in 1997. The decrease in average loans and leases was due primarily to approximately $19.3 billion of securitizations in 1997, which mainly took place in the third quarter. The ratio of average loans and leases to average customer-based funds was 121 percent in 1998 and 122 percent in 1997.

The average securities portfolio in the first nine months of 1998 increased $20.7 billion over 1997 levels, amounting to 11 percent of total uses of funds in 1998 compared to 8 percent in the first nine months of 1997. See the following "Securities" section for additional information on the securities portfolio.

Average other assets and cash and cash equivalents increased $5.5 billion to $83.2 billion in the first nine months in

1998 due largely to an increase in unrealized gains on off-balance sheet instruments associated with interest rate fluctuations, goodwill associated mainly with the Montgomery acquisition and the April 1, 1997 acquisition of NationsBanc Auto Leasing.

Cash and cash equivalents were $24.7 billion on September 30, 1998 compared to $26.0 billion on December 31, 1997. During the first nine months of 1998, net cash provided by operating activities was $6.7 billion, net cash used in investing activities was $30.2 billion and net cash provided by financing activities was $19.8 billion. For further information on cash flows, see the Consolidated Statement of Cash Flows in the Consolidated Financial Statements.

Liquidity is a measure of the Corporation's ability to fulfill its cash requirements and is managed by the Corporation through its asset and liability management process. The Corporation monitors its assets and liabilities and modifies these positions as liquidity requirements change. This process, coupled with the Corporation's ability to raise capital and debt financing, is designed to cover the liquidity needs of the Corporation. Management believes the Corporation's sources of liquidity are more than adequate to meet its cash requirements.

The following discussion provides an overview of significant on- and off-balance sheet components.

- --

SECURITIES

The securities portfolio on September 30, 1998 consisted of securities held for investment totaling $4.2 billion and securities available for sale totaling $68.0 billion compared to $4.8 billion and $62.2 billion, respectively, on December 31, 1997. The increase in available for sale securities reflects the Corporation's increased positions and the strong demand for U.S. Treasuries which led to a significant increase in the value of such securities.

On September 30, 1998 and December 31, 1997, the market value of the Corporation's securities held for investment reflected net unrealized depreciation of $245 million and net unrealized appreciation of $83 million, respectively, due to a portfolio of Brady bonds.

The valuation reserve for securities available for sale, marketable equity securities and certain servicing assets increased shareholders' equity by $928 million on September 30, 1998, primarily reflecting pre-tax net appreciation of $1.4 billion on debt securities and $68 million on marketable equity securities. The valuation reserve increased shareholders' equity by $545 million on December 31, 1997.

The estimated average duration of securities held for investment and securities available for sale portfolios were 3.2 years and 4.7 years, respectively, on September 30, 1998 compared with 6.47 years and 6.02 years, respectively, on December 31, 1997. The decrease in the average expected duration of the available for sale portfolio is attributable to purchases of securities during the third quarter of 1998 with shorter average duration than the weighted average duration of securities owned on December 31, 1997.

- --

ALLOWANCE FOR CREDIT

The Corporation's allowance for credit losses was $7.2 billion, or 2.05 percent of net loans, Losses leases, and factored accounts receivable on September 30, 1998 compared to $6.8 billion, or 1.98 percent, on December 31, 1997.

TABLE SEVEN provides an analysis of the changes in the allowance for credit losses. During the third quarter of 1998, higher commercial - domestic loan net charge-offs caused the $405 million increase in total net charge-offs, which amounted to $902 million, or 1.03 percent of average loans, leases and factored accounts receivable compared to $497 million, or .57 percent, for the same period in 1997. Net charge-offs increased $563 million to $1.9 billion in the first nine months of 1998 or .75 percent of average loans, leases and factored accounts receivable, compared to net charge-offs of $1.4 billion or .53 percent, for the first nine months of 1997.

Excluding increases that resulted from recent acquisitions, management expects charge-offs in general to increase modestly throughout the remainder of 1998. Furthermore, future economic conditions also will impact credit quality and may result in increased net charge-offs and higher provision for credit losses.

TABLE SEVEN
ALLOWANCE FOR CREDIT LOSSES
<TABLE>
<CAPTION>

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
(DOLLARS IN MILLIONS)	1998	1997	1998	1997
<S>	<C>	<C>	<C>	<C>
Beginning Balance	$ 6,731	$ 6,835	$ 6,778	$ 6,316
Loans, leases and factored accounts receivable charged off				
Commercial - domestic	(448)	(107)	(569)	(206)
Commercial - foreign	(107)	2	(196)	(8)
Commercial real estate - domestic	(5)	(11)	(18)	(35)
Commercial real estate - foreign	--	--	--	--
Total commercial	(560)	(116)	(783)	(249)
Residential mortgage	(8)	(12)	(24)	(40)
Home equity lines	(6)	(9)	(21)	(27)
Direct/Indirect consumer	(125)	(142)	(409)	(420)
Consumer finance	(147)	(104)	(445)	(305)
Bankcard (including private label)	(192)	(282)	(672)	(786)
Other consumer domestic	(1)	--	(1)	(11)
Foreign consumer	(2)	(2)	(8)	(7)
Total consumer	(481)	(551)	(1,580)	(1,596)
Factored accounts receivable	(2)	(4)	(8)	(16)
Total loans, leases and factored accounts receivable charged off	(1,043)	(671)	(2,371)	(1,861)
Recoveries of loans, leases and factored accounts receivable previously charged off				
Commercial - domestic	18	32	65	95
Commercial - foreign	1	8	19	20
Commercial real estate - domestic	6	11	18	39
Commercial real estate - foreign	--	--	--	--
Total commercial	25	51	102	154
Residential mortgage	--	--	3	4
Home equity lines	3	2	7	6
Direct/Indirect consumer	38	40	117	112
Consumer finance	49	35	138	117
Bankcard (including private label)	22	44	72	101
Other consumer domestic	--	--	--	--
Foreign consumer	(1)	--	1	1
Total consumer	111	121	338	341
Factored accounts receivable	5	2	8	6
Total recoveries of loans, leases and factored accounts receivable previously charged off	141	174	448	501

Net charge-offs	(902)	(497)	(1,923)	(1,360)
Provision for credit losses	1,405	489	2,410	1,406
Allowance applicable to loans of purchased companies and other	(19)	(57)	(50)	408
Balance on September 30	$ 7,215	$ 6,770	$ 7,215	$ 6,770
Loans, leases and factored accounts receivable, net of unearned income, outstanding end of period	$ 351,982	$ 336,293	$ 351,982	$ 336,293
Allowance for credit losses as a percentage of loans, leases and factored accounts receivable, net of unearned income, outstanding end of period	2.05%	2.01 %	2.05%	2.01%
Average loans, leases and factored accounts receivable, net of unearned income, outstanding during the period	$ 348,785	$ 343,970	$ 344,538	$ 344,927
Net charge-offs as a percentage of average loans, leases and factored accounts receivable, net of unearned income, outstanding during the period	1.03%	0.57 %	0.75%	0.53%
Allowance for credit losses as a percentage of nonperforming loans	314.55	304.87	314.55	304.87

</TABLE>

<TABLE>
<CAPTION>
TABLE EIGHT
NONPERFORMING ASSETS

(DOLLARS IN MILLIONS)	SEPTEMBER 30 1998	JUNE 30 1998	MARCH 31 1998	DECEMBER 31 1997	SEPTEMBER 30 1997
<S>	<C>	<C>	<C>	<C>	<C>
NONPERFORMING LOANS					
Commercial - domestic	$ 717	$ 646	$ 762	$ 563	$ 698
Commercial - foreign	288	347	272	155	111
Commercial real estate - domestic	303	306	355	342	430
Commercial real estate - foreign	3	3	3	2	2
Total commercial	1,311	1,302	1,392	1,062	1,241
Residential mortgage	690	669	733	744	734
Home equity lines	46	45	53	52	59
Direct/Indirect consumer	38	33	35	43	35
Consumer finance	209	187	200	210	151
Bankcard (including private label)	--	--	--	--	--
Foreign consumer	--	8	7	--	1
Total consumer	983	942	1,028	1,049	980
Total nonperforming loans	2,294	2,244	2,420	2,111	2,221
FORECLOSED PROPERTIES	288	282	270	309	384
Total nonperforming assets	$2,582	$2,526	$2,690	$2,420	$2,605
Nonperforming assets as a percentage of:					
Total assets	0.43%	0.44%	0.46%	0.42%	0.48%
Loans, leases and factored accounts receivable, net of unearned income, and foreclosed properties	0.73	0.73	0.79	0.71	0.77
Loans past due 90 days or more and not classified as nonperforming	$ 540	$ 539	$ 534	$ 613	$ 566

</TABLE>

NONPERFORMING ASSETS

As presented in TABLE EIGHT, on September 30, 1998, nonperforming assets were $2.6 billion, or .73 percent of net loans, leases, factored accounts receivable and foreclosed properties, compared to $2.4 billion, or .71 percent, on December 31, 1997. Nonperforming loans increased to $2.3 billion on September 30, 1998 from $2.1 billion on December 31, 1997. The increase was due primarily to commercial nonperforming loans. The allowance coverage of nonperforming loans was 315 percent on September 30, 1998 compared to 321 percent on December 31, 1997.

CONCENTRATIONS OF CREDIT RISK

In an effort to minimize the adverse impact of any single event or set of occurrences, the Corporation strives to maintain a diverse credit portfolio. The following section discusses credit risk in the loan portfolio, including net charge-offs by loan categories as presented in TABLE NINE.

<TABLE>
<CAPTION>

TABLE NINE
NET CHARGE-OFFS IN DOLLARS AND AS A PERCENTAGE OF AVERAGE LOANS OUTSTANDING

	THREE MONTHS ENDED SEPTEMBER 30				NINE MONTHS ENDED SEPTEMBER 30			
(DOLLARS IN MILLIONS)	1998		1997		1998		1997	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Commercial - domestic	$ 430	1.30%	$ 75	0.26%	$ 504	0.53%	$ 111	0.13%
Commercial - foreign	106	1.35	(10)	(0.14)	177	0.78	(12)	(0.06)
Commercial real estate - domestic	(1)	(0.01)	--	--	--	--	(4)	(0.02)
Commercial real estate - foreign	--	--	--	--	--	--	--	--
Total commercial	535	1.11	65	0.15	681	0.49	95	0.07
Residential mortgage	8	0.04	12	0.06	21	0.04	36	0.06
Home equity lines	3	0.07	7	0.18	14	0.12	21	0.20
Direct/Indirect consumer	87	0.87	102	1.03	292	0.97	308	1.05
Consumer finance	98	2.74	69	1.97	307	2.86	188	1.83
Bankcard (including private label)	170	5.29	238	5.99	600	6.05	685	5.62
Other consumer domestic	1	N/M	--	--	1	N/M	11	N/M
Foreign consumer	3	0.34	2	0.23	7	0.28	6	0.24
Total consumer	370	0.94	430	1.01	1,242	1.05	1,255	0.99
Factored accounts receivable	(3)	(0.97)	2	0.66	--	--	10	1.15
Total net charge-offs	$ 902	1.03	$ 497	0.57	$ 1,923	0.75	$1,360	0.53
SELECTED MANAGED NET CHARGE-OFFS AND RATIOS:								
Managed credit cards	$ 312	5.99%	$ 314	6.31%	$ 983	6.42%	$ 888	5.98 %

Managed other consumer loans	7	N/M	5	N/M	19	N/M	34	N/M

Net charge-offs for each loan type are calculated as a percentage of average outstanding or managed loans for each loan category.
Total net charge-offs are calculated based on total average outstanding loans, leases and factored accounts receivable.
N/M = Not meaningful

TABLE TEN
REAL ESTATE COMMERCIAL LOANS, FORECLOSED PROPERTIES AND OTHER REAL ESTATE CREDIT EXPOSURES

SEPTEMBER 30, 1998 (DOLLARS IN MILLIONS)	LOANS (1) OUTSTANDING	LOANS (1) NONPERFORMING	FORECLOSED PROPERTIES (2)	OTHER CREDIT EXPOSURES (3)
BY GEOGRAPHIC REGION (4):				
California	$ 7,837	$ 26	$ 66	$ 841
Southwest	3,727	23	12	182
Midwest	3,277	31	15	99
Northwest	3,126	46	--	20
Midatlantic	2,472	45	10	249
Florida	2,002	60	12	302
Midsouth	1,524	18	6	158
Carolinas	1,148	18	8	410
Other states	4,234	36	17	360
Non-US	333	3	--	--
	$29,680	$ 306	$ 146	$ 2,621
BY PROPERTY TYPE:				
Apartments	$ 5,132	$ 20	$ 2	$ 721
Office buildings	5,250	31	3	166
Residential	2,673	43	14	38
Shopping centers/retail	3,562	67	9	382
Unsecured	1,140	3	--	236
Industrial/warehouse	2,848	19	6	60
Hotels/motels	1,707	8	12	160
Land and land development	1,205	25	52	317
Multiple use	963	6	13	2
Miscellaneous commercial	601	9	18	12
Resorts/golf courses	124	2	--	--
Non-US	333	3	--	--

Other	4,142	70	17	527
	$29,680	$ 306	$ 146	$ 2,621

</TABLE>

(1) On September 30, 1998, the Corporation had unfunded binding real estate commercial loan commitments.
(2) Foreclosed properties include commercial real estate loans only.
(3) Other credit exposures include letters of credit and loans held for sale.
(4) Distribution based on geographic location of collateral.

Real Estate - Total commercial real estate - domestic loans, the portion of such loans which are nonperforming, foreclosed properties and other credit exposures are presented in Table Ten.

Commercial real estate - domestic loans totaled $29.3 billion and $28.6 billion on September 30, 1998 and December 31, 1997, respectively, or 8 percent of net loans, leases and factored accounts receivable for both periods. Commercial real estate domestic loans past due 90 days or more and still accruing interest were $17 million, or .06 percent of commercial real estate - domestic loans, on both September 30, 1998 and December 31, 1997.

<TABLE>
<CAPTION>
TABLE ELEVEN
SELECTED INDUSTRY LOANS AND LEASES NET OF UNEARNED INCOME

SEPTEMBER 30, 1998 (DOLLARS IN MILLIONS)	OUTSTANDING
<S>	<C>
Transportation	$ 9,882
Oil and gas	8,994
Media	8,468
Equipment and general manufacturing	8,250
Agribusiness	7,644
Health care	7,336
Business services	6,984
Retail	6,893
Automotive	6,170
Securities industry	6,126

</TABLE>

Other Industries - Table Eleven presents selected industry credit exposures, commercial loans, factored accounts receivable and lease financings. On September 30, 1998, commercial - domestic loans outstanding totaled $132.3 billion, or 38 percent of net loans, leases and factored accounts receivable, and $121.4 billion, or 36 percent, on December 31, 1997. Average managed commercial - domestic loans were $135.7 billion and $131.2 billion for the three months and nine months ended September 30, 1998, respectively. Commercial - domestic loan net charge-offs for the nine months ended September 30, 1998 and 1997 were $503.6 million, or .40 percent of average commercial domestic loans, and $111.2 million, or .10 percent of average commercial - domestic loans, respectively. Higher commercial - domestic loan net charge-offs were primarily the result of a $372 million write-down of a credit to DE Shaw, a trading and investment firm, to which a banking subsidiary of the Corporation had outstanding credit balances of approximately $1.4 billion as of September 30, 1998. On October 13, 1998, the Corporation entered into an agreement with this firm providing for the purchase by a banking subsidiary of the Corporation of approximately $20 billion of fixed-income securities along with the related hedge positions (the "purchased portfolio") and a modification of certain terms of the outstanding loans to such firm to provide, among other things, for an accelerated schedule of repayment. Positions in DE Shaw and the purchased portfolio will be marked-to-market and reflected in earnings currently on an ongoing basis. Markets continue to be volatile, and the Corporation anticipates that it may likely recognize additional losses with respect to the positions in DE Shaw and the purchased portfolio, relating to deterioration occurring in the market prices of such positions and the purchased portfolio, the scope of which will be dependent upon the magnitude of such deterioration. Forward-looking statements contained in this section should be read in conjunction with the cautionary statements included in the introductory paragraphs under "Managements Discussion and Analysis of Results of Operations and Financial Condition" on page 17.

Commercial - domestic loans past due 90 days or more and still accruing interest were $87 million, or .07 percent of commercial - domestic loans, on September 30, 1998 compared to $52 million, or .04 percent, on December 31, 1997. Nonperforming commercial - domestic loans were $717 million, or .54 percent of commercial - domestic loans, on September 30, 1998, compared to $563 million, or .46 percent, on December 31, 1997.

Consumer - On September 30, 1998 and December 31, 1997, total domestic consumer loans outstanding totaled $151.2 billion, or 43 percent of net loans, leases and factored accounts receivable, and $157.6 billion, or 46 percent of net loans, leases and factored accounts receivable, respectively. Total domestic consumer net charge-offs during the nine months ended September 30, 1998 and 1997 remained fairly constant with lower levels of bankcard net charge-offs offset by higher consumer finance net charge-offs, the result of net charge-offs associated with a sub-prime auto lending portfolio, which the Corporation is allowing to run off.

Average residential mortgage loans were $70.6 billion and $70.1 billion, respectively, for the three months and nine months ended September 30, 1998 compared to $80.5 billion and $83.1 billion for the same periods in 1997, reflecting the impact of approximately $9.6 billion of mortgage loan securitizations that occurred primarily during the third quarter of 1997 and $4.2 billion of mortgage loan securitizations in the first nine months of 1998.

Average managed bankcard receivables (excluding private label bankcards) were $20.7 billion and $20.5 billion, respectively, for the three months and nine months ended September 30, 1998 compared to $19.8 billion and $19.9 billion for the same prior year periods. Although net charge-offs for the first nine months of 1998 are higher when compared to the same year-ago period, they have decreased to 5.99 percent of average managed bankcard (excluding private label) for the third quarter of 1998 compared to 6.58 percent for the fourth quarter of 1997.

Average other consumer loans, which include direct and indirect consumer loans and home equity lines, as well as indirect auto loan and consumer finance for the third quarter and first nine months of 1998, were $69.8 billion and $70.7 billion, respectively, compared to $68.4 billion and $67.1 billion for the same periods in 1997. The increase was net of the impact of approximately $3.4 billion of securitizations that occurred throughout 1997 and $2.2 billion of securitizations in the first nine months of 1998. Average managed other consumer loans increased to $80.1 billion and $80.4 billion in the third quarter and first nine months of 1998, respectively, compared to $74.4 billion and $73.5 billion in the same periods of 1997.

Total consumer loans past due 90 days or more and still accruing interest were $397 million, or .26 percent of total consumer loans, on September 30, 1998 compared to $541 million, or .34 percent, on December 31, 1997. Total domestic consumer nonperforming loans were $983 million, or .65 percent of total domestic consumer loans and $1.0

billion, or .67 percent on September 30, 1998 and December 31, 1997, respectively.

Regional Foreign Exposures - Through its credit and market risk management activities, the Corporation has been monitoring those countries that have been negatively impacted by increasing global economic pressure. This includes monitoring those Pacific Rim countries that are currently experiencing currency and other economic problems, as well as the Russia Federation and Brazil which are also experiencing similar problems.

In connection with its efforts to maintain a diversified portfolio, the Corporation limits its exposure to any one geographic region or country and monitors this exposure on a continuous basis. Table Twelve sets forth selected cross-border regional exposures as of September 30, 1998 and December 31, 1997, including net local currency assets. Exposure represents loans, securities including restructured debt, and other monetary assets, and also includes net local currency monetary assets that have not been funded through local currency borrowings. On September 30, 1998 and December 31, 1997, foreign exposure to these regions totaled $36.5 billion and $42.7 billion, respectively.

<TABLE>
<CAPTION>
TABLE TWELVE
REGIONAL FOREIGN EXPOSURE

	SEPTEMBER 30, 1998				DECEMBER 31, 1997
(DOLLARS IN MILLIONS) REGION/COUNTRIES	TOTAL EXPOSURE(1)	CROSS-BORDER LOANS	GROSS LOCAL COUNTRY CLAIMS(2)	OTHER(3)	TOTAL EXPOSURE
ASIA					
China	$ 455	$ 174	$ 141	$ 140	$ 730
Hong Kong	5,054	76	4,646	332	5,440
India	2,646	443	1,709	494	2,073
Indonesia	756	368	222	166	1,307
Japan	4,146	241	2,070	1,835	6,849
Korea (South)	2,298	704	473	1,121	3,689
Malaysia	861	7	803	51	1,102
Pakistan	307	8	250	49	451
Philippines	799	288	333	178	674
Singapore	2,254	134	1,661	459	2,124
Taiwan	1,853	392	1,307	154	1,885
Thailand	977	152	604	221	1,734
Other	75	--	71	4	79
	22,481	2,987	14,290	5,204	28,137
CENTRAL AND EASTERN EUROPE					
Russia Federation	121	72	--	49	439

Other	777	401	94	282	634
	898	473	94	331	1,073
LATIN AMERICA					
Argentina	1,418	531	671	216	1,542
Brazil	3,332	1,666	828	838	3,171
Chile	1,605	1,212	282	111	1,612
Colombia	716	539	66	111	762
Mexico	4,848	2,674	253	1,921	5,517
Venezuela	512	79	40	393	554
Other	699	410	1	288	298
	13,130	7,111	2,141	3,878	13,456
TOTAL	$36,509	$10,571	$16,525	$ 9,413	$42,666

</TABLE>

(1) Includes the following foreign assets: loans, accrued interest, acceptances, interest-bearing deposits in banks, trading account securities, available-for-sale and held-to-maturity securities, other interest-bearing investments and other monetary assets. Amounts also include unrealized gains on off-balance sheet instruments, unused commitments, and available-for-sale and held-to-maturity securities that are collateralized by U.S. Treasury securities.
(2) Represents claims of the Corporation's foreign offices on local country residents, including trading account securities, derivatives products, unused commitments, and available-for-sale and held-to-maturity securities regardless of the currency.
(3) Includes: accrued interest receivable, acceptances, interest-bearing deposits in banks, trading account securities, other interest-earning investments, other short-term monetary assets, unrealized gains on off-balance sheet instruments, unused commitments, and available-for-sale and held-to-maturity securities, including securities that are collateralized by U.S. Treasury securities as follows: Mexico - $1,024, Venezuela - $252, Philippines - $18, and Latin America Other - $86.

OFF-BALANCE SHEET DERIVATIVES - ASSET AND LIABILITY MANAGEMENT ACTIVITIES(ALM)

Risk management interest rate contracts are used in the asset and liability management process. Such contracts, which are generally non-leveraged generic interest rate and basis swaps, options and futures, allow the Corporation to effectively manage its interest rate risk position. Generic interest rate swaps involve the exchange of fixed-rate and variable-rate interest payments based on the contractual underlying notional amount. Basis swaps involve the exchange of interest payments based on the contractual underlying notional amounts, where both the pay rate and the receive rate are floating rates based on different indices. Option products primarily consist of caps and floors. Interest rate caps and floors are agreements where, for a fee, the purchaser obtains the right to receive interest payments when a variable interest rate moves above or below a specified cap or floor rate, respectively.

TABLE THIRTEEN summarizes the notional amounts and fair values on September 30, 1998 and December 31, 1997 of the Corporation's ALM interest rate contracts. The amount of net realized deferred gains associated with terminated ALM swaps was $147 million and $68 million on September 30, 1998 and December 31, 1997, respectively. The amount of net realized deferred gains associated with terminated ALM futures and forward rate contracts was $10 million and $9 million on September 30, 1998 and December 31, 1997, respectively. The amount of net realized deferred gains associated with terminated ALM options was $16 million and $13 million on September 30, 1998 and December 31, 1997, respectively.

In addition, the Corporation uses foreign currency contracts to manage the foreign exchange risk associated with foreign-denominated liabilities. Foreign currency contracts involve the conversion of certain scheduled interest and principal payments denominated in foreign currencies. On September 30, 1998, these contracts had a notional value of $7 billion and a fair value of $95 million.

The fair values of the ALM interest rate and foreign exchange portfolios should be viewed in the context of the overall balance sheet. The value of any single component of the balance sheet or off-balance sheet positions should not be viewed in isolation.

For a discussion of the Corporation's management of risk associated with mortgage production activities, see the "Noninterest Income" section, on page 29.

<TABLE>
<CAPTION>
TABLE THIRTEEN
NOTIONAL AND CREDIT RISK AMOUNTS FOR DERIVATIVE FINANCIAL INSTRUMENTS HELD OR ISSUED FOR ASSET AND LIABILITY MANAGEMENT PURPOSES

	SEPTEMBER 30, 1998		DECEMBER 31, 1997	
(DOLLARS IN MILLIONS)	NOTIONAL AMOUNT	FAIR VALUE(1)	NOTIONAL AMOUNT	FAIR VALUE(1)
<S>	<C>	<C>	<C>	<C>
Interest Rate Contracts				
Receive fixed swaps	$58,142	$ 2,984	$56,127	$ 877
Pay fixed swaps	25,344	(1,545)	25,041	(888)
Basis swaps	7,585	(9)	2,583	(7)
Total Swaps	91,071	1,430	83,751	(18)
Futures and forward rate contracts	26,543	33	89,650	(16)
Option products	35,291	(34)	24,113	(60)
Total Interest Rate Contracts(2)		$ 1,429		$ (94)

</TABLE>

(1) Fair value for options represents market value plus unamortized premium. Fair value for futures/forward rate contracts includes realized but unrecognized profit and loss.
(2) Not meaningful to sum notional amounts of different off-balance sheet products.

As discussed under "Concentrations of Credit Risk", page 42, on October 13, 1998, the Corporation entered into an agreement with DE Shaw providing for, among other things, the purchase by a banking subsidiary of the Corporation of approximately $20 billion of fixed-income securities together with the related hedge positions.

MARKET RISK MANAGEMENT

In the normal course of conducting its business activities, the Corporation is exposed to market risk which includes both price and liquidity risk. Market risk is the potential of loss arising from adverse changes in market rates and prices, such as interest rates (interest rate risk), foreign currency exchange rates (foreign exchange risk), commodity prices (commodity risk) and prices of equity securities (equity risk). Financial products that expose the Corporation to market risk include securities, loans, deposits, debt, and derivative financial instruments such as futures, forwards, swaps, options, and other financial instruments with similar characteristics. Liquidity risk arises from the possibility that the Corporation may not be able to satisfy current and future financial commitments or that the Corporation may be more reliant on alternative funding sources such as long-term debt.

Market risk is managed by the Corporation's Finance Committee which formulates policy based on desirable levels of market risk. In setting desirable levels of market risk, the Finance Committee considers the impact on both earnings and capital of the current outlook in market rates, potential changes in market rates, world and regional economies, liquidity, business strategies and other factors.

Prior to the Merger, market risk exposure was managed by each of the previously separate companies. Separate risk management models and assumptions were used in accordance with each company's unique market risk profile. The market risk information presented in this section is as of, or for the nine months ended, September 30, 1998 and reflects the market risk profile of the merged company. Prior period amounts have not been presented as such amounts were based on the risk profiles of the previously separate entities and, accordingly, are not comparable to current period amounts.

For a discussion of non-trading, on-balance sheet financial instruments see Table Fourteen in the following Market Risk Management section on page 50. For information on market risk associated with Asset and Liability Management (ALM) activities, see the following discussion on page 51 of the Market Risk Management section and the mortgage banking section of Noninterest Income on page 29. Market risk associated with the trading portfolio is discussed in the following Market Risk Management section on page 53. The composition of the trading portfolio and related fair values are included in Note 3 to the Consolidated Financial Statements on page 9.

Non-Trading Portfolio

The Corporation's Asset-Liability Management (ALM) process was used to manage interest rate risk through the structuring of balance sheet and off-balance sheet portfolios and identifying and linking such off-balance sheet positions to specific assets and liabilities. Interest rate risk represents the only material market risk exposure to the Corporation's non-trading on-balance sheet financial instruments. To effectively measure and manage interest rate risk, the Corporation uses computer simulations, which determine the impact on net interest income of numerous interest rate scenarios, balance sheet trends and strategies. These simulations cover the following financial instruments: short-term financial instruments, securities, loans, deposits, borrowings and off-balance sheet financial instruments. These simulations incorporated assumptions about balance sheet dynamics, such as loan and deposit growth and pricing, changes in funding mix and asset and liability repricing and maturity characteristics.

Simulations were run under various interest rate scenarios to determine the impact on net income and capital. From these scenarios, interest rate risk was quantified and appropriate strategies were developed and implemented. The overall interest rate risk position and strategies were reviewed on an ongoing basis by senior management. Additionally, duration and market value sensitivity measures were selectively utilized where they provide added value to the overall interest rate risk management process.

On September 30, 1998, the interest rate risk position of the Corporation was relatively neutral as the impact of a gradual parallel 100 basis-point rise or fall in interest rates over the next 12 months when compared to stable rates was estimated to be less than 2 percent of net interest income.

TABLE FOURTEEN on the following page summarizes the expected maturities, unrealized gains and losses and weighted average effective yields and rates associated with the Corporation's significant non-trading, on-balance sheet financial instruments. Cash and cash equivalents, time deposits placed and other short-term investments, federal funds sold and purchased, resale and repurchase agreements, commercial paper, other short-term borrowings and foreign deposits, which are similar in nature to other short-term borrowings, are excluded from TABLE FOURTEEN as their respective carrying values approximate fair values. These financial instruments generally expose the Corporation to insignificant market risk as they have either no stated maturities or an average maturity of less than 30 days and interest rates that approximate market. However, these financial instruments could expose the Corporation to interest rate risk by requiring more or less reliance on alternative funding sources, such as long-term debt. Loans held for sale were also excluded as their carrying values approximate their fair values, generally exposing the Corporation to insignificant market risk. For further information on the fair value of financial instruments, see Note 3 to the Consolidated Financial Statements on page 9.

TABLE FOURTEEN
NON-TRADING ON- BALANCE SHEET FINANCIAL INSTRUMENTS
SEPTEMBER 30, 1998
(DOLLARS IN MILLIONS)

<TABLE>
<CAPTION>

			EXPECTED MATURITY					
	TOTAL	UNREALIZED GAIN/(LOSS)	1998	1999	2000	2001	2002	AFTER 2002
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS								
Loans, net of unearned income (1)								
Fixed Rate								
Book value	$ 120,242	$ 3,004	$ 11,376	$ 29,360	$ 17,963	$ 12,697	$ 8,939	$ 39,907
Weighted average effective yield	8.14 %							
Variable Rate								
Book value	$ 217,333	2,633	28,678	58,050	29,640	37,675	15,596	47,694
Weighted average effective yield	7.72 %							
Securities held for investment (2)								
Fixed Rate								
Book value	$ 4,073	83	115	673	51	40	80	3,114
Weighted average effective yield	6.79 %							
Variable Rate								
Book value	$ 107	-	6	1	3	9	4	84
Weighted average effective yield	6.92 %							
Securities available for sale (2)								
Fixed Rate								
Book value	$ 63,552	227	207	1,007	2,720	4,277		

							6,781	48,560
Weighted average effective yield	6.94 %							
Variable Rate								
Book value	$ 4,407	18	-	1	86	143	2,679	1,498
Weighted average effective yield	6.60 %							
Liabilities								
Total deposits (3)								
Fixed Rate								
Book value	$ 244,541	$ (133)	$ 22,979	$ 38,558	$ 15,627	$ 12,029	$ 11,353	$ 143,995
Weighted average effective rate	2.30 %							
Variable Rate								
Book value	$ 101,215	27	4,270	14,886	11,883	9,891	8,333	51,952
Weighted average effective rate	3.19 %							
Long-term debt (excluding obligations under capital leases) (4)								
Fixed Rate								
Book value	$ 24,651	(990)	749	1,000	1,369	4,185	2,927	14,421
Weighted average effective rate	7.41 %							
Variable Rate								
Book value	$ 22,892	(99)	1,189	5,995	5,759	3,360	2,339	4,250
Weighted average effective rate	5.65 %							
Trust preferred securities (4)								
Fixed Rate								
Book value	$ 3,784	(238)	-	-	-	300	600	2,884
Weighted average effective rate	7.98 %							
Variable Rate								
Book value	$ 1,134	10	-	-	-	-	400	734
Weighted average effective rate	6.39 %							

</TABLE>

(1) Expected maturities reflect the impact of prepayment assumptions.
(2) Expected maturities are based on contractual maturities.
(3) When measuring and managing market risk associated with deposits, the Corporation considers its long-term relationships with depositors. The unrealized loss on deposits in this table does not consider these long-term relationships, therefore only Certificates of Deposit reflect a change in value.
(4) Expected maturities of long-term debt and trust preferred securities reflect the Corporation's ability to redeem such debt prior to contractual maturities.

Risk management interest rate contracts were utilized in the ALM process. Such contracts, which were generally non-leveraged generic interest rate and basis swaps, futures, forwards and options, allowed the Corporation to effectively manage its interest rate risk position. As reflected in TABLE FIFTEEN, the total gross notional amount of the Corporation's ALM interest rate swaps on September 30, 1998 was $91 billion, with the Corporation receiving fixed on $58 billion, primarily converting variable-rate commercial loans to fixed rate, and paying fixed on $25.3 billion. The net receive fixed position on September 30, 1998 was $32.8 billion compared to $31.1 billion on December 31, 1997. In addition, the Corporation had $7.6 billion of basis swaps linked primarily to long-term debt.

TABLE FIFTEEN also summarizes the expected maturities, weighted average pay and receive rates and the unrealized gains and losses on September 30, 1998 of the Corporation's ALM interest rate swaps. The table also summarizes expected maturities and unrealized gains and losses on September 30, 1998 of the Corporation's ALM basis swaps, forwards, futures, and options contracts. Unrealized gains and losses are based on the last repricing and will change in the future primarily based on movements in one-, three- and six-month LIBOR rates.

The net unrealized appreciation of the ALM swap portfolio on September 30, 1998 was $1.4 billion compared to net unrealized loss of $18 million on December 31, 1997, reflecting a decrease in interest rates when comparing September 30, 1998 to December 31, 1997. The amount of net realized deferred gains associated with terminated ALM swaps was $147 million on September 30, 1998 compared to $68 million of net realized deferred gains on December 31, 1997.

To manage interest rate risk, the Corporation also used interest rate option products, primarily caps and floors. Interest rate caps and floors are agreements where, for a fee, the purchaser obtains the right to receive interest payments when a variable interest rate moves above or below a specified cap or floor rate, respectively. On September 30, 1998, the Corporation had a gross notional amount of $35 billion in outstanding interest rate option contracts used for ALM purposes compared to $24 billion on December 31, 1997. Such instruments were primarily linked to long-term debt, short-term borrowings and pools of similar residential mortgages and consisted mainly of purchased options. On September 30, 1998, the net unrealized depreciation of ALM option products was $34 million compared to net unrealized depreciation of $60 million on December 31, 1997. The amount of net realized deferred gains associated with terminated ALM options was $16 million on September 30, 1998 compared to $13 million of net realized deferred gains on December 31, 1997.

In addition, the Corporation uses foreign currency contracts to manage the foreign exchange risk associated with foreign-denominated liabilities. Foreign currency contracts involve the conversion of certain scheduled interest and principal payments denominated in foreign currencies. On September 30, 1998, these contracts had a notional value of $7 billion and a fair market value of $95 million.

The net unrealized appreciation in the estimated value of the ALM interest rate should be viewed in the context of the overall balance sheet. The value of any single component of the balance sheet or off-balance sheet positions should not be viewed in isolation.

For a discussion of the Corporation's management of risk associated with mortgage production activities, see the "Noninterest Income" section on page 29.

<TABLE>
<CAPTION>

TABLE FIFTEEN
ASSET AND LIABILITY MANAGEMENT INTEREST RATE CONTRACTS
SEPTEMBER 30, 1998
(DOLLARS IN MILLIONS, EXPECTED MATURITY IN YEARS)

<S> <C> <C> <C> <C> <C> <C> <C> <C>

		Expected Maturity						
	Unrealized Gain/(Loss)	Total	1998	1999	2000	2001	2002	After 2002
Total receive fixed swaps	$2,984							
Notional amount		$ 58,142	$ 3,074	$ 3,090	$ 8,219	$ 12,281	$ 2,601	$ 28,877
Weighted average receive rate		6.37 %	6.53%	6.71 %	6.41 %	6.32 %	6.93 %	6.27 %
Total pay fixed swaps	(1,545)							
Notional amount		$ 25,344	$ 990	$ 5,315	$ 6,931	$ 4,350	$ 1,177	$ 6,581
Weighted average pay rate		6.76 %	6.53 %	6.33 %	6.89 %	6.49 %	7.31 %	

7.11 %								
Basis Swaps	(9)							
Notional amount		$ 7,585	$ -	$ 1,585	$ 743	$ 619	$ 1,669	$ 2,969
Total Swaps	$1,430							
Notional amount		$ 91,071	$ 4,064	$ 9,990	$ 15,893	$ 17,250	$ 5,447	$ 38,427
Futures and Forward Rate Contracts								
Notional amount	$ 33	$ 26,543	$ 14,418	$ 6,629	$ 2,247	$ 781	$ 829	$ 1,639
Option Products								
Notional amount	(34)	35,291	2,075	5,225	1,131	1,163	10,211	15,486
Total Interest Rate Contracts	$1,429							
Notional amount		$ 152,905	$ 20,557	$21,844	$ 19,271	$ 19,194	$ 16,487	$ 55,552

	Average Expected Maturity
Total receive fixed swaps	4.98
Notional amount	
Weighted average receive rate	
Total pay fixed swaps	3.18
Notional amount	
Weighted average pay rate	
Basis Swaps	3.19
Notional amount	
Total Swaps	
Notional amount	
Futures and Forward Rate Contracts	
Notional amount	
Option Products	
Notional amount	
Total Interest Rate Contracts	
Notional amount	

</TABLE>

Trading Portfolio

The Corporation manages its exposure to market risk resulting from trading activities through a risk management function which is independent of the business units. The Market Risk Committee (MRC) establishes and monitors various limits on trading activities. These limits include product volume, gross and net positions, and value-at-risk (VAR) and profit and loss simulation limits. Product volume limits establish maximum aggregate amounts of specific types of derivatives, foreign exchange contracts, and securities that the Corporation may hold in its trading account at any point in time. Position limits restrict the gross and net amount of contracts that can be held in the trading account in any specific maturity grouping. VAR measures the potential loss in future earnings due to market rate movements within the trading portfolio using proprietary models that are based on statistical probability. VAR limits establish the maximum amount of potential loss computed by the model that the Corporation is willing to assume at any point in time. Additionally, the Corporation uses profit and loss simulations to measure the potential for loss in various segments of the trading portfolio resulting from specific and extremely adverse scenarios. These scenarios are projected without regard to the statistical probability of their occurrences. Loss simulation limits establish the maximum amount of projected loss computed by the simulation that the Corporation is willing to assume.

On a day-to-day basis, the Corporation reduces the market risk to which it is exposed in the trading account by executing offsetting transactions with other counterparties. However, the Corporation may also retain, generally on a temporary basis, open or uncovered trading account positions in an effort to generate revenue by correctly anticipating future market conditions and customer demands or by taking advantage of price differentials among the various markets in which it operates.

The day-to-day management of interest rate and foreign exchange risks takes place at a decentralized level within the Corporation's various trading centers. Limits established by the MRC are assigned to each trading center. In addition, documented trading policies and procedures define acceptable boundaries within which traders can execute transactions in their assigned markets.

The Corporation uses a VAR methodology to measure the interest rate and foreign exchange risks inherent in its trading activities. Under this methodology, management models historical data to statistically calculate, with 99 percent confidence, the potential loss in earnings the Corporation might experience if an adverse one-day shift in market prices was to occur. The instruments covered by the VAR methodology include derivative commodity instruments, and financial assets and liabilities that are included in trading activities.

<TABLE>
<CAPTION>

TRADING ACTIVITIES MARKET RISK(1)

(US DOLLAR EQUIVALENTS IN MILLIONS)	NINE MONTHS ENDED SEPTEMBER 30, 1998		
	Average VAR	High VAR	Low VAR
<S>	<C>	<C>	<C>
Based on Perfect Positive Correlation:			
Interest Rate	$ 86.0	$ 120.5	$ 67.1
Foreign Currency	33.8	45.9	18.0
Commodities	3.9	6.9	1.6
Equity	2.3	5.2	0.9
Based on Zero Correlation:			
Interest Rate	34.8	42.0	27.3
Foreign Currency	28.7	40.0	13.8
Commodities	2.9	5.3	1.2
Equity	1.9	5.2	0.7

1) The high and low for the entire trading account may not equal the sum of the individual components as the highs or lows of the components occurred on different trading days.

</TABLE>

The Corporation performs this VAR calculation for each major trading portfolio segment on a daily basis. It then calculates the combined VAR across these portfolio segments using two different sets of assumptions. The first calculation assumes that each portfolio segment experiences adverse price movements at the same time (i.e., the price movements are perfectly correlated). The second calculation assumes that these adverse price movements within the major portfolio segments do not occur at the same time (i.e., they are uncorrelated).

The table above sets forth the calculated VAR amounts for the first nine months of 1998. The amounts are calculated on a pre-tax basis. Although the corporation's trading positions have remained generally consistent over the first nine months of 1998, VAR levels have been impacted by recent volatility in market conditions.

Value at risk modeling on trading is subject to numerous limitations. In addition, the Corporation recognizes that there are numerous assumptions and estimates associated with modeling and actual results could differ from these assumptions and estimates. The Corporation, mitigates these uncertainties through close monitoring and by examining and updating assumptions on an ongoing basis. The continual risk management process considers the impact of unanticipated risk exposure and updates assumptions to reduce loss exposure.

As discussed under "Concentrations of Credit Risk", page 42, on October 13, 1998, the Corporation entered into an agreement with DE Shaw providing for, among other things, the purchase by a banking subsidiary of the Corporation of approximately $20 billion of fixed-income securities along with the related hedge positions. This portfolio, along with the positions that continue to be held by DE Shaw, will be marked-to-market and reflected in earnings currently on an ongoing basis. The Corporation anticipates that it will recognize losses in the fourth quarter with respect to such positions relating to deterioration occurring in the fourth quarter and the market prices for such positions, the scope of which will be dependant upon the magnitude of such deterioration.

CAPITAL RESOURCES AND CAPITAL MANAGEMENT

The Corporation's regulatory capital ratios on September 30, 1998 were as follows: Tier 1 Capital ratio of 7.29 percent, Total Capital ratio of 11.25 percent, and Leverage Capital ratio of 6.64 percent.

The Corporation's and its significant banking subsidiaries' regulatory capital ratios on September 30, 1998 exceeded the regulatory minimums of 4 percent for Tier 1 risk-based capital, 8 percent for total risk-based capital and the leverage guidelines of 100 to 200 basis points above the minimum ratio of 3 percent. The Corporation and its significant banking subsidiaries were considered "well-capitalized" on September 30, 1998.

Regulatory capital guidelines were amended on September 12, 1996 to incorporate a measure for market risk. In accordance with the amended guidelines, the Corporation and any of its banking subsidiaries with significant trading activity, as defined in the amendment, must incorporate a measure for market risk in their regulatory capital calculations effective for reporting periods after January 1, 1998. The revised guidelines did not have a material impact on the Corporation or its subsidiaries' regulatory capital ratios or their "well-capitalized" status on September 30, 1998.

At December 31, 1997, the calculation of the Corporation's risk-based capital amounts and ratios includes its securities broker/dealer subsidiary to reflect the Federal Reserve Board's October 31, 1997 modifications to the risk-based capital regulations that apply to bank holding companies engaged in securities underwriting and dealing activities through Section 20 subsidiaries.

The following December 31, 1997 regulatory capital ratios have not been restated to reflect the Merger.

NationsBank

NationsBank regulatory capital ratios on December 31, 1997 were as follows: Tier 1 Capital ratio of 6.50 percent, Total Capital ratio of 10.89 percent, and Leverage Capital ratio of 5.57 percent.

Ratios for December 31, 1997 have not been restated to reflect the impact of the Barnett merger. Barnett and its significant banking subsidiary were considered "well-capitalized" on December 31, 1997.

BankAmerica
BankAmerica regulatory capital ratios on December 31, 1997 were as follows: Tier 1 Capital ratio of 7.53 percent, Total Capital ratio of 11.56 percent, and Leverage Capital ratio of 6.81 percent.

TABLE SIXTEEN
SELECTED QUARTERLY OPERATING RESULTS

<TABLE>
<CAPTION>

	1998 QUARTERS		
(DOLLARS IN MILLIONS EXCEPT PER-SHARE INFORMATION)	THIRD	SECOND	FIRST
<S>	<C>	<C>	<C>
Interest income	$ 9,608	$ 9,637	$ 9,705
Interest expense	5,164	5,011	5,086
Net interest income (taxable-equivalent)	4,484	4,668	4,659
Net interest income	4,444	4,626	4,619
Provision for credit losses	1,405	495	510
Gains on sales of securities	280	120	213
Noninterest income	2,405	3,636	3,493
Foreclosed properties expense	7	25	10
Merger and restructuring items expense (income)	725	(430)	900
Other noninterest expense	4,576	4,742	4,694
Income before taxes	416	3,550	2,211
Income tax expense	42	1,252	880
Net income	374	2,298	1,331
Net income (excluding merger and restructuring items)	893	2,021	1,973
Earnings per common share	0.21	1.32	0.77
Earnings per common share (excluding merger and restructuring items)	0.51	1.16	1.14
Diluted earnings per common share	0.21	1.28	0.75
Diluted earnings per common share (excluding merger and restructuring items)	0.50	1.13	1.11
Dividends per common share	0.38	0.38	0.38
Yield on average earning assets	7.75%	7.91%	8.00%
Rate on average interest-bearing liabilities	4.94	4.90	4.93
Net interest spread	2.81	3.01	3.07
Net interest yield	3.60	3.81	3.82
Average total assets	$578,353	$573,975	$578,841
Average total deposits	347,783	342,369	339,867
Average total shareholders' equity	45,756	44,857	43,628
Return on average assets	0.26%	1.61%	0.93%

Return on average assets (excluding merger and restructuring items)	0.61	1.41	1.38
Return on average common shareholders' equity	3.23	20.76	12.46
Return on average common shareholders' equity (excluding merger and restructuring items)	7.73	18.24	18.52
Cash basis financial data (1)			
Earnings per common share	$ 0.34	$ 1.45	$ 0.90
Earnings per common share (excluding merger and restructuring items)	0.64	1.29	1.27
Diluted earnings per common share	0.34	1.41	0.87
Diluted earnings per common share (excluding merger and restructuring items)	0.63	1.25	1.24
Return on average tangible assets	0.42%	1.81%	1.12%
Return on average tangible assets (excluding merger and restructuring items)	0.79	1.61	1.59
Return on average tangible common shareholders' equity	7.76	35.10	23.02
Return on average tangible common shareholders' equity (excluding merger and restructuring items)	14.51	31.23	32.57
Tier 1 capital ratio (2)	7.29%	7.32%	6.80%
Total capital ratio (2)	11.25	11.77	11.19
Market price per share of common stock			
Closing price	$ 53 1/2	$ 76 11/16	$ 72 15/16
High for the period	88 7/16	85	75 1/8
Low for the period	47 7/8	72 1/16	56 1/4

</TABLE>

(1) Cash basis calculations exclude intangible assets and the related amortization expense.
(2) Ratios for the first and second quarters have not been restated to reflect the impact of the BankAmerica merger.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Management" on page 48 and the sections referenced therein for Quantitative and Qualitative Disclosures about Market Risk.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

LITIGATION

In the ordinary course of business, the Corporation and its subsidiaries are routinely defendants in or parties to a number of pending and threatened legal actions and proceedings, including actions brought on behalf of various classes of claimants. In certain of these actions and proceedings, substantial money damages are asserted against the Corporation and its subsidiaries and certain of these actions and proceedings are based on alleged violations of consumer protection, securities, environmental, banking and other laws.

The Corporation's subsidiary, Bank of America NT & SA has been named in one such suit by the City of San Francisco and several related public entities, and by the State of

California, in an action entitled State of California, etc ex rel Stull v. Bank of America NT & SA, et. al. (No. 968-484). The case was instituted on April 1, 1995 in the Superior Court for the City and County of San Francisco. The City of San Francisco and related public entities intervened in the case on May 1, 1997, and the State of California took over prosecution of the case on May 5, 1997. The chief allegation of this suit is that Bank of America retained unclaimed funds related to bonds and coupons that were not presented by bondholders rather than returning them to certain bond issuers or escheating such funds to the State. The suit also alleges False Claims Act exposure for alleged fee overcharges and claims that Bank of America improperly invested bond program funds. On November 12, 1998, the plaintiffs and Bank of America settled this suit whereby Bank of America agreed to pay $187.5 million to the plaintiffs. The settlement is subject to court approval.

The Corporation and certain present and former officers have been named as defendants in approximately 24 uncertified class actions filed in federal court alleging, among other things, that the defendants failed to disclose material facts about BankAmerica's losses relating to DE Shaw & Co., L.P. until mid-October 1998, in violation of various provisions of the federal securities laws. The uncertified class periods consist generally of persons who were entitled to vote on the merger of NationsBank Corporation and BankAmerica Corporation, or who purchased or acquired securities of the Corporation or its predecessors between August 4, 1998 and October 13, 1998. Similar actions are pending in California state court, alleging violations of the California Corporations Code and involving factual allegations essentially the same as the federal actions. In addition, certain cases filed in California state court have alleged that the proxy statement-prospectus of August 4, 1998, falsely stated that the merger would be one of equals, and allege a conspiracy on the part of certain executives to gain control over the newly merged entity. At least one such complaint seeks recovery under various state common law theories. The Corporation believes the actions lack merit and will defend them vigorously. The amount of any ultimate exposure cannot be determined with certainty at this time.

Management believes, based upon the advice of counsel, that the actions and proceedings and the losses, if any, resulting from the final outcome thereof, will not be material in the aggregate to the Corporation's financial position or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

A special meeting of shareholders was held on September 24, 1998 (the "Special Meeting"). The Corporation's Common Stock, 7% Cumulative Redeemable Preferred Stock, Series B, and ESOP Convertible Preferred Stock, Series C, voted together as a single class on the matters submitted to the shareholders at the Special Meeting. The following are voting results on each of these matters:

<TABLE>
<CAPTION>

	For	Against	Abstentions	Broker Nonvotes
<S>	<C>	<C>	<C>	<C>
1. The Agreement and Plan of Reorganization dated as of April 10, 1998, between NationsBank Corporation and BankAmerica Corporation, the related Plan of Reincorporation Merger, dated as of August 3, 1998 between NationsBank Corporation and its subsidiary NationsBank (DE)				

Corporation, and the transactions contemplated by these documents	716,220,036	12,123,876	3,059,595	0
2. The amendment and restatement of the Corporation's Key Employee Stock Plan	494,278,924	217,810,999	19,313,584	0

</TABLE>

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a. Exhibits

Exhibit 10(a) - Bank of America Corporation Key Employee Stock Plan, as amended and restated effective September 24, 1998.
Exhibit 10(b) - BankAmerica Corporation and Bank of America National trust and Savings Association Deferred Compensation Plan for Directors, as amended and restated
Exhibit 10(c) - BankAmerica Deferred Compensation Plan, as amended and restated
Exhibit 10(d) - BankAmerica Corporation Senior Management Incentive Plan, as amended
Exhibit 10(e) - BankAmerica Supplemental Retirement Plan, as amended and restated
Exhibit 11 - Earnings Per Common Share Computation
Exhibit 12(a) - Ratio of Earnings to Fixed Charges
Exhibit 12(b) - Ratio of Earnings to Fixed Charges and Preferred Dividends
Exhibit 27 - Financial Data Schedule

b. Reports on Form 8-K

The following reports on Form 8-K were filed by the Corporation during the quarter ended September 30, 1998:

Current Report on Form 8-K dated July 6, 1998, Items 5 and 7 (filed July 7, 1998).

Current Report on Form 8-K dated July 13,1998, Items 5 and 7 (filed July 13, 1998).

Current Report on Form 8-K dated July 14, 1998, Items 5 and 7 (filed July 23,1998).

Current Report on Form 8-K/A-3 dated April 17, 1998, Item 7 (filed August 17, 1998). The following unaudited pro forma condensed financial information was filed as part of this Current Report on Form 8-K/A-3, reflecting the BankAmerica merger: Unaudited Pro Forma Condensed Balance Sheet as of June 30, 1998 and Unaudited Pro Forma Condensed Statements of Income for the six months ended June 30, 1998 and for the years ended December 31, 1997, 1996 and 1995.

Current Report on Form 8-K and Current Report on Form 8-K/A dated September 25, 1998, Items 5 and 7 (filed September 28, 1998).

SIGNATURE

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

BANKAMERICA CORPORATION

Registrant

Date: November 16, 1998 /s/ MARC D. OKEN

- ----------------------- --------------------------------------

MARC D. OKEN
Executive Vice President and
Principal Financial Executive
(Duly Authorized Officer and
Chief Accounting Officer)

BANKAMERICA CORPORATION

Form 10-Q

Index to Exhibits

Exhibit	Description
10(a)	Bank of America Corporation Key Employee Stock Plan, as amended and restated effective September 24, 1998
10(b)	BankAmerica Corporation and Bank of America National Trust and Savings Association Deferred Compensation Plan for Directors, as amended and restated
10(c)	BankAmerica Deferred Compensation Plan, as amended and restated
10(d)	BankAmerica Corporation Senior Management Incentive Plan, as amended
10(e)	BankAmerica Supplemental Retirement Plan, as amended and restated
11	Earnings Per Common Share Computation
12(a)	Ratio of Earnings to Fixed Charges
12(b)	Ratio of Earnings to Fixed Charges and Preferred Dividends
27	Financial Data Schedule

EXHIBIT 10(e)

BANKAMERICA SUPPLEMENTAL RETIREMENT PLAN

(As amended and restated effective April 1, 1996)

TABLE OF CONTENTS

<TABLE>

</TABLE>

<TABLE>

</TABLE>

ARTICLE I

NAME AND PURPOSE

1.1 Name. This document shall be known as the BankAmerica Supplemental Retirement Plan (the "Supplemental Plan"). Effective April 1, 1996, this Supplemental Plan document constitutes an amendment to and restatement of the Supplemental CareerAccounts Plan ("Prior Plan") which was established effective January 1, 1985 and was amended from time to time thereafter.

1.2 Purpose. The purpose of the Supplemental Plan is to provide retirement benefits which supplement benefits from the BankAmerica Pension Plan (the "Pension Plan") and the BankAmerica 401(k) Investment Plan (the "401(k) investment Plan"), tax-qualified employee benefit plans sponsored by BankAmerica Corporation for its participating subsidiaries and affiliates.

1.3 Participating Employers. The Supplemental Plan is established by BankAmerica Corporation. Employees of BankAmerica Corporation and any of its subsidiaries and affiliates which are participating employers in the Pension Plan and 401(k) Investment Plan are eligible to participate in the Supplemental Plan.

1.4 Status Under ERISA. The Plan is unfunded. Sections 3.6 and 4.5 are maintained for the purpose of providing benefits to employees in excess of the limitations on contributions and benefits under Section 415 of the Internal Revenue Code. The other benefit provisions are maintained for the purpose of providing deferred compensation for a select group of management or highly compensated employees.

1.5 Status Under P.L. 104-95. For purposes of Section

114 (entitled "Limitation on State Income Taxation of Certain Pension Income") of Pub. Law 104-95 (enacted January 10, 1996), Article III and Section 4.2, 4.3 and 4.6 of Article IV are intended to constitute plans, programs or arrangements maintained solely for the purpose of providing retirement benefits for Employees in excess of the limitations imposed by one or more of sections 401(a)(17), 401(k), 401(m), 402(g), 403(b), 408(k), or 415 of the Internal Revenue Code or any other limitation on contributions or benefits in the Internal Revenue Code on plans to which any of such sections apply. Benefits provided under Sections 4.4 and 4.5 are also intended to constitute such plans, programs or arrangements to the extent benefits provided under such sections satisfy the requirements in the preceding sentence.

ARTICLE II

DEFINITIONS

The following terms when used herein shall have the meaning set forth below, if capitalized. Unless the context clearly indicates otherwise, words in the masculine, feminine or neuter gender include the other genders and the singular includes the plural and vice versa.

2.1 "401(k) Investment Plan" means the BankAmerica 401(k) Investment Plan, as amended from time to time. This plan was named the BankAmerishare Plan prior to January 1, 1996.

2.2 "Administrative Committee" means the BankAmerica Corporation Employee Benefits Administrative Committee, consisting of senior officers of Participating Employers who shall be appointed initially by and serve at the pleasure of the Board of Directors of BankAmerica Corporation.

2.3 "BAC Deferred Compensation Plan" means the BankAmerica Corporation Deferred Compensation Plan, as amended from time to time.

2.4 "Contributing Employee" is defined under the 401(k) Investment Plan.

2.5 "Employee" means a common-law employee of an Employer.

2.6 "Employer" means BankAmerica Corporation or any other corporation which is a member of the controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code without regard to Section 1563(a)(4) and 1563(e)(3)(C)) of which BankAmerica Corporation is a member, but only after the date such corporation becomes a member of the

BankAmerica Corporation controlled group of corporations.

2.7 "Employment" means employment with an Employer.

2.8 "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.9 "Matching Employer Contribution" is defined under the 401(k) Investment Plan.

2.10 "Participant" means an Employee who has an account balance for either the supplemental 401(k) Investment Plan benefits in Article III or supplemental Pension Plan benefits in Article IV.

2.11 "Participant Contributions" is defined in the 401(k) Investment Plan.

2.12 "Participating Employee" is defined in the Pension Plan.

2.13 "Participating Employer" means BankAmerica Corporation and such subsidiaries and affiliated corporations of BankAmerica Corporation which shall participate in this Plan with the approval of BankAmerica Corporation.

2.14 "Pension Plan" means the BankAmerica Pension Plan, as amended from time to time. This plan was named the BankAmeraccount Plan prior to January 1, 1996 and the BankAmerican Retirement Plan prior to July 1, 1985.

2.15 "Plan Year" means the calendar year.

2.16 "Prior Plan" means the Supplemental CareerAccounts Plan as in effect on March 31, 1996.

2.17 "Qualified Earnings" is defined in the Pension Plan and 401(k) Investment Plan.

2.18 "Service Center" means the BankAmerica Retirement

Plans Service Center, which is the department of Bank of America NT&SA or third party designated by the Administrative Committee to provide day-to-day administrative services under the Plan.

2.19 "Supplemental Earnings" means compensation which, but for the $150,000 annual compensation limit in Section 401(a)(17) of the Internal Revenue Code, would constitute Qualified Earnings.

2.20 "Supplemental Plan" means the BankAmerica Supplemental Retirement Plan, as set forth herein, and as amended from time to time.

ARTICLE III

SUPPLEMENTAL 401(k) INVESTMENT PLAN BENEFITS

3.1 Supplemental 401(k) Investment Plan Account. An unfunded bookkeeping account shall be established for each Participant who has earned supplemental 401(k) Investment Plan benefits. The account shall be credited with all supplemental 401(k) Investment Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 3.5, plus all amounts credited under this Article after that date.

3.2 Benefits on Supplemental Earnings. If a Contributing Employee to the 401(k) Investment Plan has Supplemental Earnings for a Plan Year, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on contributions), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the Contributing Employee shall be assumed to have made Participant Contributions with respect to Supplemental Earnings at the actual rate of Participant Contributions in effect in the 401(k) Investment Plan when the annual dollar limit on Qualified Earnings was reached.

3.3 Benefits if Participation is Restricted. This section shall apply if a Contributing Employee in the 401(k) Investment Plan does not receive a full Matching Employer Contribution in the 401(k) Investment Plan for any month because the participation of the Contributing Employee is restricted in

order to enable the 401(k) Investment Plan to meet the rules under Internal Revenue Code (S)(S)401(k) or (m) or similar rules limiting benefits for highly compensated Employees. If this section is applicable, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan if he or she been allowed to fully contribute for that month shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the actual rate of Participant Contributions in effect prior to any required reduction shall be used.

3.4 Benefits Based on Deferred Compensation. This Section shall apply if a Contributing Employee in the 401(k) Investment Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Contributing Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the additional Matching Employer Contributions the Contributing Employee could have received in the 401(k) Investment Plan with respect to such deferred compensation, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the most recent rate of Participant Contributions on record at the time the deferred compensation would have been paid shall be used.

(b) Amounts deferred under the Annual Management

Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

3.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Thrift Plus Supplemental Plan as of December 31, 1992 shall be credited to the account of the Participant under this Article.

(b) Supplemental amounts credited under the Seafirst Corporation Supplemental Employee Matched Savings Plan as of March 31, 1996 shall be credited to the account of the Participant under this Article.

3.6 Benefits In Excess of 415 Dollar Limit. This section shall apply if a Participant does not receive a full Matching Employer Contribution for any month of participation in the 401(k) Investment Plan on account of the dollar limitation on maximum annual contributions under Section 415(c)(1)(A) of the Internal Revenue Code. If this section is applicable, an amount shall be credited to the Participant's account equal to (a) the amount of Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan for each month of participation if the dollar limitation on maximum annual contributions did not apply, less (b) the actual amount of Matching Employer Contributions received by the Participant in the 401(k) Investment Plan for that month. The Participant's actual rate of Participant Contributions to the 401(k) Investment Plan for each month of participation shall be used to calculate Matching Employer Contributions under (a) in the preceding sentence.

3.7 Interest. The amounts credited to a Participant's account under this Article shall be increased each month by an interest factor. During a Participant's Employment, the interest factor shall be equal to the monthly interest rate for the Income Accumulation fund in the 401(k) Investment Plan. For any month in which the Participant is not credited with a month of Covered Service, the interest factor shall be equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan.

3.8 Vesting. The benefits provided under this article shall be fully vested and nonforfeitable at all times.

ARTICLE IV

SUPPLEMENTAL PENSION PLAN BENEFITS

4.1 Supplemental Pension Plan Account. An unfunded bookkeeping account or accounts shall be established for each Participant who has earned supplemental Pension Plan benefits. The accounts shall be credited with all supplemental Pension Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 4.5, plus all amounts credited under this Article.

4.2 Benefits Based on Supplemental Earnings. If a Participating Employee in the pension plan has Supplemental Earnings for a Plan Year, an amount equal to the additional pay-based credits the Participating Employee would have received in the Pension Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article.

4.3 Benefits Based on Deferred Compensation. This Section shall apply if a Participating Employee in the Pension Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Participating Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the pay-based credits the Participating Employee would have received had such compensation not been deferred shall be credited to the Participant's account under this Article.

(b) Amounts deferred under the BankAmerica Corporation Annual Management Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

4.4 Supplemental Benefits Attributable to BankAmerican Retirement Plan. Supplemental amounts credited under the Supplemental BankAmerican Retirement Plan as of June 30, 1985 were converted into a conversion balance, in the same manner as benefits under the BankAmerican Retirement Plan were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for grandfathered benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the BankAmerican Retirement Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section.

4.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Supplemental Retirement Plan as of December 31, 1992 based on compensation in excess of the $150,000 compensation limit in Internal Revenue Code Section 401(a)(17) shall be converted into a conversion balance, in the same manner as benefits under the Security Pacific Trusteed Retirement Income Plan ("SPTRIP") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for early retirement subsidies under the Pension Plan which increase the

value of the benefits attributable to the SPTRIP, similar adjustments shall be made to the value of the Participant's "rule of $50,000" benefits under Article Three of the Security Pacific Supplemental Retirement Plan and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(b) Supplemental amounts credited under the Continental Supplemental Pension Program as of December 31, 1994 shall be converted into a conversion balance, in the same manner as benefits under the Continental Employees Pension Plan ("Continental Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the Continental Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(c) Supplemental amounts credited under the Seafirst Corporation Supplemental Retirement Plan as of March 31, 1996 shall be converted into a conversion balance, in the same manner as benefits under the Seafirst Corporation Retirement Plan ("Seafirst Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant's account under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies

under the Pension Plan which increase the value of the benefits attributable to the Seafirst Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

4.6 Benefits in Excess of 415 Dollar Limits.

(a) This Section shall apply if the benefits of a Participating Employee in the Pension Plan are reduced on account of the dollar limitation on maximum annual benefits under Section 415(b)(1)(A) of the Internal Revenue Code.

(b) The Plan shall pay the Participant an amount, if any, equal to (1) the benefit which would be payable to a Participant under the Pension Plan if the limitations on maximum annual benefits did not apply, less (2) the benefit actually payable to the Participant under the Pension Plan.

4.7 Interest.

(a) The amounts credited to the Participant's account under this Article shall be increased each month by an interest factor equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan. Any supplemental conversion balance shall be credited with the same interest rate the Participant receives under the Pension Plan for his or her conversion balance.

4.8 Vesting.

(a) The Participant shall be vested in the benefits provided under this Article to the same extent the Participant is vested under the Pension Plan for similar

benefits.

ARTICLE V

PAYMENT OF BENEFITS AFTER EMPLOYMENT ENDS

5.1 Form of Payment. The amounts credited to a Participant's accounts under the Supplemental Plan shall be payable in cash as provided in this Article.

5.2 Vested balance less than $10,000. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is less than $10,000, all benefits shall be paid to the Participant in a single cash payment within 90 days of the date Employment ends.

5.3 Vested balance $10,000 or more. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or after April 1, 1997, all benefits shall be paid to the Participant as follows:

(a) If the Participant has a benefit payment election in effect when Employment ends, as provided in Section 5.4(b), the Participant's benefits under the Supplemental Plan shall be paid in accordance with such benefit payment election.

(b) If the Participant does not have a benefit payment election in effect when Employment ends, the Participant's benefits under the Supplemental Plan shall be paid in five annual installments commencing in the calendar year after the Participant attains age 65, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (a) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (b) a fraction, the numerator of which is one and the denominator is the number of

installments remaining, including the current year's payments.

5.4 Benefit Payment Election. If the total of the amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more (or has a current value of $10,000 or more based on early retirement adjustments for early retirement subsidiaries the Participant currently qualifies for), the Participant may submit a benefit payment election form specifying how all vested benefits under the Supplemental Plan shall be paid if Employment ends on or after April 1, 1997, provided the amount of vested benefits exceeds $10,000 at time of payment.

(a) The Participant may elect one of the following forms of payment on the benefit payment election form:

(1) A single payment. The payment shall be made within 90 days of the date Employment ends, or within the first 60 days of any subsequent calendar year specified by the Participant.

(2) Ten or fewer annual installment payments. The installment payments shall commence in any calendar year specified by the Participant after the calendar year in which Employment ends, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (i) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (ii) a fraction, the numerator of which is one and the denominator is the number of installments remaining, including the current year's payment.

(3) Monthly level annuity payments. The payments shall commence within 90 days of the date Employment ends, or January of in any subsequent calendar year specified by

the Participant, with each payment made by the end of the month. The Participant may elect a single life level annuity, or a joint and 50%, 75% or 100% survivor annuity with the spouse to whom the Participant is married on the annuity starting date. If the Participant elects a joint and survivor level annuity but is not married on the annuity starting date, the Participant shall receive a single life level annuity. The level annuity shall contain the 5 year certain feature described in Section 3.3(c) of the Pension Plan. The amount of level annuity shall be calculated under Section 3.3(b) of the Pension Plan, based on the Level Annuity Interest rate in effect on the annuity starting date and the joint annuitant factors in Section 3.3(c) of the Pension Plan.

(b) Each benefit payment election shall become effective on the one year anniversary of the date the election is received by the Service Center, provided the Participant has remained continuously employed by an Employer until that date. If the Participant has previously submitted an election form, the Participant may not submit a new benefit payment election until his or her prior election has become effective. In addition, the Administrative Committee reserves the right to reject a new benefit payment election if it results in a significant acceleration of payments over the prior election.

5.5 Reemployed Employees. If a former Employee is reemployed by an Employer, any annuity or installment then being paid under the Supplemental Plan shall continue.

5.6 Beneficiary Designation.

(a) A participant may designate any person or

persons, including a trust, as his or her beneficiary or contingent beneficiary to receive his or her unpaid benefits under the Supplemental Plan in the event of the Participant's death. Any such designation shall be made by filing the Supplemental Plan form designated for that purpose with the Service Center. The Participant may change or cancel his or her beneficiary designation at any time prior to death without the consent of any designated beneficiary.

(b) The Participant shall designate on his or her benefit payment election that any benefits under the Supplemental Plan unpaid at the time of the Participant's death shall be paid in accordance with one of the following options:

(1) In a single payment within 90 days of the date of death.

(2) In a single payment within the first 60 days of the calendar year immediately following the calendar year in which the death occurs.

(3) In three approximately equal payments, each made within the first 60 days of the three calendar years immediately following the calendar year in which the death occurs.

(c) If no beneficiary has been designated by the Participant, or if no beneficiary is alive at the date of the Participant's death, payment shall be made to the Participant's estate. If no death benefit payment election is in effect at the date of the Participant's death, payment shall be made in a single payment within 90 days of the date of death. If payment is made to a beneficiary or the Participant's estate under the 5

year certain feature of a level annuity election, payment shall be made within 90 days of death of the Participant or joint annuitant (if applicable), whichever occurs later.

5.7 Withholding Taxes. The Participating Employers shall have the right to deduct from payments under the Supplemental Plan any and all taxes required to be collected under federal, state or local law.

5.8 Transition Provisions.

(a) If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or before March 31, 1997, the amounts credited to a Participant's account shall be payable to the Participant in a single payment within 90 days of the date Employment ends, unless prior to termination of Employment, the Participant elects one of the following payment options, which election must be approved by the Administrative Committee:

(1) Ten or fewer equal annual installments.

(2) Monthly level annuity payments calculated by using the

applicable Pension Plan level annuity conversion factors.

(b) If a Participant submitted a benefit payment election form prior to June 15, 1996, the Participant may submit a replacement benefit payment election form prior to August 1, 1996 which will have the same effective date as the first election would have had.

(c) If a Participant had amounts credited under the Seafirst Corporation Supplemental Retirement Plan or Supplemental Employee Matched Savings Plan as of March 31, 1996 and if

Employment ends prior to July 1, 1997: (1) the procedure in Section 5.8(a) shall be applicable even if the sum of the Participant's accounts is less than $10,000, and (2) if a Participant does not have a benefit payment election in effect when Employment ends, the Participant may make a written request for an alternative form of distribution under the procedure in Section 5.8(a) instead of the default provisions in Section 5.3(b), provided that such written request is submitted prior to the Participant's termination of Employment.

ARTICLE VI

PLAN OPERATION, AMENDMENTS AND ADMINISTRATION

6.1 Amendment and Termination. BankAmerica Corporation is the "plan sponsor" of the Supplemental Plan as that term is defined in ERISA. BankAmerica Corporation may amend or modify the Supplemental Plan in whole or in part at any time by a written instrument executed by an officer designated by the Board of Directors of BankAmerica Corporation. BankAmerica Corporation may terminate the Plan by action of its Board of Directors. No such amendment, modification or termination shall reduce the amount credited to a Participant's accounts as of the date of such action. Upon Plan termination, all amounts credited to Participant's accounts shall be paid to such Participants in a single payment within 120 days.

6.2 Plan Administrator. The Administrative Committee is the plan administrator as that term is defined in ERISA. The Administrative Committee is also the named fiduciary, as that term is defined in ERISA, of the Supplemental Plan having discretionary authority to control and manage the operation and administration of the Supplemental Plan.

6.3 Powers and Duties of Administrative Committee.

(a) The Administrative Committee shall have discretionary authority to determine eligibility for benefits and to construe the terms of the Supplemental Plan. The Administrative Committee shall have such other discretionary authority as may be necessary to enable it to discharge its responsibilities under the Supplemental Plan as administrator and named fiduciary, including, but not limited to, the power:

(1) To review appeals by Participants under Article VIII.

(2) To appoint or employ one or more persons to assist in the administration of the Supplemental Plan.

(3) To adopt such rules as it deems appropriate for the administration of the Supplemental Plan.

(4) To prescribe procedures to be followed by Participants.

(5) To prepare and distribute information relating to the Supplemental Plan.

(6) To request from Participating Employers and Participants such information as shall be necessary for proper administration of the Plan.

(b) The decision of the Administrative Committee upon any matter within its authority shall be final and binding on all parties, including BankAmerica Corporation, the Participating Employers and Participants and their beneficiaries.

6.4 Reliance Upon Information. In making decisions under the

Supplemental Plan, the Administrative Committee shall be entitled to rely upon information furnished by a Participant, beneficiary or Participating Employer.

6.5 Action by Administrative Committee. The Administrative Committee may act either at a meeting or, in the absence of a meeting, by an instrument in writing signed by a majority of the Committee members. The Administrative Committee shall elect one of its members as chairperson and it shall

appoint a secretary who shall keep a record of all meetings and forward all necessary communication to the Participating Employers. The Administrative Committee shall adopt such bylaws for the conduct of its business as it deems desirable. An Administrative Committee member who becomes aware of any action or failure to act by the Administrative Committee may, within a reasonable time thereafter, deliver his or her dissent in writing, setting forth specific reasons for such dissent, to all other Committee members and to the committee of the BankAmerica Corporation Board of Directors designated to review Committee activities.

ARTICLE VII

CLAIMS FOR BENEFITS

7.1 Claims Procedure.

(a) Claims Must be Filed. An Employee, Participant, alternate payee, or the spouse, beneficiary or estate of a deceased Participant (the "claimant") who has a claim for benefits or concerning any other matter under the Plan must give written notice of such claim or other matter to the Service Center.

(b) Review of Claim. After the Service Center has reviewed the claim and obtained any other information it deems necessary to render a decision on the claim, the Service Center shall notify the claimant within 90 days after receipt of the claim of the acceptance or denial of the claim, unless special circumstances require an extension of time for processing the claim. Such an extension of time may not exceed 90 additional days and notice of the extension shall be provided to the claimant prior to the termination of the initial 90 day period indicating the special circumstances requiring the extension and the date by which a final decision on the claim is expected.

(c) Denied Claims. In the event any application for benefits is denied, in whole or in part, the Service Center shall notify the claimant of such denial in writing and shall advise the claimant of the right to appeal the denial and to request a review thereof. Such notice shall be written in a manner calculated to be understood by the claimant and shall contain:

(1) Specific reason for such denial.

(2) Specific reference to the Plan provisions on which such denial is based.

(3) A description of any information or material necessary for the Employee to perfect the claim.

(4) An explanation of why such material is necessary.

(5) An explanation of the Plan's appeal and review procedure.

7.2 Appeal and Review Procedure.

(a) Appeal to Administrative Committee. If the claimant's claim for benefits is denied in whole or in part, the claimant, or the claimant's duly authorized representative, may appeal the denial by submitting to the Administrative Committee a written request for review of the application within 60 days after receiving written notice of such denial. The Administrative Committee shall give the applicant (upon request) an opportunity to review pertinent Plan documents (other than legally privileged documents) in preparing such request for review.

(b) Contents of Appeal. The request for review must be in writing and shall be addressed to the Secretary, BankAmerica Corporation Employee Benefits Administrative Committee at the address stated in the current summary plan description. The request for review shall set forth all of the grounds upon which it is based, all facts in support thereof and any other matters which the claimant deems pertinent. The Administrative Committee may require the claimant to submit (at the claimant's expense) such additional facts, documents or other

material as the Administrative Committee deems necessary or advisable in making its review.

(c) Review of Appeal. The Administrative Committee shall act upon each request for review within 60 days after its receipt thereof unless special circumstances require further time for processing. In no event shall the decision on review be rendered more than 120 days after the Administrative Committee receives the request for review. Written notice of an extension of time beyond 60 days shall be furnished to the claimant prior to the commencement of the extension.

(d) Denied Appeals. In the event the Administrative Committee confirms the denial of the claim for benefits in whole or in part, it shall give written notice of its decision to the claimant. Such notices shall be written in a manner calculated to be understood by the claimant and shall contain the specific reasons for the denial.

7.3 Exhaustion of Remedies. No legal action for benefits under the Plan shall be brought unless and until the following steps have occurred:

(a) The claimant has submitted a written application for benefits in accordance with Section 7.1.

(b) The claimant has been notified that the claim has been denied.

(c) The claimant has filed a written request appealing the denial in accordance with Section 7.2.

(d) The claimant has been notified in writing that the Administrative Committee has denied the claimant appeal or has failed to take any action on the appeal within the time

prescribed by Section 7.2.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Cost. The Participating Employers shall pay the entire cost of the Plan. The cost shall be allocated among the Participating Employers as determined by BankAmerica Corporation.

8.2 Unfunded Bookkeeping Accounts. The accounts established under the Plan are unfunded bookkeeping accounts. The Participating Employers are not required to physically segregate any cash or securities or establish any separate funds to pay any benefits under the Plan.

8.3 Prohibition on Alienation. No benefit payable under this Plan shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, hypothecation, charge, attachment, garnishment, execution, or levy of any kind or any other process of law, voluntary or involuntary. Any attempt to dispose of any rights to benefits payable under the Plan shall be void. Notwithstanding the preceding sentence, the Participating Employers shall have the right to offset from a Participant's unpaid benefits under the Supplemental Plan any amounts due and owing from the Participant to the extent permitted by law.

8.4 Not a Contract of Employment. Participation in this Plan by an Employee shall not give such Employee any right to be retained in the employ of any Participating Employer and the ability of each Participating Employer to

dismiss or discharge an Employee is specifically reserved.

8.5 Headings Not to Control. Headings and titles within the Plan are for convenience only and are not to be read

as part of the text of the Plan.

8.6 Separability of Plan Provisions. If any provisions of the Supplemental Plan are for any reason declared invalid or not enforceable, such provisions will not affect the remaining terms and conditions, but the Supplemental Plans will be construed and enforced thereafter as if such provisions had not been inserted.

8.7 Applicable Law. The validity and effect of the Plan and the rights and obligations of all persons affected thereby, are to be construed and determined in accordance with applicable federal law, and to the extent that federal law is inapplicable, under the laws of the State of California.

8.8 Entire Plan. This document is a complete statement of the Plan and as of April 1, 1996 supersedes all representations, prior plans, promises and inducements, proposals, written or oral, relating to its subject matter. The Participating Employers shall not be bound by or liable to any person for any representation, promise or inducement made by any person which is not embodied in this document or in any authorized written amendment to the Plan.

IN WITNESS WHEREOF, BankAmerica Corporation, has caused this instrument to be executed by its duly authorized officer, this 27th day of August, 1996 to be effective April 1, 1996.

BANKAMERICA CORPORATION

By /s/ KATHLEEN J. BURKE

Kathleen J. Burke
Vice Chairman and
Personnel Relations Officer

EXHIBIT 10(e)

BANKAMERICA SUPPLEMENTAL RETIREMENT PLAN

(As amended and restated effective April 1, 1996)

TABLE OF CONTENTS

<TABLE>

</TABLE>

<TABLE>

</TABLE>

ARTICLE I

NAME AND PURPOSE

1.1 Name. This document shall be known as the BankAmerica Supplemental Retirement Plan (the "Supplemental Plan"). Effective April 1, 1996, this Supplemental Plan document constitutes an amendment to and restatement of the Supplemental CareerAccounts Plan ("Prior Plan") which was established effective January 1, 1985 and was amended from time to time thereafter.

1.2 Purpose. The purpose of the Supplemental Plan is to provide retirement benefits which supplement benefits from the BankAmerica Pension Plan (the "Pension Plan") and the BankAmerica 401(k) Investment Plan (the "401(k) investment Plan"), tax-qualified employee benefit plans sponsored by BankAmerica Corporation for its participating subsidiaries and affiliates.

1.3 Participating Employers. The Supplemental Plan is established by BankAmerica Corporation. Employees of BankAmerica Corporation and any of its subsidiaries and affiliates which are participating employers in the Pension Plan and 401(k) Investment Plan are eligible to participate in the Supplemental Plan.

1.4 Status Under ERISA. The Plan is unfunded. Sections 3.6 and 4.5 are maintained for the purpose of providing benefits to employees in excess of the limitations on contributions and benefits under Section 415 of the Internal Revenue Code. The other benefit provisions are maintained for the purpose of providing deferred compensation for a select group of management or highly compensated employees.

1.5 Status Under P.L. 104-95. For purposes of Section

114 (entitled "Limitation on State Income Taxation of Certain Pension Income") of Pub. Law 104-95 (enacted January 10, 1996), Article III and Section 4.2, 4.3 and 4.6 of Article IV are intended to constitute plans, programs or arrangements maintained solely for the purpose of providing retirement benefits for Employees in excess of the limitations imposed by one or more of sections 401(a)(17), 401(k), 401(m), 402(g), 403(b), 408(k), or 415 of the Internal Revenue Code or any other limitation on contributions or benefits in the Internal Revenue Code on plans to which any of such sections apply. Benefits provided under Sections 4.4 and 4.5 are also intended to constitute such plans, programs or arrangements to the extent benefits provided under such sections satisfy the requirements in the preceding sentence.

ARTICLE II

DEFINITIONS

The following terms when used herein shall have the meaning set forth below, if capitalized. Unless the context clearly indicates otherwise, words in the masculine, feminine or neuter gender include the other genders and the singular includes the plural and vice versa.

2.1 "401(k) Investment Plan" means the BankAmerica 401(k) Investment Plan, as amended from time to time. This plan was named the BankAmerishare Plan prior to January 1, 1996.

2.2 "Administrative Committee" means the BankAmerica Corporation Employee Benefits Administrative Committee, consisting of senior officers of Participating Employers who shall be appointed initially by and serve at the pleasure of the Board of Directors of BankAmerica Corporation.

2.3 "BAC Deferred Compensation Plan" means the BankAmerica Corporation Deferred Compensation Plan, as amended from time to time.

2.4 "Contributing Employee" is defined under the 401(k) Investment Plan.

2.5 "Employee" means a common-law employee of an Employer.

2.6 "Employer" means BankAmerica Corporation or any other corporation which is a member of the controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code without regard to Section 1563(a)(4) and 1563(e)(3)(C)) of which BankAmerica Corporation is a member, but only after the date such corporation becomes a member of the

BankAmerica Corporation controlled group of corporations.

2.7 "Employment" means employment with an Employer.

2.8 "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.9 "Matching Employer Contribution" is defined under the 401(k) Investment Plan.

2.10 "Participant" means an Employee who has an account balance for either the supplemental 401(k) Investment Plan benefits in Article III or supplemental Pension Plan benefits in Article IV.

2.11 "Participant Contributions" is defined in the 401(k) Investment Plan.

2.12 "Participating Employee" is defined in the Pension Plan.

2.13 "Participating Employer" means BankAmerica Corporation and such subsidiaries and affiliated corporations of BankAmerica Corporation which shall participate in this Plan with the approval of BankAmerica Corporation.

2.14 "Pension Plan" means the BankAmerica Pension Plan, as amended from time to time. This plan was named the BankAmeraccount Plan prior to January 1, 1996 and the BankAmerican Retirement Plan prior to July 1, 1985.

2.15 "Plan Year" means the calendar year.

2.16 "Prior Plan" means the Supplemental CareerAccounts Plan as in effect on March 31, 1996.

2.17 "Qualified Earnings" is defined in the Pension Plan and 401(k) Investment Plan.

2.18 "Service Center" means the BankAmerica Retirement

Plans Service Center, which is the department of Bank of America NT&SA or third party designated by the Administrative Committee to provide day-to-day administrative services under the Plan.

2.19 "Supplemental Earnings" means compensation which, but for the $150,000 annual compensation limit in Section 401(a)(17) of the Internal Revenue Code, would constitute Qualified Earnings.

2.20 "Supplemental Plan" means the BankAmerica Supplemental Retirement Plan, as set forth herein, and as amended from time to time.

ARTICLE III

SUPPLEMENTAL 401(k) INVESTMENT PLAN BENEFITS

3.1 Supplemental 401(k) Investment Plan Account. An unfunded bookkeeping account shall be established for each Participant who has earned supplemental 401(k) Investment Plan benefits. The account shall be credited with all supplemental 401(k) Investment Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 3.5, plus all amounts credited under this Article after that date.

3.2 Benefits on Supplemental Earnings. If a Contributing Employee to the 401(k) Investment Plan has Supplemental Earnings for a Plan Year, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on contributions), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the Contributing Employee shall be assumed to have made Participant Contributions with respect to Supplemental Earnings at the actual rate of Participant Contributions in effect in the 401(k) Investment Plan when the annual dollar limit on Qualified Earnings was reached.

3.3 Benefits if Participation is Restricted. This section shall apply if a Contributing Employee in the 401(k) Investment Plan does not receive a full Matching Employer Contribution in the 401(k) Investment Plan for any month because the participation of the Contributing Employee is restricted in

order to enable the 401(k) Investment Plan to meet the rules under Internal Revenue Code (S)(S)401(k) or (m) or similar rules limiting benefits for highly compensated Employees. If this section is applicable, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan if he or she been allowed to fully contribute for that month shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the actual rate of Participant Contributions in effect prior to any required reduction shall be used.

3.4 Benefits Based on Deferred Compensation. This Section shall apply if a Contributing Employee in the 401(k) Investment Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Contributing Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the additional Matching Employer Contributions the Contributing Employee could have received in the 401(k) Investment Plan with respect to such deferred compensation, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the most recent rate of Participant Contributions on record at the time the deferred compensation would have been paid shall be used.

(b) Amounts deferred under the Annual Management

Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

3.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Thrift Plus Supplemental Plan as of December 31, 1992 shall be credited to the account of the Participant under this Article.

(b) Supplemental amounts credited under the Seafirst Corporation Supplemental Employee Matched Savings Plan as of March 31, 1996 shall be credited to the account of the Participant under this Article.

3.6 Benefits In Excess of 415 Dollar Limit. This section shall apply if a Participant does not receive a full Matching Employer Contribution for any month of participation in the 401(k) Investment Plan on account of the dollar limitation on maximum annual contributions under Section 415(c)(1)(A) of the Internal Revenue Code. If this section is applicable, an amount shall be credited to the Participant's account equal to (a) the amount of Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan for each month of participation if the dollar limitation on maximum annual contributions did not apply, less (b) the actual amount of Matching Employer Contributions received by the Participant in the 401(k) Investment Plan for that month. The Participant's actual rate of Participant Contributions to the 401(k) Investment Plan for each month of participation shall be used to calculate Matching Employer Contributions under (a) in the preceding sentence.

3.7 Interest. The amounts credited to a Participant's account under this Article shall be increased each month by an interest factor. During a Participant's Employment, the interest factor shall be equal to the monthly interest rate for the Income Accumulation fund in the 401(k) Investment Plan. For any month in which the Participant is not credited with a month of Covered Service, the interest factor shall be equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan.

3.8 Vesting. The benefits provided under this article shall be fully vested and nonforfeitable at all times.

ARTICLE IV

SUPPLEMENTAL PENSION PLAN BENEFITS

4.1 Supplemental Pension Plan Account. An unfunded bookkeeping account or accounts shall be established for each Participant who has earned supplemental Pension Plan benefits. The accounts shall be credited with all supplemental Pension Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 4.5, plus all amounts credited under this Article.

4.2 Benefits Based on Supplemental Earnings. If a Participating Employee in the pension plan has Supplemental Earnings for a Plan Year, an amount equal to the additional pay-based credits the Participating Employee would have received in the Pension Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article.

4.3 Benefits Based on Deferred Compensation. This Section shall apply if a Participating Employee in the Pension Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Participating Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the pay-based credits the Participating Employee would have received had such compensation not been deferred shall be credited to the Participant's account under this Article.

(b) Amounts deferred under the BankAmerica Corporation Annual Management Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

4.4 Supplemental Benefits Attributable to BankAmerican Retirement Plan. Supplemental amounts credited under the Supplemental BankAmerican Retirement Plan as of June 30, 1985 were converted into a conversion balance, in the same manner as benefits under the BankAmerican Retirement Plan were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for grandfathered benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the BankAmerican Retirement Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section.

4.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Supplemental Retirement Plan as of December 31, 1992 based on compensation in excess of the $150,000 compensation limit in Internal Revenue Code Section 401(a)(17) shall be converted into a conversion balance, in the same manner as benefits under the Security Pacific Trusteed Retirement Income Plan ("SPTRIP") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for early retirement subsidies under the Pension Plan which increase the

value of the benefits attributable to the SPTRIP, similar adjustments shall be made to the value of the Participant's "rule of $50,000" benefits under Article Three of the Security Pacific Supplemental Retirement Plan and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(b) Supplemental amounts credited under the Continental Supplemental Pension Program as of December 31, 1994 shall be converted into a conversion balance, in the same manner as benefits under the Continental Employees Pension Plan ("Continental Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the Continental Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(c) Supplemental amounts credited under the Seafirst Corporation Supplemental Retirement Plan as of March 31, 1996 shall be converted into a conversion balance, in the same manner as benefits under the Seafirst Corporation Retirement Plan ("Seafirst Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant's account under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies

under the Pension Plan which increase the value of the benefits attributable to the Seafirst Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

4.6 Benefits in Excess of 415 Dollar Limits.

(a) This Section shall apply if the benefits of a Participating Employee in the Pension Plan are reduced on account of the dollar limitation on maximum annual benefits under Section 415(b)(1)(A) of the Internal Revenue Code.

(b) The Plan shall pay the Participant an amount, if any, equal to (1) the benefit which would be payable to a Participant under the Pension Plan if the limitations on maximum annual benefits did not apply, less (2) the benefit actually payable to the Participant under the Pension Plan.

4.7 Interest.

(a) The amounts credited to the Participant's account under this Article shall be increased each month by an interest factor equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan. Any supplemental conversion balance shall be credited with the same interest rate the Participant receives under the Pension Plan for his or her conversion balance.

4.8 Vesting.

(a) The Participant shall be vested in the benefits provided under this Article to the same extent the Participant is vested under the Pension Plan for similar

benefits.

ARTICLE V

PAYMENT OF BENEFITS AFTER EMPLOYMENT ENDS

5.1 Form of Payment. The amounts credited to a Participant's accounts under the Supplemental Plan shall be payable in cash as provided in this Article.

5.2 Vested balance less than $10,000. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is less than $10,000, all benefits shall be paid to the Participant in a single cash payment within 90 days of the date Employment ends.

5.3 Vested balance $10,000 or more. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or after April 1, 1997, all benefits shall be paid to the Participant as follows:

(a) If the Participant has a benefit payment election in effect when Employment ends, as provided in Section 5.4(b), the Participant's benefits under the Supplemental Plan shall be paid in accordance with such benefit payment election.

(b) If the Participant does not have a benefit payment election in effect when Employment ends, the Participant's benefits under the Supplemental Plan shall be paid in five annual installments commencing in the calendar year after the Participant attains age 65, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (a) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (b) a fraction, the numerator of which is one and the denominator is the number of

installments remaining, including the current year's payments.

5.4 Benefit Payment Election. If the total of the amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more (or has a current value of $10,000 or more based on early retirement adjustments for early retirement subsidiaries the Participant currently qualifies for), the Participant may submit a benefit payment election form specifying how all vested benefits under the Supplemental Plan shall be paid if Employment ends on or after April 1, 1997, provided the amount of vested benefits exceeds $10,000 at time of payment.

(a) The Participant may elect one of the following forms of payment on the benefit payment election form:

(1) A single payment. The payment shall be made within 90 days of the date Employment ends, or within the first 60 days of any subsequent calendar year specified by the Participant.

(2) Ten or fewer annual installment payments. The installment payments shall commence in any calendar year specified by the Participant after the calendar year in which Employment ends, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (i) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (ii) a fraction, the numerator of which is one and the denominator is the number of installments remaining, including the current year's payment.

(3) Monthly level annuity payments. The payments shall commence within 90 days of the date Employment ends, or January of in any subsequent calendar year specified by

the Participant, with each payment made by the end of the month. The Participant may elect a single life level annuity, or a joint and 50%, 75% or 100% survivor annuity with the spouse to whom the Participant is married on the annuity starting date. If the Participant elects a joint and survivor level annuity but is not married on the annuity starting date, the Participant shall receive a single life level annuity. The level annuity shall contain the 5 year certain feature described in Section 3.3(c) of the Pension Plan. The amount of level annuity shall be calculated under Section 3.3(b) of the Pension Plan, based on the Level Annuity Interest rate in effect on the annuity starting date and the joint annuitant factors in Section 3.3(c) of the Pension Plan.

(b) Each benefit payment election shall become effective on the one year anniversary of the date the election is received by the Service Center, provided the Participant has remained continuously employed by an Employer until that date. If the Participant has previously submitted an election form, the Participant may not submit a new benefit payment election until his or her prior election has become effective. In addition, the Administrative Committee reserves the right to reject a new benefit payment election if it results in a significant acceleration of payments over the prior election.

5.5 Reemployed Employees. If a former Employee is reemployed by an Employer, any annuity or installment then being paid under the Supplemental Plan shall continue.

5.6 Beneficiary Designation.

(a) A participant may designate any person or

persons, including a trust, as his or her beneficiary or contingent beneficiary to receive his or her unpaid benefits under the Supplemental Plan in the event of the Participant's death. Any such designation shall be made by filing the Supplemental Plan form designated for that purpose with the Service Center. The Participant may change or cancel his or her beneficiary designation at any time prior to death without the consent of any designated beneficiary.

(b) The Participant shall designate on his or her benefit payment election that any benefits under the Supplemental Plan unpaid at the time of the Participant's death shall be paid in accordance with one of the following options:

(1) In a single payment within 90 days of the date of death.

(2) In a single payment within the first 60 days of the calendar year immediately following the calendar year in which the death occurs.

(3) In three approximately equal payments, each made within the first 60 days of the three calendar years immediately following the calendar year in which the death occurs.

(c) If no beneficiary has been designated by the Participant, or if no beneficiary is alive at the date of the Participant's death, payment shall be made to the Participant's estate. If no death benefit payment election is in effect at the date of the Participant's death, payment shall be made in a single payment within 90 days of the date of death. If payment is made to a beneficiary or the Participant's estate under the 5

year certain feature of a level annuity election, payment shall be made within 90 days of death of the Participant or joint annuitant (if applicable), whichever occurs later.

5.7 Withholding Taxes. The Participating Employers shall have the right to deduct from payments under the Supplemental Plan any and all taxes required to be collected under federal, state or local law.

5.8 Transition Provisions.

(a) If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or before March 31, 1997, the amounts credited to a Participant's account shall be payable to the Participant in a single payment within 90 days of the date Employment ends, unless prior to termination of Employment, the Participant elects one of the following payment options, which election must be approved by the Administrative Committee:

(1) Ten or fewer equal annual installments.

(2) Monthly level annuity payments calculated by using the

applicable Pension Plan level annuity conversion factors.

(b) If a Participant submitted a benefit payment election form prior to June 15, 1996, the Participant may submit a replacement benefit payment election form prior to August 1, 1996 which will have the same effective date as the first election would have had.

(c) If a Participant had amounts credited under the Seafirst Corporation Supplemental Retirement Plan or Supplemental Employee Matched Savings Plan as of March 31, 1996 and if

Employment ends prior to July 1, 1997: (1) the procedure in Section 5.8(a) shall be applicable even if the sum of the Participant's accounts is less than $10,000, and (2) if a Participant does not have a benefit payment election in effect when Employment ends, the Participant may make a written request for an alternative form of distribution under the procedure in Section 5.8(a) instead of the default provisions in Section 5.3(b), provided that such written request is submitted prior to the Participant's termination of Employment.

ARTICLE VI

PLAN OPERATION, AMENDMENTS AND ADMINISTRATION

6.1 Amendment and Termination. BankAmerica Corporation is the "plan sponsor" of the Supplemental Plan as that term is defined in ERISA. BankAmerica Corporation may amend or modify the Supplemental Plan in whole or in part at any time by a written instrument executed by an officer designated by the Board of Directors of BankAmerica Corporation. BankAmerica Corporation may terminate the Plan by action of its Board of Directors. No such amendment, modification or termination shall reduce the amount credited to a Participant's accounts as of the date of such action. Upon Plan termination, all amounts credited to Participant's accounts shall be paid to such Participants in a single payment within 120 days.

6.2 Plan Administrator. The Administrative Committee is the plan administrator as that term is defined in ERISA. The Administrative Committee is also the named fiduciary, as that term is defined in ERISA, of the Supplemental Plan having discretionary authority to control and manage the operation and administration of the Supplemental Plan.

6.3 Powers and Duties of Administrative Committee.

(a) The Administrative Committee shall have discretionary authority to determine eligibility for benefits and to construe the terms of the Supplemental Plan. The Administrative Committee shall have such other discretionary authority as may be necessary to enable it to discharge its responsibilities under the Supplemental Plan as administrator and named fiduciary, including, but not limited to, the power:

(1) To review appeals by Participants under Article VIII.

(2) To appoint or employ one or more persons to assist in the administration of the Supplemental Plan.

(3) To adopt such rules as it deems appropriate for the administration of the Supplemental Plan.

(4) To prescribe procedures to be followed by Participants.

(5) To prepare and distribute information relating to the Supplemental Plan.

(6) To request from Participating Employers and Participants such information as shall be necessary for proper administration of the Plan.

(b) The decision of the Administrative Committee upon any matter within its authority shall be final and binding on all parties, including BankAmerica Corporation, the Participating Employers and Participants and their beneficiaries.

6.4 Reliance Upon Information. In making decisions under the

Supplemental Plan, the Administrative Committee shall be entitled to rely upon information furnished by a Participant, beneficiary or Participating Employer.

6.5 Action by Administrative Committee. The Administrative Committee may act either at a meeting or, in the absence of a meeting, by an instrument in writing signed by a majority of the Committee members. The Administrative Committee shall elect one of its members as chairperson and it shall

appoint a secretary who shall keep a record of all meetings and forward all necessary communication to the Participating Employers. The Administrative Committee shall adopt such bylaws for the conduct of its business as it deems desirable. An Administrative Committee member who becomes aware of any action or failure to act by the Administrative Committee may, within a reasonable time thereafter, deliver his or her dissent in writing, setting forth specific reasons for such dissent, to all other Committee members and to the committee of the BankAmerica Corporation Board of Directors designated to review Committee activities.

ARTICLE VII

CLAIMS FOR BENEFITS

7.1 Claims Procedure.

(a) Claims Must be Filed. An Employee, Participant, alternate payee, or the spouse, beneficiary or estate of a deceased Participant (the "claimant") who has a claim for benefits or concerning any other matter under the Plan must give written notice of such claim or other matter to the Service Center.

(b) Review of Claim. After the Service Center has reviewed the claim and obtained any other information it deems necessary to render a decision on the claim, the Service Center shall notify the claimant within 90 days after receipt of the claim of the acceptance or denial of the claim, unless special circumstances require an extension of time for processing the claim. Such an extension of time may not exceed 90 additional days and notice of the extension shall be provided to the claimant prior to the termination of the initial 90 day period indicating the special circumstances requiring the extension and the date by which a final decision on the claim is expected.

(c) Denied Claims. In the event any application for benefits is denied, in whole or in part, the Service Center shall notify the claimant of such denial in writing and shall advise the claimant of the right to appeal the denial and to request a review thereof. Such notice shall be written in a manner calculated to be understood by the claimant and shall contain:

(1) Specific reason for such denial.

(2) Specific reference to the Plan provisions on which such denial is based.

(3) A description of any information or material necessary for the Employee to perfect the claim.

(4) An explanation of why such material is necessary.

(5) An explanation of the Plan's appeal and review procedure.

7.2 Appeal and Review Procedure.

(a) Appeal to Administrative Committee. If the claimant's claim for benefits is denied in whole or in part, the claimant, or the claimant's duly authorized representative, may appeal the denial by submitting to the Administrative Committee a written request for review of the application within 60 days after receiving written notice of such denial. The Administrative Committee shall give the applicant (upon request) an opportunity to review pertinent Plan documents (other than legally privileged documents) in preparing such request for review.

(b) Contents of Appeal. The request for review must be in writing and shall be addressed to the Secretary, BankAmerica Corporation Employee Benefits Administrative Committee at the address stated in the current summary plan description. The request for review shall set forth all of the grounds upon which it is based, all facts in support thereof and any other matters which the claimant deems pertinent. The Administrative Committee may require the claimant to submit (at the claimant's expense) such additional facts, documents or other

material as the Administrative Committee deems necessary or advisable in making its review.

(c) Review of Appeal. The Administrative Committee shall act upon each request for review within 60 days after its receipt thereof unless special circumstances require further time for processing. In no event shall the decision on review be rendered more than 120 days after the Administrative Committee receives the request for review. Written notice of an extension of time beyond 60 days shall be furnished to the claimant prior to the commencement of the extension.

(d) Denied Appeals. In the event the Administrative Committee confirms the denial of the claim for benefits in whole or in part, it shall give written notice of its decision to the claimant. Such notices shall be written in a manner calculated to be understood by the claimant and shall contain the specific reasons for the denial.

7.3 Exhaustion of Remedies. No legal action for benefits under the Plan shall be brought unless and until the following steps have occurred:

(a) The claimant has submitted a written application for benefits in accordance with Section 7.1.

(b) The claimant has been notified that the claim has been denied.

(c) The claimant has filed a written request appealing the denial in accordance with Section 7.2.

(d) The claimant has been notified in writing that the Administrative Committee has denied the claimant appeal or has failed to take any action on the appeal within the time

prescribed by Section 7.2.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Cost. The Participating Employers shall pay the entire cost of the Plan. The cost shall be allocated among the Participating Employers as determined by BankAmerica Corporation.

8.2 Unfunded Bookkeeping Accounts. The accounts established under the Plan are unfunded bookkeeping accounts. The Participating Employers are not required to physically segregate any cash or securities or establish any separate funds to pay any benefits under the Plan.

8.3 Prohibition on Alienation. No benefit payable under this Plan shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, hypothecation, charge, attachment, garnishment, execution, or levy of any kind or any other process of law, voluntary or involuntary. Any attempt to dispose of any rights to benefits payable under the Plan shall be void. Notwithstanding the preceding sentence, the Participating Employers shall have the right to offset from a Participant's unpaid benefits under the Supplemental Plan any amounts due and owing from the Participant to the extent permitted by law.

8.4 Not a Contract of Employment. Participation in this Plan by an Employee shall not give such Employee any right to be retained in the employ of any Participating Employer and the ability of each Participating Employer to

dismiss or discharge an Employee is specifically reserved.

8.5 Headings Not to Control. Headings and titles within the Plan are for convenience only and are not to be read

as part of the text of the Plan.

8.6 Separability of Plan Provisions. If any provisions of the Supplemental Plan are for any reason declared invalid or not enforceable, such provisions will not affect the remaining terms and conditions, but the Supplemental Plans will be construed and enforced thereafter as if such provisions had not been inserted.

8.7 Applicable Law. The validity and effect of the Plan and the rights and obligations of all persons affected thereby, are to be construed and determined in accordance with applicable federal law, and to the extent that federal law is inapplicable, under the laws of the State of California.

8.8 Entire Plan. This document is a complete statement of the Plan and as of April 1, 1996 supersedes all representations, prior plans, promises and inducements, proposals, written or oral, relating to its subject matter. The Participating Employers shall not be bound by or liable to any person for any representation, promise or inducement made by any person which is not embodied in this document or in any authorized written amendment to the Plan.

IN WITNESS WHEREOF, BankAmerica Corporation, has caused this instrument to be executed by its duly authorized officer, this 27th day of August, 1996 to be effective April 1, 1996.

BANKAMERICA CORPORATION

By /s/ KATHLEEN J. BURKE

Kathleen J. Burke
Vice Chairman and
Personnel Relations Officer

EXHIBIT 10(e)

BANKAMERICA SUPPLEMENTAL RETIREMENT PLAN

(As amended and restated effective April 1, 1996)

TABLE OF CONTENTS

<TABLE>
<S> <C>

</TABLE>

<TABLE>
<S> <C>

</TABLE>

ARTICLE I

NAME AND PURPOSE

1.1 Name. This document shall be known as the BankAmerica Supplemental Retirement Plan (the "Supplemental Plan"). Effective April 1, 1996, this Supplemental Plan document constitutes an amendment to and restatement of the Supplemental CareerAccounts Plan ("Prior Plan") which was established effective January 1, 1985 and was amended from time to time thereafter.

1.2 Purpose. The purpose of the Supplemental Plan is to provide retirement benefits which supplement benefits from the BankAmerica Pension Plan (the "Pension Plan") and the BankAmerica 401(k) Investment Plan (the "401(k) investment Plan"), tax-qualified employee benefit plans sponsored by BankAmerica Corporation for its participating subsidiaries and affiliates.

1.3 Participating Employers. The Supplemental Plan is established by BankAmerica Corporation. Employees of BankAmerica Corporation and any of its subsidiaries and affiliates which are participating employers in the Pension Plan and 401(k) Investment Plan are eligible to participate in the Supplemental Plan.

1.4 Status Under ERISA. The Plan is unfunded. Sections 3.6 and 4.5 are maintained for the purpose of providing benefits to employees in excess of the limitations on contributions and benefits under Section 415 of the Internal Revenue Code. The other benefit provisions are maintained for the purpose of providing deferred compensation for a select group of management or highly compensated employees.

1.5 Status Under P.L. 104-95. For purposes of Section

114 (entitled "Limitation on State Income Taxation of Certain Pension Income") of Pub. Law 104-95 (enacted January 10, 1996), Article III and Section 4.2, 4.3 and 4.6 of Article IV are intended to constitute plans, programs or arrangements maintained solely for the purpose of providing retirement benefits for Employees in excess of the limitations imposed by one or more of sections 401(a)(17), 401(k), 401(m), 402(g), 403(b), 408(k), or 415 of the Internal Revenue Code or any other limitation on contributions or benefits in the Internal Revenue Code on plans to which any of such sections apply. Benefits provided under Sections 4.4 and 4.5 are also intended to constitute such plans, programs or arrangements to the extent benefits provided under such sections satisfy the requirements in the preceding sentence.

ARTICLE II

DEFINITIONS

The following terms when used herein shall have the meaning set forth below, if capitalized. Unless the context clearly indicates otherwise, words in the masculine, feminine or neuter gender include the other genders and the singular includes the plural and vice versa.

2.1 "401(k) Investment Plan" means the BankAmerica 401(k) Investment Plan, as amended from time to time. This plan was named the BankAmerishare Plan prior to January 1, 1996.

2.2 "Administrative Committee" means the BankAmerica Corporation Employee Benefits Administrative Committee, consisting of senior officers of Participating Employers who shall be appointed initially by and serve at the pleasure of the Board of Directors of BankAmerica Corporation.

2.3 "BAC Deferred Compensation Plan" means the BankAmerica Corporation Deferred Compensation Plan, as amended from time to time.

2.4 "Contributing Employee" is defined under the 401(k) Investment Plan.

2.5 "Employee" means a common-law employee of an Employer.

2.6 "Employer" means BankAmerica Corporation or any other corporation which is a member of the controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code without regard to Section 1563(a)(4) and 1563(e)(3)(C)) of which BankAmerica Corporation is a member, but only after the date such corporation becomes a member of the

BankAmerica Corporation controlled group of corporations.

2.7 "Employment" means employment with an Employer.

2.8 "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.9 "Matching Employer Contribution" is defined under the 401(k) Investment Plan.

2.10 "Participant" means an Employee who has an account balance for either the supplemental 401(k) Investment Plan benefits in Article III or supplemental Pension Plan benefits in Article IV.

2.11 "Participant Contributions" is defined in the 401(k) Investment Plan.

2.12 "Participating Employee" is defined in the Pension Plan.

2.13 "Participating Employer" means BankAmerica Corporation and such subsidiaries and affiliated corporations of BankAmerica Corporation which shall participate in this Plan with the approval of BankAmerica Corporation.

2.14 "Pension Plan" means the BankAmerica Pension Plan, as amended from time to time. This plan was named the BankAmeraccount Plan prior to January 1, 1996 and the BankAmerican Retirement Plan prior to July 1, 1985.

2.15 "Plan Year" means the calendar year.

2.16 "Prior Plan" means the Supplemental CareerAccounts Plan as in effect on March 31, 1996.

2.17 "Qualified Earnings" is defined in the Pension Plan and 401(k) Investment Plan.

2.18 "Service Center" means the BankAmerica Retirement

Plans Service Center, which is the department of Bank of America NT&SA or third party designated by the Administrative Committee to provide day-to-day administrative services under the Plan.

2.19 "Supplemental Earnings" means compensation which, but for the $150,000 annual compensation limit in Section 401(a)(17) of the Internal Revenue Code, would constitute Qualified Earnings.

2.20 "Supplemental Plan" means the BankAmerica Supplemental Retirement Plan, as set forth herein, and as amended from time to time.

ARTICLE III

SUPPLEMENTAL 401(k) INVESTMENT PLAN BENEFITS

3.1 Supplemental 401(k) Investment Plan Account. An unfunded bookkeeping account shall be established for each Participant who has earned supplemental 401(k) Investment Plan benefits. The account shall be credited with all supplemental 401(k) Investment Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 3.5, plus all amounts credited under this Article after that date.

3.2 Benefits on Supplemental Earnings. If a Contributing Employee to the 401(k) Investment Plan has Supplemental Earnings for a Plan Year, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on contributions), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the Contributing Employee shall be assumed to have made Participant Contributions with respect to Supplemental Earnings at the actual rate of Participant Contributions in effect in the 401(k) Investment Plan when the annual dollar limit on Qualified Earnings was reached.

3.3 Benefits if Participation is Restricted. This section shall apply if a Contributing Employee in the 401(k) Investment Plan does not receive a full Matching Employer Contribution in the 401(k) Investment Plan for any month because the participation of the Contributing Employee is restricted in

order to enable the 401(k) Investment Plan to meet the rules under Internal Revenue Code (S)(S)401(k) or (m) or similar rules limiting benefits for highly compensated Employees. If this section is applicable, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan if he or she been allowed to fully contribute for that month shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the actual rate of Participant Contributions in effect prior to any required reduction shall be used.

3.4 Benefits Based on Deferred Compensation. This Section shall apply if a Contributing Employee in the 401(k) Investment Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Contributing Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the additional Matching Employer Contributions the Contributing Employee could have received in the 401(k) Investment Plan with respect to such deferred compensation, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the most recent rate of Participant Contributions on record at the time the deferred compensation would have been paid shall be used.

(b) Amounts deferred under the Annual Management

Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

3.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Thrift Plus Supplemental Plan as of December 31, 1992 shall be credited to the account of the Participant under this Article.

(b) Supplemental amounts credited under the Seafirst Corporation Supplemental Employee Matched Savings Plan as of March 31, 1996 shall be credited to the account of the Participant under this Article.

3.6 Benefits In Excess of 415 Dollar Limit. This section shall apply if a Participant does not receive a full Matching Employer Contribution for any month of participation in the 401(k) Investment Plan on account of the dollar limitation on maximum annual contributions under Section 415(c)(1)(A) of the Internal Revenue Code. If this section is applicable, an amount shall be credited to the Participant's account equal to (a) the amount of Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan for each month of participation if the dollar limitation on maximum annual contributions did not apply, less (b) the actual amount of Matching Employer Contributions received by the Participant in the 401(k) Investment Plan for that month. The Participant's actual rate of Participant Contributions to the 401(k) Investment Plan for each month of participation shall be used to calculate Matching Employer Contributions under (a) in the preceding sentence.

3.7 Interest. The amounts credited to a Participant's account under this Article shall be increased each month by an interest factor. During a Participant's Employment, the interest factor shall be equal to the monthly interest rate for the Income Accumulation fund in the 401(k) Investment Plan. For any month in which the Participant is not credited with a month of Covered Service, the interest factor shall be equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan.

3.8 Vesting. The benefits provided under this article shall be fully vested and nonforfeitable at all times.

ARTICLE IV

SUPPLEMENTAL PENSION PLAN BENEFITS

4.1 Supplemental Pension Plan Account. An unfunded bookkeeping account or accounts shall be established for each Participant who has earned supplemental Pension Plan benefits. The accounts shall be credited with all supplemental Pension Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 4.5, plus all amounts credited under this Article.

4.2 Benefits Based on Supplemental Earnings. If a Participating Employee in the pension plan has Supplemental Earnings for a Plan Year, an amount equal to the additional pay-based credits the Participating Employee would have received in the Pension Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article.

4.3 Benefits Based on Deferred Compensation. This Section shall apply if a Participating Employee in the Pension Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Participating Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the pay-based credits the Participating Employee would have received had such compensation not been deferred shall be credited to the Participant's account under this Article.

(b) Amounts deferred under the BankAmerica Corporation Annual Management Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

4.4 Supplemental Benefits Attributable to BankAmerican Retirement Plan. Supplemental amounts credited under the Supplemental BankAmerican Retirement Plan as of June 30, 1985 were converted into a conversion balance, in the same manner as benefits under the BankAmerican Retirement Plan were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for grandfathered benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the BankAmerican Retirement Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section.

4.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Supplemental Retirement Plan as of December 31, 1992 based on compensation in excess of the $150,000 compensation limit in Internal Revenue Code Section 401(a)(17) shall be converted into a conversion balance, in the same manner as benefits under the Security Pacific Trusteed Retirement Income Plan ("SPTRIP") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for early retirement subsidies under the Pension Plan which increase the

value of the benefits attributable to the SPTRIP, similar adjustments shall be made to the value of the Participant's "rule of $50,000" benefits under Article Three of the Security Pacific Supplemental Retirement Plan and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(b) Supplemental amounts credited under the Continental Supplemental Pension Program as of December 31, 1994 shall be converted into a conversion balance, in the same manner as benefits under the Continental Employees Pension Plan ("Continental Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the Continental Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(c) Supplemental amounts credited under the Seafirst Corporation Supplemental Retirement Plan as of March 31, 1996 shall be converted into a conversion balance, in the same manner as benefits under the Seafirst Corporation Retirement Plan ("Seafirst Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant's account under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies

under the Pension Plan which increase the value of the benefits attributable to the Seafirst Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

4.6 Benefits in Excess of 415 Dollar Limits.

(a) This Section shall apply if the benefits of a Participating Employee in the Pension Plan are reduced on account of the dollar limitation on maximum annual benefits under Section 415(b)(1)(A) of the Internal Revenue Code.

(b) The Plan shall pay the Participant an amount, if any, equal to (1) the benefit which would be payable to a Participant under the Pension Plan if the limitations on maximum annual benefits did not apply, less (2) the benefit actually payable to the Participant under the Pension Plan.

4.7 Interest.

(a) The amounts credited to the Participant's account under this Article shall be increased each month by an interest factor equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan. Any supplemental conversion balance shall be credited with the same interest rate the Participant receives under the Pension Plan for his or her conversion balance.

4.8 Vesting.

(a) The Participant shall be vested in the benefits provided under this Article to the same extent the Participant is vested under the Pension Plan for similar

benefits.

ARTICLE V

PAYMENT OF BENEFITS AFTER EMPLOYMENT ENDS

5.1 Form of Payment. The amounts credited to a Participant's accounts under the Supplemental Plan shall be payable in cash as provided in this Article.

5.2 Vested balance less than $10,000. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is less than $10,000, all benefits shall be paid to the Participant in a single cash payment within 90 days of the date Employment ends.

5.3 Vested balance $10,000 or more. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or after April 1, 1997, all benefits shall be paid to the Participant as follows:

(a) If the Participant has a benefit payment election in effect when Employment ends, as provided in Section 5.4(b), the Participant's benefits under the Supplemental Plan shall be paid in accordance with such benefit payment election.

(b) If the Participant does not have a benefit payment election in effect when Employment ends, the Participant's benefits under the Supplemental Plan shall be paid in five annual installments commencing in the calendar year after the Participant attains age 65, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (a) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (b) a fraction, the numerator of which is one and the denominator is the number of

installments remaining, including the current year's payments.

5.4 Benefit Payment Election. If the total of the amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more (or has a current value of $10,000 or more based on early retirement adjustments for early retirement subsidiaries the Participant currently qualifies for), the Participant may submit a benefit payment election form specifying how all vested benefits under the Supplemental Plan shall be paid if Employment ends on or after April 1, 1997, provided the amount of vested benefits exceeds $10,000 at time of payment.

(a) The Participant may elect one of the following forms of payment on the benefit payment election form:

(1) A single payment. The payment shall be made within 90 days of the date Employment ends, or within the first 60 days of any subsequent calendar year specified by the Participant.

(2) Ten or fewer annual installment payments. The installment payments shall commence in any calendar year specified by the Participant after the calendar year in which Employment ends, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (i) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (ii) a fraction, the numerator of which is one and the denominator is the number of installments remaining, including the current year's payment.

(3) Monthly level annuity payments. The payments shall commence within 90 days of the date Employment ends, or January of in any subsequent calendar year specified by

the Participant, with each payment made by the end of the month. The Participant may elect a single life level annuity, or a joint and 50%, 75% or 100% survivor annuity with the spouse to whom the Participant is married on the annuity starting date. If the Participant elects a joint and survivor level annuity but is not married on the annuity starting date, the Participant shall receive a single life level annuity. The level annuity shall contain the 5 year certain feature described in Section 3.3(c) of the Pension Plan. The amount of level annuity shall be calculated under Section 3.3(b) of the Pension Plan, based on the Level Annuity Interest rate in effect on the annuity starting date and the joint annuitant factors in Section 3.3(c) of the Pension Plan.

(b) Each benefit payment election shall become effective on the one year anniversary of the date the election is received by the Service Center, provided the Participant has remained continuously employed by an Employer until that date. If the Participant has previously submitted an election form, the Participant may not submit a new benefit payment election until his or her prior election has become effective. In addition, the Administrative Committee reserves the right to reject a new benefit payment election if it results in a significant acceleration of payments over the prior election.

5.5 Reemployed Employees. If a former Employee is reemployed by an Employer, any annuity or installment then being paid under the Supplemental Plan shall continue.

5.6 Beneficiary Designation.

(a) A participant may designate any person or

persons, including a trust, as his or her beneficiary or contingent beneficiary to receive his or her unpaid benefits under the Supplemental Plan in the event of the Participant's death. Any such designation shall be made by filing the Supplemental Plan form designated for that purpose with the Service Center. The Participant may change or cancel his or her beneficiary designation at any time prior to death without the consent of any designated beneficiary.

(b) The Participant shall designate on his or her benefit payment election that any benefits under the Supplemental Plan unpaid at the time of the Participant's death shall be paid in accordance with one of the following options:

(1) In a single payment within 90 days of the date of death.

(2) In a single payment within the first 60 days of the calendar year immediately following the calendar year in which the death occurs.

(3) In three approximately equal payments, each made within the first 60 days of the three calendar years immediately following the calendar year in which the death occurs.

(c) If no beneficiary has been designated by the Participant, or if no beneficiary is alive at the date of the Participant's death, payment shall be made to the Participant's estate. If no death benefit payment election is in effect at the date of the Participant's death, payment shall be made in a single payment within 90 days of the date of death. If payment is made to a beneficiary or the Participant's estate under the 5

year certain feature of a level annuity election, payment shall be made within 90 days of death of the Participant or joint annuitant (if applicable), whichever occurs later.

5.7 Withholding Taxes. The Participating Employers shall have the right to deduct from payments under the Supplemental Plan any and all taxes required to be collected under federal, state or local law.

5.8 Transition Provisions.

(a) If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or before March 31, 1997, the amounts credited to a Participant's account shall be payable to the Participant in a single payment within 90 days of the date Employment ends, unless prior to termination of Employment, the Participant elects one of the following payment options, which election must be approved by the Administrative Committee:

(1) Ten or fewer equal annual installments.

(2) Monthly level annuity payments calculated by using the

applicable Pension Plan level annuity conversion factors.

(b) If a Participant submitted a benefit payment election form prior to June 15, 1996, the Participant may submit a replacement benefit payment election form prior to August 1, 1996 which will have the same effective date as the first election would have had.

(c) If a Participant had amounts credited under the Seafirst Corporation Supplemental Retirement Plan or Supplemental Employee Matched Savings Plan as of March 31, 1996 and if

Employment ends prior to July 1, 1997: (1) the procedure in Section 5.8(a) shall be applicable even if the sum of the Participant's accounts is less than $10,000, and (2) if a Participant does not have a benefit payment election in effect when Employment ends, the Participant may make a written request for an alternative form of distribution under the procedure in Section 5.8(a) instead of the default provisions in Section 5.3(b), provided that such written request is submitted prior to the Participant's termination of Employment.

ARTICLE VI

PLAN OPERATION, AMENDMENTS AND ADMINISTRATION

6.1 Amendment and Termination. BankAmerica Corporation is the "plan sponsor" of the Supplemental Plan as that term is defined in ERISA. BankAmerica Corporation may amend or modify the Supplemental Plan in whole or in part at any time by a written instrument executed by an officer designated by the Board of Directors of BankAmerica Corporation. BankAmerica Corporation may terminate the Plan by action of its Board of Directors. No such amendment, modification or termination shall reduce the amount credited to a Participant's accounts as of the date of such action. Upon Plan termination, all amounts credited to Participant's accounts shall be paid to such Participants in a single payment within 120 days.

6.2 Plan Administrator. The Administrative Committee is the plan administrator as that term is defined in ERISA. The Administrative Committee is also the named fiduciary, as that term is defined in ERISA, of the Supplemental Plan having discretionary authority to control and manage the operation and administration of the Supplemental Plan.

6.3 Powers and Duties of Administrative Committee.

(a) The Administrative Committee shall have discretionary authority to determine eligibility for benefits and to construe the terms of the Supplemental Plan. The Administrative Committee shall have such other discretionary authority as may be necessary to enable it to discharge its responsibilities under the Supplemental Plan as administrator and named fiduciary, including, but not limited to, the power:

(1) To review appeals by Participants under Article VIII.

(2) To appoint or employ one or more persons to assist in the administration of the Supplemental Plan.

(3) To adopt such rules as it deems appropriate for the administration of the Supplemental Plan.

(4) To prescribe procedures to be followed by Participants.

(5) To prepare and distribute information relating to the Supplemental Plan.

(6) To request from Participating Employers and Participants such information as shall be necessary for proper administration of the Plan.

(b) The decision of the Administrative Committee upon any matter within its authority shall be final and binding on all parties, including BankAmerica Corporation, the Participating Employers and Participants and their beneficiaries.

6.4 Reliance Upon Information. In making decisions under the

Supplemental Plan, the Administrative Committee shall be entitled to rely upon information furnished by a Participant, beneficiary or Participating Employer.

6.5 Action by Administrative Committee. The Administrative Committee may act either at a meeting or, in the absence of a meeting, by an instrument in writing signed by a majority of the Committee members. The Administrative Committee shall elect one of its members as chairperson and it shall

appoint a secretary who shall keep a record of all meetings and forward all necessary communication to the Participating Employers. The Administrative Committee shall adopt such bylaws for the conduct of its business as it deems desirable. An Administrative Committee member who becomes aware of any action or failure to act by the Administrative Committee may, within a reasonable time thereafter, deliver his or her dissent in writing, setting forth specific reasons for such dissent, to all other Committee members and to the committee of the BankAmerica Corporation Board of Directors designated to review Committee activities.

ARTICLE VII

CLAIMS FOR BENEFITS

7.1 Claims Procedure.

(a) Claims Must be Filed. An Employee, Participant, alternate payee, or the spouse, beneficiary or estate of a deceased Participant (the "claimant") who has a claim for benefits or concerning any other matter under the Plan must give written notice of such claim or other matter to the Service Center.

(b) Review of Claim. After the Service Center has reviewed the claim and obtained any other information it deems necessary to render a decision on the claim, the Service Center shall notify the claimant within 90 days after receipt of the claim of the acceptance or denial of the claim, unless special circumstances require an extension of time for processing the claim. Such an extension of time may not exceed 90 additional days and notice of the extension shall be provided to the claimant prior to the termination of the initial 90 day period indicating the special circumstances requiring the extension and the date by which a final decision on the claim is expected.

(c) Denied Claims. In the event any application for benefits is denied, in whole or in part, the Service Center shall notify the claimant of such denial in writing and shall advise the claimant of the right to appeal the denial and to request a review thereof. Such notice shall be written in a manner calculated to be understood by the claimant and shall contain:

(1) Specific reason for such denial.

(2) Specific reference to the Plan provisions on which such denial is based.

(3) A description of any information or material necessary for the Employee to perfect the claim.

(4) An explanation of why such material is necessary.

(5) An explanation of the Plan's appeal and review procedure.

7.2 Appeal and Review Procedure.

(a) Appeal to Administrative Committee. If the claimant's claim for benefits is denied in whole or in part, the claimant, or the claimant's duly authorized representative, may appeal the denial by submitting to the Administrative Committee a written request for review of the application within 60 days after receiving written notice of such denial. The Administrative Committee shall give the applicant (upon request) an opportunity to review pertinent Plan documents (other than legally privileged documents) in preparing such request for review.

(b) Contents of Appeal. The request for review must be in writing and shall be addressed to the Secretary, BankAmerica Corporation Employee Benefits Administrative Committee at the address stated in the current summary plan description. The request for review shall set forth all of the grounds upon which it is based, all facts in support thereof and any other matters which the claimant deems pertinent. The Administrative Committee may require the claimant to submit (at the claimant's expense) such additional facts, documents or other

material as the Administrative Committee deems necessary or advisable in making its review.

(c) Review of Appeal. The Administrative Committee shall act upon each request for review within 60 days after its receipt thereof unless special circumstances require further time for processing. In no event shall the decision on review be rendered more than 120 days after the Administrative Committee receives the request for review. Written notice of an extension of time beyond 60 days shall be furnished to the claimant prior to the commencement of the extension.

(d) Denied Appeals. In the event the Administrative Committee confirms the denial of the claim for benefits in whole or in part, it shall give written notice of its decision to the claimant. Such notices shall be written in a manner calculated to be understood by the claimant and shall contain the specific reasons for the denial.

7.3 Exhaustion of Remedies. No legal action for benefits under the Plan shall be brought unless and until the following steps have occurred:

(a) The claimant has submitted a written application for benefits in accordance with Section 7.1.

(b) The claimant has been notified that the claim has been denied.

(c) The claimant has filed a written request appealing the denial in accordance with Section 7.2.

(d) The claimant has been notified in writing that the Administrative Committee has denied the claimant appeal or has failed to take any action on the appeal within the time

prescribed by Section 7.2.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Cost. The Participating Employers shall pay the entire cost of the Plan. The cost shall be allocated among the Participating Employers as determined by BankAmerica Corporation.

8.2 Unfunded Bookkeeping Accounts. The accounts established under the Plan are unfunded bookkeeping accounts. The Participating Employers are not required to physically segregate any cash or securities or establish any separate funds to pay any benefits under the Plan.

8.3 Prohibition on Alienation. No benefit payable under this Plan shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, hypothecation, charge, attachment, garnishment, execution, or levy of any kind or any other process of law, voluntary or involuntary. Any attempt to dispose of any rights to benefits payable under the Plan shall be void. Notwithstanding the preceding sentence, the Participating Employers shall have the right to offset from a Participant's unpaid benefits under the Supplemental Plan any amounts due and owing from the Participant to the extent permitted by law.

8.4 Not a Contract of Employment. Participation in this Plan by an Employee shall not give such Employee any right to be retained in the employ of any Participating Employer and the ability of each Participating Employer to

dismiss or discharge an Employee is specifically reserved.

8.5 Headings Not to Control. Headings and titles within the Plan are for convenience only and are not to be read

as part of the text of the Plan.

8.6 Separability of Plan Provisions. If any provisions of the Supplemental Plan are for any reason declared invalid or not enforceable, such provisions will not affect the remaining terms and conditions, but the Supplemental Plans will be construed and enforced thereafter as if such provisions had not been inserted.

8.7 Applicable Law. The validity and effect of the Plan and the rights and obligations of all persons affected thereby, are to be construed and determined in accordance with applicable federal law, and to the extent that federal law is inapplicable, under the laws of the State of California.

8.8 Entire Plan. This document is a complete statement of the Plan and as of April 1, 1996 supersedes all representations, prior plans, promises and inducements, proposals, written or oral, relating to its subject matter. The Participating Employers shall not be bound by or liable to any person for any representation, promise or inducement made by any person which is not embodied in this document or in any authorized written amendment to the Plan.

IN WITNESS WHEREOF, BankAmerica Corporation, has caused this instrument to be executed by its duly authorized officer, this 27th day of August, 1996 to be effective April 1, 1996.

BANKAMERICA CORPORATION

By /s/ KATHLEEN J. BURKE

Kathleen J. Burke
Vice Chairman and
Personnel Relations Officer

EXHIBIT 10(e)

BANKAMERICA SUPPLEMENTAL RETIREMENT PLAN

(As amended and restated effective April 1, 1996)

TABLE OF CONTENTS

<TABLE>
<S> <C>

</TABLE>

<TABLE>
<S> <C>

</TABLE>

ARTICLE I

NAME AND PURPOSE

1.1 Name. This document shall be known as the BankAmerica Supplemental Retirement Plan (the "Supplemental Plan"). Effective April 1, 1996, this Supplemental Plan document constitutes an amendment to and restatement of the Supplemental CareerAccounts Plan ("Prior Plan") which was established effective January 1, 1985 and was amended from time to time thereafter.

1.2 Purpose. The purpose of the Supplemental Plan is to provide retirement benefits which supplement benefits from the BankAmerica Pension Plan (the "Pension Plan") and the BankAmerica 401(k) Investment Plan (the "401(k) investment Plan"), tax-qualified employee benefit plans sponsored by BankAmerica Corporation for its participating subsidiaries and affiliates.

1.3 Participating Employers. The Supplemental Plan is established by BankAmerica Corporation. Employees of BankAmerica Corporation and any of its subsidiaries and affiliates which are participating employers in the Pension Plan and 401(k) Investment Plan are eligible to participate in the Supplemental Plan.

1.4 Status Under ERISA. The Plan is unfunded. Sections 3.6 and 4.5 are maintained for the purpose of providing benefits to employees in excess of the limitations on contributions and benefits under Section 415 of the Internal Revenue Code. The other benefit provisions are maintained for the purpose of providing deferred compensation for a select group of management or highly compensated employees.

1.5 Status Under P.L. 104-95. For purposes of Section

114 (entitled "Limitation on State Income Taxation of Certain Pension Income") of Pub. Law 104-95 (enacted January 10, 1996), Article III and Section 4.2, 4.3 and 4.6 of Article IV are intended to constitute plans, programs or arrangements maintained solely for the purpose of providing retirement benefits for Employees in excess of the limitations imposed by one or more of sections 401(a)(17), 401(k), 401(m), 402(g), 403(b), 408(k), or 415 of the Internal Revenue Code or any other limitation on contributions or benefits in the Internal Revenue Code on plans to which any of such sections apply. Benefits provided under Sections 4.4 and 4.5 are also intended to constitute such plans, programs or arrangements to the extent benefits provided under such sections satisfy the requirements in the preceding sentence.

ARTICLE II

DEFINITIONS

The following terms when used herein shall have the meaning set forth below, if capitalized. Unless the context clearly indicates otherwise, words in the masculine, feminine or neuter gender include the other genders and the singular includes the plural and vice versa.

2.1 "401(k) Investment Plan" means the BankAmerica 401(k) Investment Plan, as amended from time to time. This plan was named the BankAmerishare Plan prior to January 1, 1996.

2.2 "Administrative Committee" means the BankAmerica Corporation Employee Benefits Administrative Committee, consisting of senior officers of Participating Employers who shall be appointed initially by and serve at the pleasure of the Board of Directors of BankAmerica Corporation.

2.3 "BAC Deferred Compensation Plan" means the BankAmerica Corporation Deferred Compensation Plan, as amended from time to time.

2.4 "Contributing Employee" is defined under the 401(k) Investment Plan.

2.5 "Employee" means a common-law employee of an Employer.

2.6 "Employer" means BankAmerica Corporation or any other corporation which is a member of the controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code without regard to Section 1563(a)(4) and 1563(e)(3)(C)) of which BankAmerica Corporation is a member, but only after the date such corporation becomes a member of the

BankAmerica Corporation controlled group of corporations.

2.7 "Employment" means employment with an Employer.

2.8 "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.9 "Matching Employer Contribution" is defined under the 401(k) Investment Plan.

2.10 "Participant" means an Employee who has an account balance for either the supplemental 401(k) Investment Plan benefits in Article III or supplemental Pension Plan benefits in Article IV.

2.11 "Participant Contributions" is defined in the 401(k) Investment Plan.

2.12 "Participating Employee" is defined in the Pension Plan.

2.13 "Participating Employer" means BankAmerica Corporation and such subsidiaries and affiliated corporations of BankAmerica Corporation which shall participate in this Plan with the approval of BankAmerica Corporation.

2.14 "Pension Plan" means the BankAmerica Pension Plan, as amended from time to time. This plan was named the BankAmeraccount Plan prior to January 1, 1996 and the BankAmerican Retirement Plan prior to July 1, 1985.

2.15 "Plan Year" means the calendar year.

2.16 "Prior Plan" means the Supplemental CareerAccounts Plan as in effect on March 31, 1996.

2.17 "Qualified Earnings" is defined in the Pension Plan and 401(k) Investment Plan.

2.18 "Service Center" means the BankAmerica Retirement

Plans Service Center, which is the department of Bank of America NT&SA or third party designated by the Administrative Committee to provide day-to-day administrative services under the Plan.

2.19 "Supplemental Earnings" means compensation which, but for the $150,000 annual compensation limit in Section 401(a)(17) of the Internal Revenue Code, would constitute Qualified Earnings.

2.20 "Supplemental Plan" means the BankAmerica Supplemental Retirement Plan, as set forth herein, and as amended from time to time.

ARTICLE III

SUPPLEMENTAL 401(k) INVESTMENT PLAN BENEFITS

3.1 Supplemental 401(k) Investment Plan Account. An unfunded bookkeeping account shall be established for each Participant who has earned supplemental 401(k) Investment Plan benefits. The account shall be credited with all supplemental 401(k) Investment Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 3.5, plus all amounts credited under this Article after that date.

3.2 Benefits on Supplemental Earnings. If a Contributing Employee to the 401(k) Investment Plan has Supplemental Earnings for a Plan Year, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on contributions), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the Contributing Employee shall be assumed to have made Participant Contributions with respect to Supplemental Earnings at the actual rate of Participant Contributions in effect in the 401(k) Investment Plan when the annual dollar limit on Qualified Earnings was reached.

3.3 Benefits if Participation is Restricted. This section shall apply if a Contributing Employee in the 401(k) Investment Plan does not receive a full Matching Employer Contribution in the 401(k) Investment Plan for any month because the participation of the Contributing Employee is restricted in

order to enable the 401(k) Investment Plan to meet the rules under Internal Revenue Code (S)(S)401(k) or (m) or similar rules limiting benefits for highly compensated Employees. If this section is applicable, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan if he or she been allowed to fully contribute for that month shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the actual rate of Participant Contributions in effect prior to any required reduction shall be used.

3.4 Benefits Based on Deferred Compensation. This Section shall apply if a Contributing Employee in the 401(k) Investment Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Contributing Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the additional Matching Employer Contributions the Contributing Employee could have received in the 401(k) Investment Plan with respect to such deferred compensation, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the most recent rate of Participant Contributions on record at the time the deferred compensation would have been paid shall be used.

(b) Amounts deferred under the Annual Management

Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

3.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Thrift Plus Supplemental Plan as of December 31, 1992 shall be credited to the account of the Participant under this Article.

(b) Supplemental amounts credited under the Seafirst Corporation Supplemental Employee Matched Savings Plan as of March 31, 1996 shall be credited to the account of the Participant under this Article.

3.6 Benefits In Excess of 415 Dollar Limit. This section shall apply if a Participant does not receive a full Matching Employer Contribution for any month of participation in the 401(k) Investment Plan on account of the dollar limitation on maximum annual contributions under Section 415(c)(1)(A) of the Internal Revenue Code. If this section is applicable, an amount shall be credited to the Participant's account equal to (a) the amount of Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan for each month of participation if the dollar limitation on maximum annual contributions did not apply, less (b) the actual amount of Matching Employer Contributions received by the Participant in the 401(k) Investment Plan for that month. The Participant's actual rate of Participant Contributions to the 401(k) Investment Plan for each month of participation shall be used to calculate Matching Employer Contributions under (a) in the preceding sentence.

3.7 Interest. The amounts credited to a Participant's account under this Article shall be increased each month by an interest factor. During a Participant's Employment, the interest factor shall be equal to the monthly interest rate for the Income Accumulation fund in the 401(k) Investment Plan. For any month in which the Participant is not credited with a month of Covered Service, the interest factor shall be equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan.

3.8 Vesting. The benefits provided under this article shall be fully vested and nonforfeitable at all times.

ARTICLE IV

SUPPLEMENTAL PENSION PLAN BENEFITS

4.1 Supplemental Pension Plan Account. An unfunded bookkeeping account or accounts shall be established for each Participant who has earned supplemental Pension Plan benefits. The accounts shall be credited with all supplemental Pension Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 4.5, plus all amounts credited under this Article.

4.2 Benefits Based on Supplemental Earnings. If a Participating Employee in the pension plan has Supplemental Earnings for a Plan Year, an amount equal to the additional pay-based credits the Participating Employee would have received in the Pension Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article.

4.3 Benefits Based on Deferred Compensation. This Section shall apply if a Participating Employee in the Pension Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Participating Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the pay-based credits the Participating Employee would have received had such compensation not been deferred shall be credited to the Participant's account under this Article.

(b) Amounts deferred under the BankAmerica Corporation Annual Management Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

4.4 Supplemental Benefits Attributable to BankAmerican Retirement Plan. Supplemental amounts credited under the Supplemental BankAmerican Retirement Plan as of June 30, 1985 were converted into a conversion balance, in the same manner as benefits under the BankAmerican Retirement Plan were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for grandfathered benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the BankAmerican Retirement Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section.

4.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Supplemental Retirement Plan as of December 31, 1992 based on compensation in excess of the $150,000 compensation limit in Internal Revenue Code Section 401(a)(17) shall be converted into a conversion balance, in the same manner as benefits under the Security Pacific Trusteed Retirement Income Plan ("SPTRIP") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for early retirement subsidies under the Pension Plan which increase the

value of the benefits attributable to the SPTRIP, similar adjustments shall be made to the value of the Participant's "rule of $50,000" benefits under Article Three of the Security Pacific Supplemental Retirement Plan and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(b) Supplemental amounts credited under the Continental Supplemental Pension Program as of December 31, 1994 shall be converted into a conversion balance, in the same manner as benefits under the Continental Employees Pension Plan ("Continental Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the Continental Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(c) Supplemental amounts credited under the Seafirst Corporation Supplemental Retirement Plan as of March 31, 1996 shall be converted into a conversion balance, in the same manner as benefits under the Seafirst Corporation Retirement Plan ("Seafirst Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant's account under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies

under the Pension Plan which increase the value of the benefits attributable to the Seafirst Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

4.6 Benefits in Excess of 415 Dollar Limits.

(a) This Section shall apply if the benefits of a Participating Employee in the Pension Plan are reduced on account of the dollar limitation on maximum annual benefits under Section 415(b)(1)(A) of the Internal Revenue Code.

(b) The Plan shall pay the Participant an amount, if any, equal to (1) the benefit which would be payable to a Participant under the Pension Plan if the limitations on maximum annual benefits did not apply, less (2) the benefit actually payable to the Participant under the Pension Plan.

4.7 Interest.

(a) The amounts credited to the Participant's account under this Article shall be increased each month by an interest factor equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan. Any supplemental conversion balance shall be credited with the same interest rate the Participant receives under the Pension Plan for his or her conversion balance.

4.8 Vesting.

(a) The Participant shall be vested in the benefits provided under this Article to the same extent the Participant is vested under the Pension Plan for similar

benefits.

ARTICLE V

PAYMENT OF BENEFITS AFTER EMPLOYMENT ENDS

5.1 Form of Payment. The amounts credited to a Participant's accounts under the Supplemental Plan shall be payable in cash as provided in this Article.

5.2 Vested balance less than $10,000. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is less than $10,000, all benefits shall be paid to the Participant in a single cash payment within 90 days of the date Employment ends.

5.3 Vested balance $10,000 or more. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or after April 1, 1997, all benefits shall be paid to the Participant as follows:

(a) If the Participant has a benefit payment election in effect when Employment ends, as provided in Section 5.4(b), the Participant's benefits under the Supplemental Plan shall be paid in accordance with such benefit payment election.

(b) If the Participant does not have a benefit payment election in effect when Employment ends, the Participant's benefits under the Supplemental Plan shall be paid in five annual installments commencing in the calendar year after the Participant attains age 65, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (a) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (b) a fraction, the numerator of which is one and the denominator is the number of

installments remaining, including the current year's payments.

5.4 Benefit Payment Election. If the total of the amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more (or has a current value of $10,000 or more based on early retirement adjustments for early retirement subsidiaries the Participant currently qualifies for), the Participant may submit a benefit payment election form specifying how all vested benefits under the Supplemental Plan shall be paid if Employment ends on or after April 1, 1997, provided the amount of vested benefits exceeds $10,000 at time of payment.

(a) The Participant may elect one of the following forms of payment on the benefit payment election form:

(1) A single payment. The payment shall be made within 90 days of the date Employment ends, or within the first 60 days of any subsequent calendar year specified by the Participant.

(2) Ten or fewer annual installment payments. The installment payments shall commence in any calendar year specified by the Participant after the calendar year in which Employment ends, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (i) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (ii) a fraction, the numerator of which is one and the denominator is the number of installments remaining, including the current year's payment.

(3) Monthly level annuity payments. The payments shall commence within 90 days of the date Employment ends, or January of in any subsequent calendar year specified by

the Participant, with each payment made by the end of the month. The Participant may elect a single life level annuity, or a joint and 50%, 75% or 100% survivor annuity with the spouse to whom the Participant is married on the annuity starting date. If the Participant elects a joint and survivor level annuity but is not married on the annuity starting date, the Participant shall receive a single life level annuity. The level annuity shall contain the 5 year certain feature described in Section 3.3(c) of the Pension Plan. The amount of level annuity shall be calculated under Section 3.3(b) of the Pension Plan, based on the Level Annuity Interest rate in effect on the annuity starting date and the joint annuitant factors in Section 3.3(c) of the Pension Plan.

(b) Each benefit payment election shall become effective on the one year anniversary of the date the election is received by the Service Center, provided the Participant has remained continuously employed by an Employer until that date. If the Participant has previously submitted an election form, the Participant may not submit a new benefit payment election until his or her prior election has become effective. In addition, the Administrative Committee reserves the right to reject a new benefit payment election if it results in a significant acceleration of payments over the prior election.

5.5 Reemployed Employees. If a former Employee is reemployed by an Employer, any annuity or installment then being paid under the Supplemental Plan shall continue.

5.6 Beneficiary Designation.

(a) A participant may designate any person or

persons, including a trust, as his or her beneficiary or contingent beneficiary to receive his or her unpaid benefits under the Supplemental Plan in the event of the Participant's death. Any such designation shall be made by filing the Supplemental Plan form designated for that purpose with the Service Center. The Participant may change or cancel his or her beneficiary designation at any time prior to death without the consent of any designated beneficiary.

(b) The Participant shall designate on his or her benefit payment election that any benefits under the Supplemental Plan unpaid at the time of the Participant's death shall be paid in accordance with one of the following options:

(1) In a single payment within 90 days of the date of death.

(2) In a single payment within the first 60 days of the calendar year immediately following the calendar year in which the death occurs.

(3) In three approximately equal payments, each made within the first 60 days of the three calendar years immediately following the calendar year in which the death occurs.

(c) If no beneficiary has been designated by the Participant, or if no beneficiary is alive at the date of the Participant's death, payment shall be made to the Participant's estate. If no death benefit payment election is in effect at the date of the Participant's death, payment shall be made in a single payment within 90 days of the date of death. If payment is made to a beneficiary or the Participant's estate under the 5

year certain feature of a level annuity election, payment shall be made within 90 days of death of the Participant or joint annuitant (if applicable), whichever occurs later.

5.7 Withholding Taxes. The Participating Employers shall have the right to deduct from payments under the Supplemental Plan any and all taxes required to be collected under federal, state or local law.

5.8 Transition Provisions.

(a) If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or before March 31, 1997, the amounts credited to a Participant's account shall be payable to the Participant in a single payment within 90 days of the date Employment ends, unless prior to termination of Employment, the Participant elects one of the following payment options, which election must be approved by the Administrative Committee:

(1) Ten or fewer equal annual installments.

(2) Monthly level annuity payments calculated by using the

applicable Pension Plan level annuity conversion factors.

(b) If a Participant submitted a benefit payment election form prior to June 15, 1996, the Participant may submit a replacement benefit payment election form prior to August 1, 1996 which will have the same effective date as the first election would have had.

(c) If a Participant had amounts credited under the Seafirst Corporation Supplemental Retirement Plan or Supplemental Employee Matched Savings Plan as of March 31, 1996 and if

Employment ends prior to July 1, 1997: (1) the procedure in Section 5.8(a) shall be applicable even if the sum of the Participant's accounts is less than $10,000, and (2) if a Participant does not have a benefit payment election in effect when Employment ends, the Participant may make a written request for an alternative form of distribution under the procedure in Section 5.8(a) instead of the default provisions in Section 5.3(b), provided that such written request is submitted prior to the Participant's termination of Employment.

ARTICLE VI

PLAN OPERATION, AMENDMENTS AND ADMINISTRATION

6.1 Amendment and Termination. BankAmerica Corporation is the "plan sponsor" of the Supplemental Plan as that term is defined in ERISA. BankAmerica Corporation may amend or modify the Supplemental Plan in whole or in part at any time by a written instrument executed by an officer designated by the Board of Directors of BankAmerica Corporation. BankAmerica Corporation may terminate the Plan by action of its Board of Directors. No such amendment, modification or termination shall reduce the amount credited to a Participant's accounts as of the date of such action. Upon Plan termination, all amounts credited to Participant's accounts shall be paid to such Participants in a single payment within 120 days.

6.2 Plan Administrator. The Administrative Committee is the plan administrator as that term is defined in ERISA. The Administrative Committee is also the named fiduciary, as that term is defined in ERISA, of the Supplemental Plan having discretionary authority to control and manage the operation and administration of the Supplemental Plan.

6.3 Powers and Duties of Administrative Committee.

(a) The Administrative Committee shall have discretionary authority to determine eligibility for benefits and to construe the terms of the Supplemental Plan. The Administrative Committee shall have such other discretionary authority as may be necessary to enable it to discharge its responsibilities under the Supplemental Plan as administrator and named fiduciary, including, but not limited to, the power:

(1) To review appeals by Participants under Article VIII.

(2) To appoint or employ one or more persons to assist in the administration of the Supplemental Plan.

(3) To adopt such rules as it deems appropriate for the administration of the Supplemental Plan.

(4) To prescribe procedures to be followed by Participants.

(5) To prepare and distribute information relating to the Supplemental Plan.

(6) To request from Participating Employers and Participants such information as shall be necessary for proper administration of the Plan.

(b) The decision of the Administrative Committee upon any matter within its authority shall be final and binding on all parties, including BankAmerica Corporation, the Participating Employers and Participants and their beneficiaries.

6.4 Reliance Upon Information. In making decisions under the

Supplemental Plan, the Administrative Committee shall be entitled to rely upon information furnished by a Participant, beneficiary or Participating Employer.

6.5 Action by Administrative Committee. The Administrative Committee may act either at a meeting or, in the absence of a meeting, by an instrument in writing signed by a majority of the Committee members. The Administrative Committee shall elect one of its members as chairperson and it shall

appoint a secretary who shall keep a record of all meetings and forward all necessary communication to the Participating Employers. The Administrative Committee shall adopt such bylaws for the conduct of its business as it deems desirable. An Administrative Committee member who becomes aware of any action or failure to act by the Administrative Committee may, within a reasonable time thereafter, deliver his or her dissent in writing, setting forth specific reasons for such dissent, to all other Committee members and to the committee of the BankAmerica Corporation Board of Directors designated to review Committee activities.

ARTICLE VII

CLAIMS FOR BENEFITS

7.1 Claims Procedure.

(a) Claims Must be Filed. An Employee, Participant, alternate payee, or the spouse, beneficiary or estate of a deceased Participant (the "claimant") who has a claim for benefits or concerning any other matter under the Plan must give written notice of such claim or other matter to the Service Center.

(b) Review of Claim. After the Service Center has reviewed the claim and obtained any other information it deems necessary to render a decision on the claim, the Service Center shall notify the claimant within 90 days after receipt of the claim of the acceptance or denial of the claim, unless special circumstances require an extension of time for processing the claim. Such an extension of time may not exceed 90 additional days and notice of the extension shall be provided to the claimant prior to the termination of the initial 90 day period indicating the special circumstances requiring the extension and the date by which a final decision on the claim is expected.

(c) Denied Claims. In the event any application for benefits is denied, in whole or in part, the Service Center shall notify the claimant of such denial in writing and shall advise the claimant of the right to appeal the denial and to request a review thereof. Such notice shall be written in a manner calculated to be understood by the claimant and shall contain:

(1) Specific reason for such denial.

(2) Specific reference to the Plan provisions on which such denial is based.

(3) A description of any information or material necessary for the Employee to perfect the claim.

(4) An explanation of why such material is necessary.

(5) An explanation of the Plan's appeal and review procedure.

7.2 Appeal and Review Procedure.

(a) Appeal to Administrative Committee. If the claimant's claim for benefits is denied in whole or in part, the claimant, or the claimant's duly authorized representative, may appeal the denial by submitting to the Administrative Committee a written request for review of the application within 60 days after receiving written notice of such denial. The Administrative Committee shall give the applicant (upon request) an opportunity to review pertinent Plan documents (other than legally privileged documents) in preparing such request for review.

(b) Contents of Appeal. The request for review must be in writing and shall be addressed to the Secretary, BankAmerica Corporation Employee Benefits Administrative Committee at the address stated in the current summary plan description. The request for review shall set forth all of the grounds upon which it is based, all facts in support thereof and any other matters which the claimant deems pertinent. The Administrative Committee may require the claimant to submit (at the claimant's expense) such additional facts, documents or other

material as the Administrative Committee deems necessary or advisable in making its review.

(c) Review of Appeal. The Administrative Committee shall act upon each request for review within 60 days after its receipt thereof unless special circumstances require further time for processing. In no event shall the decision on review be rendered more than 120 days after the Administrative Committee receives the request for review. Written notice of an extension of time beyond 60 days shall be furnished to the claimant prior to the commencement of the extension.

(d) Denied Appeals. In the event the Administrative Committee confirms the denial of the claim for benefits in whole or in part, it shall give written notice of its decision to the claimant. Such notices shall be written in a manner calculated to be understood by the claimant and shall contain the specific reasons for the denial.

7.3 Exhaustion of Remedies. No legal action for benefits under the Plan shall be brought unless and until the following steps have occurred:

(a) The claimant has submitted a written application for benefits in accordance with Section 7.1.

(b) The claimant has been notified that the claim has been denied.

(c) The claimant has filed a written request appealing the denial in accordance with Section 7.2.

(d) The claimant has been notified in writing that the Administrative Committee has denied the claimant appeal or has failed to take any action on the appeal within the time

prescribed by Section 7.2.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Cost. The Participating Employers shall pay the entire cost of the Plan. The cost shall be allocated among the Participating Employers as determined by BankAmerica Corporation.

8.2 Unfunded Bookkeeping Accounts. The accounts established under the Plan are unfunded bookkeeping accounts. The Participating Employers are not required to physically segregate any cash or securities or establish any separate funds to pay any benefits under the Plan.

8.3 Prohibition on Alienation. No benefit payable under this Plan shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, hypothecation, charge, attachment, garnishment, execution, or levy of any kind or any other process of law, voluntary or involuntary. Any attempt to dispose of any rights to benefits payable under the Plan shall be void. Notwithstanding the preceding sentence, the Participating Employers shall have the right to offset from a Participant's unpaid benefits under the Supplemental Plan any amounts due and owing from the Participant to the extent permitted by law.

8.4 Not a Contract of Employment. Participation in this Plan by an Employee shall not give such Employee any right to be retained in the employ of any Participating Employer and the ability of each Participating Employer to

dismiss or discharge an Employee is specifically reserved.

8.5 Headings Not to Control. Headings and titles within the Plan are for convenience only and are not to be read

as part of the text of the Plan.

8.6 Separability of Plan Provisions. If any provisions of the Supplemental Plan are for any reason declared invalid or not enforceable, such provisions will not affect the remaining terms and conditions, but the Supplemental Plans will be construed and enforced thereafter as if such provisions had not been inserted.

8.7 Applicable Law. The validity and effect of the Plan and the rights and obligations of all persons affected thereby, are to be construed and determined in accordance with applicable federal law, and to the extent that federal law is inapplicable, under the laws of the State of California.

8.8 Entire Plan. This document is a complete statement of the Plan and as of April 1, 1996 supersedes all representations, prior plans, promises and inducements, proposals, written or oral, relating to its subject matter. The Participating Employers shall not be bound by or liable to any person for any representation, promise or inducement made by any person which is not embodied in this document or in any authorized written amendment to the Plan.

IN WITNESS WHEREOF, BankAmerica Corporation, has caused this instrument to be executed by its duly authorized officer, this 27th day of August, 1996 to be effective April 1, 1996.

BANKAMERICA CORPORATION

By /s/ KATHLEEN J. BURKE

Kathleen J. Burke
Vice Chairman and
Personnel Relations Officer

EXHIBIT 10(e)

BANKAMERICA SUPPLEMENTAL RETIREMENT PLAN

(As amended and restated effective April 1, 1996)

TABLE OF CONTENTS

</TABLE>

ARTICLE I

NAME AND PURPOSE

1.1 Name. This document shall be known as the BankAmerica Supplemental Retirement Plan (the "Supplemental Plan"). Effective April 1, 1996, this Supplemental Plan document constitutes an amendment to and restatement of the Supplemental CareerAccounts Plan ("Prior Plan") which was established effective January 1, 1985 and was amended from time to time thereafter.

1.2 Purpose. The purpose of the Supplemental Plan is to provide retirement benefits which supplement benefits from the BankAmerica Pension Plan (the "Pension Plan") and the BankAmerica 401(k) Investment Plan (the "401(k) investment Plan"), tax-qualified employee benefit plans sponsored by BankAmerica Corporation for its participating subsidiaries and affiliates.

1.3 Participating Employers. The Supplemental Plan is established by BankAmerica Corporation. Employees of BankAmerica Corporation and any of its subsidiaries and affiliates which are participating employers in the Pension Plan and 401(k) Investment Plan are eligible to participate in the Supplemental Plan.

1.4 Status Under ERISA. The Plan is unfunded. Sections 3.6 and 4.5 are maintained for the purpose of providing benefits to employees in excess of the limitations on contributions and benefits under Section 415 of the Internal Revenue Code. The other benefit provisions are maintained for the purpose of providing deferred compensation for a select group of management or highly compensated employees.

1.5 Status Under P.L. 104-95. For purposes of Section

114 (entitled "Limitation on State Income Taxation of Certain Pension Income") of Pub. Law 104-95 (enacted January 10, 1996), Article III and Section 4.2, 4.3 and 4.6 of Article IV are intended to constitute plans, programs or arrangements maintained solely for the purpose of providing retirement benefits for Employees in excess of the limitations imposed by one or more of sections 401(a)(17), 401(k), 401(m), 402(g), 403(b), 408(k), or 415 of the Internal Revenue Code or any other limitation on contributions or benefits in the Internal Revenue Code on plans to which any of such sections apply. Benefits provided under Sections 4.4 and 4.5 are also intended to constitute such plans, programs or arrangements to the extent benefits provided under such sections satisfy the requirements in the preceding sentence.

ARTICLE II

DEFINITIONS

The following terms when used herein shall have the meaning set forth below, if capitalized. Unless the context clearly indicates otherwise, words in the masculine, feminine or neuter gender include the other genders and the singular includes the plural and vice versa.

2.1 "401(k) Investment Plan" means the BankAmerica 401(k) Investment Plan, as amended from time to time. This plan was named the BankAmerishare Plan prior to January 1, 1996.

2.2 "Administrative Committee" means the BankAmerica Corporation Employee Benefits Administrative Committee, consisting of senior officers of Participating Employers who shall be appointed initially by and serve at the pleasure of the Board of Directors of BankAmerica Corporation.

2.3 "BAC Deferred Compensation Plan" means the BankAmerica Corporation Deferred Compensation Plan, as amended from time to time.

2.4 "Contributing Employee" is defined under the 401(k) Investment Plan.

2.5 "Employee" means a common-law employee of an Employer.

2.6 "Employer" means BankAmerica Corporation or any other corporation which is a member of the controlled group of corporations (within the meaning of Section 1563(a) of the Internal Revenue Code without regard to Section 1563(a)(4) and 1563(e)(3)(C)) of which BankAmerica Corporation is a member, but only after the date such corporation becomes a member of the

BankAmerica Corporation controlled group of corporations.

2.7 "Employment" means employment with an Employer.

2.8 "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.9 "Matching Employer Contribution" is defined under the 401(k) Investment Plan.

2.10 "Participant" means an Employee who has an account balance for either the supplemental 401(k) Investment Plan benefits in Article III or supplemental Pension Plan benefits in Article IV.

2.11 "Participant Contributions" is defined in the 401(k) Investment Plan.

2.12 "Participating Employee" is defined in the Pension Plan.

2.13 "Participating Employer" means BankAmerica Corporation and such subsidiaries and affiliated corporations of BankAmerica Corporation which shall participate in this Plan with the approval of BankAmerica Corporation.

2.14 "Pension Plan" means the BankAmerica Pension Plan, as amended from time to time. This plan was named the BankAmeraccount Plan prior to January 1, 1996 and the BankAmerican Retirement Plan prior to July 1, 1985.

2.15 "Plan Year" means the calendar year.

2.16 "Prior Plan" means the Supplemental CareerAccounts Plan as in effect on March 31, 1996.

2.17 "Qualified Earnings" is defined in the Pension Plan and 401(k) Investment Plan.

2.18 "Service Center" means the BankAmerica Retirement

Plans Service Center, which is the department of Bank of America NT&SA or third party designated by the Administrative Committee to provide day-to-day administrative services under the Plan.

2.19 "Supplemental Earnings" means compensation which, but for the $150,000 annual compensation limit in Section 401(a)(17) of the Internal Revenue Code, would constitute Qualified Earnings.

2.20 "Supplemental Plan" means the BankAmerica Supplemental Retirement Plan, as set forth herein, and as amended from time to time.

ARTICLE III

SUPPLEMENTAL 401(k) INVESTMENT PLAN BENEFITS

3.1 Supplemental 401(k) Investment Plan Account. An unfunded bookkeeping account shall be established for each Participant who has earned supplemental 401(k) Investment Plan benefits. The account shall be credited with all supplemental 401(k) Investment Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 3.5, plus all amounts credited under this Article after that date.

3.2 Benefits on Supplemental Earnings. If a Contributing Employee to the 401(k) Investment Plan has Supplemental Earnings for a Plan Year, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on contributions), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the Contributing Employee shall be assumed to have made Participant Contributions with respect to Supplemental Earnings at the actual rate of Participant Contributions in effect in the 401(k) Investment Plan when the annual dollar limit on Qualified Earnings was reached.

3.3 Benefits if Participation is Restricted. This section shall apply if a Contributing Employee in the 401(k) Investment Plan does not receive a full Matching Employer Contribution in the 401(k) Investment Plan for any month because the participation of the Contributing Employee is restricted in

order to enable the 401(k) Investment Plan to meet the rules under Internal Revenue Code (S)(S)401(k) or (m) or similar rules limiting benefits for highly compensated Employees. If this section is applicable, an amount equal to the additional Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan if he or she been allowed to fully contribute for that month shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the actual rate of Participant Contributions in effect prior to any required reduction shall be used.

3.4 Benefits Based on Deferred Compensation. This Section shall apply if a Contributing Employee in the 401(k) Investment Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Contributing Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the additional Matching Employer Contributions the Contributing Employee could have received in the 401(k) Investment Plan with respect to such deferred compensation, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article. For purposes of the preceding sentence, the most recent rate of Participant Contributions on record at the time the deferred compensation would have been paid shall be used.

(b) Amounts deferred under the Annual Management

Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

3.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Thrift Plus Supplemental Plan as of December 31, 1992 shall be credited to the account of the Participant under this Article.

(b) Supplemental amounts credited under the Seafirst Corporation Supplemental Employee Matched Savings Plan as of March 31, 1996 shall be credited to the account of the Participant under this Article.

3.6 Benefits In Excess of 415 Dollar Limit. This section shall apply if a Participant does not receive a full Matching Employer Contribution for any month of participation in the 401(k) Investment Plan on account of the dollar limitation on maximum annual contributions under Section 415(c)(1)(A) of the Internal Revenue Code. If this section is applicable, an amount shall be credited to the Participant's account equal to (a) the amount of Matching Employer Contributions the Contributing Employee would have received in the 401(k) Investment Plan for each month of participation if the dollar limitation on maximum annual contributions did not apply, less (b) the actual amount of Matching Employer Contributions received by the Participant in the 401(k) Investment Plan for that month. The Participant's actual rate of Participant Contributions to the 401(k) Investment Plan for each month of participation shall be used to calculate Matching Employer Contributions under (a) in the preceding sentence.

3.7 Interest. The amounts credited to a Participant's account under this Article shall be increased each month by an interest factor. During a Participant's Employment, the interest factor shall be equal to the monthly interest rate for the Income Accumulation fund in the 401(k) Investment Plan. For any month in which the Participant is not credited with a month of Covered Service, the interest factor shall be equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan.

3.8 Vesting. The benefits provided under this article shall be fully vested and nonforfeitable at all times.

ARTICLE IV

SUPPLEMENTAL PENSION PLAN BENEFITS

4.1 Supplemental Pension Plan Account. An unfunded bookkeeping account or accounts shall be established for each Participant who has earned supplemental Pension Plan benefits. The accounts shall be credited with all supplemental Pension Plan benefits credited under the Prior Plan as of March 31, 1996, any amounts credited under Section 4.5, plus all amounts credited under this Article.

4.2 Benefits Based on Supplemental Earnings. If a Participating Employee in the pension plan has Supplemental Earnings for a Plan Year, an amount equal to the additional pay-based credits the Participating Employee would have received in the Pension Plan with respect to such Supplemental Earnings, calculated as if there was no annual dollar limit on Qualified Earnings (or other limit on benefit accruals), shall be credited to the Participant's account under this Article.

4.3 Benefits Based on Deferred Compensation. This Section shall apply if a Participating Employee in the Pension Plan defers the receipt of compensation under the BAC Deferred Compensation Plan, which compensation would have been Qualified Earnings or Supplemental Earnings had it not been deferred.

(a) If a Participating Employee defers compensation under the BAC Deferred Compensation Plan on or after January 1, 1992, an amount equal to the pay-based credits the Participating Employee would have received had such compensation not been deferred shall be credited to the Participant's account under this Article.

(b) Amounts deferred under the BankAmerica Corporation Annual Management Incentive Plan and BAC Deferred Compensation Plan between October 1, 1985 and December 31, 1992, including accumulated interest, were treated as Supplemental Earnings as of December 31, 1991.

4.4 Supplemental Benefits Attributable to BankAmerican Retirement Plan. Supplemental amounts credited under the Supplemental BankAmerican Retirement Plan as of June 30, 1985 were converted into a conversion balance, in the same manner as benefits under the BankAmerican Retirement Plan were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for grandfathered benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the BankAmerican Retirement Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section.

4.5 Supplemental Plans which have merged with this plan

(a) Supplemental amounts credited under the Security Pacific Supplemental Retirement Plan as of December 31, 1992 based on compensation in excess of the $150,000 compensation limit in Internal Revenue Code Section 401(a)(17) shall be converted into a conversion balance, in the same manner as benefits under the Security Pacific Trusteed Retirement Income Plan ("SPTRIP") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for early retirement subsidies under the Pension Plan which increase the

value of the benefits attributable to the SPTRIP, similar adjustments shall be made to the value of the Participant's "rule of $50,000" benefits under Article Three of the Security Pacific Supplemental Retirement Plan and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(b) Supplemental amounts credited under the Continental Supplemental Pension Program as of December 31, 1994 shall be converted into a conversion balance, in the same manner as benefits under the Continental Employees Pension Plan ("Continental Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies under the Pension Plan which increase the value of the benefits attributable to the Continental Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

(c) Supplemental amounts credited under the Seafirst Corporation Supplemental Retirement Plan as of March 31, 1996 shall be converted into a conversion balance, in the same manner as benefits under the Seafirst Corporation Retirement Plan ("Seafirst Pension Plan") were converted into an conversion balance under the Pension Plan, and credited to an account for the Participant's account under this Article. If the Participant qualifies for enhanced benefits and/or early retirement subsidies

under the Pension Plan which increase the value of the benefits attributable to the Seafirst Pension Plan, similar adjustments shall be made to the value of the Participant's supplemental benefits under this section and the Participant shall receive the greater of the conversion balance or the value of the adjusted benefits.

4.6 Benefits in Excess of 415 Dollar Limits.

(a) This Section shall apply if the benefits of a Participating Employee in the Pension Plan are reduced on account of the dollar limitation on maximum annual benefits under Section 415(b)(1)(A) of the Internal Revenue Code.

(b) The Plan shall pay the Participant an amount, if any, equal to (1) the benefit which would be payable to a Participant under the Pension Plan if the limitations on maximum annual benefits did not apply, less (2) the benefit actually payable to the Participant under the Pension Plan.

4.7 Interest.

(a) The amounts credited to the Participant's account under this Article shall be increased each month by an interest factor equal to the monthly interest factor for pay-based credits in effect from time to time for the Pension Plan. Any supplemental conversion balance shall be credited with the same interest rate the Participant receives under the Pension Plan for his or her conversion balance.

4.8 Vesting.

(a) The Participant shall be vested in the benefits provided under this Article to the same extent the Participant is vested under the Pension Plan for similar

benefits.

ARTICLE V

PAYMENT OF BENEFITS AFTER EMPLOYMENT ENDS

5.1 Form of Payment. The amounts credited to a Participant's accounts under the Supplemental Plan shall be payable in cash as provided in this Article.

5.2 Vested balance less than $10,000. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is less than $10,000, all benefits shall be paid to the Participant in a single cash payment within 90 days of the date Employment ends.

5.3 Vested balance $10,000 or more. If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or after April 1, 1997, all benefits shall be paid to the Participant as follows:

(a) If the Participant has a benefit payment election in effect when Employment ends, as provided in Section 5.4(b), the Participant's benefits under the Supplemental Plan shall be paid in accordance with such benefit payment election.

(b) If the Participant does not have a benefit payment election in effect when Employment ends, the Participant's benefits under the Supplemental Plan shall be paid in five annual installments commencing in the calendar year after the Participant attains age 65, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (a) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (b) a fraction, the numerator of which is one and the denominator is the number of

installments remaining, including the current year's payments.

5.4 Benefit Payment Election. If the total of the amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more (or has a current value of $10,000 or more based on early retirement adjustments for early retirement subsidiaries the Participant currently qualifies for), the Participant may submit a benefit payment election form specifying how all vested benefits under the Supplemental Plan shall be paid if Employment ends on or after April 1, 1997, provided the amount of vested benefits exceeds $10,000 at time of payment.

(a) The Participant may elect one of the following forms of payment on the benefit payment election form:

(1) A single payment. The payment shall be made within 90 days of the date Employment ends, or within the first 60 days of any subsequent calendar year specified by the Participant.

(2) Ten or fewer annual installment payments. The installment payments shall commence in any calendar year specified by the Participant after the calendar year in which Employment ends, with each payment made within the first 60 days of such calendar year. Each payment shall be equal to (i) the sum of the accounts maintained for the Participant under Article III and IV, multiplied by (ii) a fraction, the numerator of which is one and the denominator is the number of installments remaining, including the current year's payment.

(3) Monthly level annuity payments. The payments shall commence within 90 days of the date Employment ends, or January of in any subsequent calendar year specified by

the Participant, with each payment made by the end of the month. The Participant may elect a single life level annuity, or a joint and 50%, 75% or 100% survivor annuity with the spouse to whom the Participant is married on the annuity starting date. If the Participant elects a joint and survivor level annuity but is not married on the annuity starting date, the Participant shall receive a single life level annuity. The level annuity shall contain the 5 year certain feature described in Section 3.3(c) of the Pension Plan. The amount of level annuity shall be calculated under Section 3.3(b) of the Pension Plan, based on the Level Annuity Interest rate in effect on the annuity starting date and the joint annuitant factors in Section 3.3(c) of the Pension Plan.

(b) Each benefit payment election shall become effective on the one year anniversary of the date the election is received by the Service Center, provided the Participant has remained continuously employed by an Employer until that date. If the Participant has previously submitted an election form, the Participant may not submit a new benefit payment election until his or her prior election has become effective. In addition, the Administrative Committee reserves the right to reject a new benefit payment election if it results in a significant acceleration of payments over the prior election.

5.5 Reemployed Employees. If a former Employee is reemployed by an Employer, any annuity or installment then being paid under the Supplemental Plan shall continue.

5.6 Beneficiary Designation.

(a) A participant may designate any person or

persons, including a trust, as his or her beneficiary or contingent beneficiary to receive his or her unpaid benefits under the Supplemental Plan in the event of the Participant's death. Any such designation shall be made by filing the Supplemental Plan form designated for that purpose with the Service Center. The Participant may change or cancel his or her beneficiary designation at any time prior to death without the consent of any designated beneficiary.

(b) The Participant shall designate on his or her benefit payment election that any benefits under the Supplemental Plan unpaid at the time of the Participant's death shall be paid in accordance with one of the following options:

(1) In a single payment within 90 days of the date of death.

(2) In a single payment within the first 60 days of the calendar year immediately following the calendar year in which the death occurs.

(3) In three approximately equal payments, each made within the first 60 days of the three calendar years immediately following the calendar year in which the death occurs.

(c) If no beneficiary has been designated by the Participant, or if no beneficiary is alive at the date of the Participant's death, payment shall be made to the Participant's estate. If no death benefit payment election is in effect at the date of the Participant's death, payment shall be made in a single payment within 90 days of the date of death. If payment is made to a beneficiary or the Participant's estate under the 5

year certain feature of a level annuity election, payment shall be made within 90 days of death of the Participant or joint annuitant (if applicable), whichever occurs later.

5.7 Withholding Taxes. The Participating Employers shall have the right to deduct from payments under the Supplemental Plan any and all taxes required to be collected under federal, state or local law.

5.8 Transition Provisions.

(a) If the total of the vested amounts credited to a Participant's accounts under Articles III and IV is $10,000 or more and Employment ends on or before March 31, 1997, the amounts credited to a Participant's account shall be payable to the Participant in a single payment within 90 days of the date Employment ends, unless prior to termination of Employment, the Participant elects one of the following payment options, which election must be approved by the Administrative Committee:

(1) Ten or fewer equal annual installments.

(2) Monthly level annuity payments calculated by using the

applicable Pension Plan level annuity conversion factors.

(b) If a Participant submitted a benefit payment election form prior to June 15, 1996, the Participant may submit a replacement benefit payment election form prior to August 1, 1996 which will have the same effective date as the first election would have had.

(c) If a Participant had amounts credited under the Seafirst Corporation Supplemental Retirement Plan or Supplemental Employee Matched Savings Plan as of March 31, 1996 and if

Employment ends prior to July 1, 1997: (1) the procedure in Section 5.8(a) shall be applicable even if the sum of the Participant's accounts is less than $10,000, and (2) if a Participant does not have a benefit payment election in effect when Employment ends, the Participant may make a written request for an alternative form of distribution under the procedure in Section 5.8(a) instead of the default provisions in Section 5.3(b), provided that such written request is submitted prior to the Participant's termination of Employment.

ARTICLE VI

PLAN OPERATION, AMENDMENTS AND ADMINISTRATION

6.1 Amendment and Termination. BankAmerica Corporation is the "plan sponsor" of the Supplemental Plan as that term is defined in ERISA. BankAmerica Corporation may amend or modify the Supplemental Plan in whole or in part at any time by a written instrument executed by an officer designated by the Board of Directors of BankAmerica Corporation. BankAmerica Corporation may terminate the Plan by action of its Board of Directors. No such amendment, modification or termination shall reduce the amount credited to a Participant's accounts as of the date of such action. Upon Plan termination, all amounts credited to Participant's accounts shall be paid to such Participants in a single payment within 120 days.

6.2 Plan Administrator. The Administrative Committee is the plan administrator as that term is defined in ERISA. The Administrative Committee is also the named fiduciary, as that term is defined in ERISA, of the Supplemental Plan having discretionary authority to control and manage the operation and administration of the Supplemental Plan.

6.3 Powers and Duties of Administrative Committee.

(a) The Administrative Committee shall have discretionary authority to determine eligibility for benefits and to construe the terms of the Supplemental Plan. The Administrative Committee shall have such other discretionary authority as may be necessary to enable it to discharge its responsibilities under the Supplemental Plan as administrator and named fiduciary, including, but not limited to, the power:

(1) To review appeals by Participants under Article VIII.

(2) To appoint or employ one or more persons to assist in the administration of the Supplemental Plan.

(3) To adopt such rules as it deems appropriate for the administration of the Supplemental Plan.

(4) To prescribe procedures to be followed by Participants.

(5) To prepare and distribute information relating to the Supplemental Plan.

(6) To request from Participating Employers and Participants such information as shall be necessary for proper administration of the Plan.

(b) The decision of the Administrative Committee upon any matter within its authority shall be final and binding on all parties, including BankAmerica Corporation, the Participating Employers and Participants and their beneficiaries.

6.4 Reliance Upon Information. In making decisions under the

Supplemental Plan, the Administrative Committee shall be entitled to rely upon information furnished by a Participant, beneficiary or Participating Employer.

6.5 Action by Administrative Committee. The Administrative Committee may act either at a meeting or, in the absence of a meeting, by an instrument in writing signed by a majority of the Committee members. The Administrative Committee shall elect one of its members as chairperson and it shall

appoint a secretary who shall keep a record of all meetings and forward all necessary communication to the Participating Employers. The Administrative Committee shall adopt such bylaws for the conduct of its business as it deems desirable. An Administrative Committee member who becomes aware of any action or failure to act by the Administrative Committee may, within a reasonable time thereafter, deliver his or her dissent in writing, setting forth specific reasons for such dissent, to all other Committee members and to the committee of the BankAmerica Corporation Board of Directors designated to review Committee activities.

ARTICLE VII

CLAIMS FOR BENEFITS

7.1 Claims Procedure.

(a) Claims Must be Filed. An Employee, Participant, alternate payee, or the spouse, beneficiary or estate of a deceased Participant (the "claimant") who has a claim for benefits or concerning any other matter under the Plan must give written notice of such claim or other matter to the Service Center.

(b) Review of Claim. After the Service Center has reviewed the claim and obtained any other information it deems necessary to render a decision on the claim, the Service Center shall notify the claimant within 90 days after receipt of the claim of the acceptance or denial of the claim, unless special circumstances require an extension of time for processing the claim. Such an extension of time may not exceed 90 additional days and notice of the extension shall be provided to the claimant prior to the termination of the initial 90 day period indicating the special circumstances requiring the extension and the date by which a final decision on the claim is expected.

(c) Denied Claims. In the event any application for benefits is denied, in whole or in part, the Service Center shall notify the claimant of such denial in writing and shall advise the claimant of the right to appeal the denial and to request a review thereof. Such notice shall be written in a manner calculated to be understood by the claimant and shall contain:

(1) Specific reason for such denial.

(2) Specific reference to the Plan provisions on which such denial is based.

(3) A description of any information or material necessary for the Employee to perfect the claim.

(4) An explanation of why such material is necessary.

(5) An explanation of the Plan's appeal and review procedure.

7.2 Appeal and Review Procedure.

(a) Appeal to Administrative Committee. If the claimant's claim for benefits is denied in whole or in part, the claimant, or the claimant's duly authorized representative, may appeal the denial by submitting to the Administrative Committee a written request for review of the application within 60 days after receiving written notice of such denial. The Administrative Committee shall give the applicant (upon request) an opportunity to review pertinent Plan documents (other than legally privileged documents) in preparing such request for review.

(b) Contents of Appeal. The request for review must be in writing and shall be addressed to the Secretary, BankAmerica Corporation Employee Benefits Administrative Committee at the address stated in the current summary plan description. The request for review shall set forth all of the grounds upon which it is based, all facts in support thereof and any other matters which the claimant deems pertinent. The Administrative Committee may require the claimant to submit (at the claimant's expense) such additional facts, documents or other

material as the Administrative Committee deems necessary or advisable in making its review.

(c) Review of Appeal. The Administrative Committee shall act upon each request for review within 60 days after its receipt thereof unless special circumstances require further time for processing. In no event shall the decision on review be rendered more than 120 days after the Administrative Committee receives the request for review. Written notice of an extension of time beyond 60 days shall be furnished to the claimant prior to the commencement of the extension.

(d) Denied Appeals. In the event the Administrative Committee confirms the denial of the claim for benefits in whole or in part, it shall give written notice of its decision to the claimant. Such notices shall be written in a manner calculated to be understood by the claimant and shall contain the specific reasons for the denial.

7.3 Exhaustion of Remedies. No legal action for benefits under the Plan shall be brought unless and until the following steps have occurred:

(a) The claimant has submitted a written application for benefits in accordance with Section 7.1.

(b) The claimant has been notified that the claim has been denied.

(c) The claimant has filed a written request appealing the denial in accordance with Section 7.2.

(d) The claimant has been notified in writing that the Administrative Committee has denied the claimant appeal or has failed to take any action on the appeal within the time

prescribed by Section 7.2.

ARTICLE VIII

GENERAL PROVISIONS

8.1 Cost. The Participating Employers shall pay the entire cost of the Plan. The cost shall be allocated among the Participating Employers as determined by BankAmerica Corporation.

8.2 Unfunded Bookkeeping Accounts. The accounts established under the Plan are unfunded bookkeeping accounts. The Participating Employers are not required to physically segregate any cash or securities or establish any separate funds to pay any benefits under the Plan.

8.3 Prohibition on Alienation. No benefit payable under this Plan shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, hypothecation, charge, attachment, garnishment, execution, or levy of any kind or any other process of law, voluntary or involuntary. Any attempt to dispose of any rights to benefits payable under the Plan shall be void. Notwithstanding the preceding sentence, the Participating Employers shall have the right to offset from a Participant's unpaid benefits under the Supplemental Plan any amounts due and owing from the Participant to the extent permitted by law.

8.4 Not a Contract of Employment. Participation in this Plan by an Employee shall not give such Employee any right to be retained in the employ of any Participating Employer and the ability of each Participating Employer to

dismiss or discharge an Employee is specifically reserved.

8.5 Headings Not to Control. Headings and titles within the Plan are for convenience only and are not to be read

as part of the text of the Plan.

8.6 Separability of Plan Provisions. If any provisions of the Supplemental Plan are for any reason declared invalid or not enforceable, such provisions will not affect the remaining terms and conditions, but the Supplemental Plans will be construed and enforced thereafter as if such provisions had not been inserted.

8.7 Applicable Law. The validity and effect of the Plan and the rights and obligations of all persons affected thereby, are to be construed and determined in accordance with applicable federal law, and to the extent that federal law is inapplicable, under the laws of the State of California.

8.8 Entire Plan. This document is a complete statement of the Plan and as of April 1, 1996 supersedes all representations, prior plans, promises and inducements, proposals, written or oral, relating to its subject matter. The Participating Employers shall not be bound by or liable to any person for any representation, promise or inducement made by any person which is not embodied in this document or in any authorized written amendment to the Plan.

IN WITNESS WHEREOF, BankAmerica Corporation, has caused this instrument to be executed by its duly authorized officer, this 27th day of August, 1996 to be effective April 1, 1996.

BANKAMERICA CORPORATION

By /s/ KATHLEEN J. BURKE

Kathleen J. Burke
Vice Chairman and
Personnel Relations Officer

Exhibit 11

DILUTED EARNINGS PER COMMON SHARE AND DILUTED AVERAGE COMMON SHARES OUTSTANDING

For diluted earnings per common share, net income available to common shareholders can be affected by the conversion of the registrant's convertible preferred stock. Where the effect of this conversion would have been dilutive, net income available to common shareholders is adjusted by the associated preferred dividends. This adjusted net income is divided by the weighted average number of common shares outstanding for each period plus amounts representing the dilutive effect of stock options outstanding and the dilution resulting from the conversion of the registrant's convertible preferred stock, if applicable. The effect of convertible preferred stock is excluded from the computation of diluted earnings per common share in periods in which the effect would be antidilutive.

Diluted earnings per common share was determined as follows:

(SHARES IN THOUSANDS, DOLLARS IN MILLIONS EXCEPT PER SHARE INFORMATION)	THREE MONTHS ENDED SEPTEMBER 30 1998	THREE MONTHS ENDED SEPTEMBER 30 1997	NINE MONTHS ENDED SEPTEMBER 30 1998	NINE MONTHS ENDED SEPTEMBER 30 1997
Average common shares outstanding	1,740,092	1,722,243	1,732,297	1,736,460
Dilutive effect of:				
Convertible preferred stock	3,079	3,770	3,079	3,770
Stock options	41,247	47,172	46,730	44,431
Total dilutive shares	1,784,418	1,773,185	1,782,106	1,784,661
Income available to common shareholders	$ 372	$ 1,706	$ 3,979	$ 4,988
Preferred dividends paid on dilutive convertible preferred stock	2	2	5	6
Total net income available to common shareholders adjusted for full dilution	$ 374	$ 1,708	$ 3,984	$ 4,994
Diluted earnings per common share	$ 0.21	$ 0.96	$ 2.24	$ 2.80

<TABLE>
<CAPTION>

BANKAMERICA CORPORATION AND SUBSIDIARIES
RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED DIVIDENDS
EXHIBIT 12(B)

(Dollars in Millions)	Nine Months Ended September 30, 1998	Year Ended December 31 1997	1996	1995	1994	1993
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Excluding Interest on Deposits						
Income before taxes	$ 6,177	$ 10,556	$ 9,311	$ 8,377	$ 7,010	$ 6,047
Equity in undistributed losses (earnings) of unconsolidated subsidiaries	13	(49)	(7)	(19)	(55)	(42)
Fixed charges:						
Interest expense (including capitalized interest and amortization of debt discount and appropriate issuance costs)	7,048	8,219	7,082	6,354	4,572	2,735
1/3 of net rent expense	249	302	282	275	250	241
Total fixed charges	7,297	8,521	7,364	6,629	4,822	2,976
Preferred dividend requirements	37	183	332	426	467	466
Earnings (excluding capitalized interest)	$13,487	$ 19,026	$ 16,668	$ 14,987	$ 11,774	$ 8,979
Fixed charges and preferred dividends	$ 7,334	$ 8,704	$ 7,696	$ 7,055	$ 5,289	$ 3,442
Ratio of Earnings to Fixed Charges and Preferred Dividends	1.84	2.19	2.17	2.12	2.23	2.61
Including Interest on Deposits						
Income before taxes	$ 6,177	$ 10,556	$ 9,311	$ 8,377	$ 7,010	$ 6,047
Equity in undistributed losses (earnings) of unconsolidated subsidiaries	13	(49)	(7)	(19)	(55)	(42)
Fixed charges:						
Interest expense (including capitalized interest and amortization of debt discount and appropriate issuance costs)	15,261	18,903	16,682	16,369	11,083	8,757
1/3 of net rent expense	249	302	282	275	250	241
Total fixed charges	15,510	19,205	16,964	16,644	11,333	8,998
Preferred dividend requirements	37	183	332	426	467	466
Earnings (excluding capitalized interest)	$21,700	$ 29,710	$ 26,268	$ 25,002	$ 18,285	$ 15,001
Fixed charges and preferred dividends	$ 15,547	$ 19,388	$ 17,296	$ 17,070	$ 11,800	$ 9,464
Ratio of Earnings to Fixed Charges and Preferred Dividends	1.40	1.53	1.52	1.46	1.55	1.59

</TABLE>

<TABLE>
<CAPTION>

BANKAMERICA CORPORATION AND SUBSIDIARIES
RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED DIVIDENDS
EXHIBIT 12(B)

(Dollars in Millions)	Nine Months Ended September 30, 1998	Year Ended December 31 1997	1996	1995	1994	1993
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Excluding Interest on Deposits						
Income before taxes	$ 6,177	$ 10,556	$ 9,311	$ 8,377	$ 7,010	$ 6,047
Equity in undistributed losses (earnings) of unconsolidated subsidiaries	13	(49)	(7)	(19)	(55)	(42)
Fixed charges:						
Interest expense (including capitalized interest and amortization of debt discount and appropriate issuance costs)	7,048	8,219	7,082	6,354	4,572	2,735
1/3 of net rent expense	249	302	282	275	250	241
Total fixed charges	7,297	8,521	7,364	6,629	4,822	2,976
Preferred dividend requirements	37	183	332	426	467	466
Earnings (excluding capitalized interest)	$13,487	$ 19,026	$ 16,668	$ 14,987	$ 11,774	$ 8,979
Fixed charges and preferred dividends	$ 7,334	$ 8,704	$ 7,696	$ 7,055	$ 5,289	$ 3,442
Ratio of Earnings to Fixed Charges and Preferred Dividends	1.84	2.19	2.17	2.12	2.23	2.61
Including Interest on Deposits						
Income before taxes	$ 6,177	$ 10,556	$ 9,311	$ 8,377	$ 7,010	$ 6,047
Equity in undistributed losses (earnings) of unconsolidated subsidiaries	13	(49)	(7)	(19)	(55)	(42)
Fixed charges:						
Interest expense (including capitalized interest and amortization of debt discount and appropriate issuance costs)	15,261	18,903	16,682	16,369	11,083	8,757
1/3 of net rent expense	249	302	282	275	250	241
Total fixed charges	15,510	19,205	16,964	16,644	11,333	8,998
Preferred dividend requirements	37	183	332	426	467	466
Earnings (excluding capitalized interest)	$21,700	$ 29,710	$ 26,268	$ 25,002	$ 18,285	$ 15,001
Fixed charges and preferred dividends	$ 15,547	$ 19,388	$ 17,296	$ 17,070	$ 11,800	$ 9,464
Ratio of Earnings to Fixed Charges and Preferred Dividends	1.40	1.53	1.52	1.46	1.55	1.59

</TABLE>

<TABLE> <S> <C>

<ARTICLE> 9
<LEGEND>
The schedule contains summary information extracted from the September 30, 1998 Form 10-Q for BankAmerica Corporation and is qualified in its entirety by reference to such financial statements.
</LEGEND>
<CIK> 0000070858
<NAME> BANKAMERICA CORPORATION
<MULTIPLIER> 1,000,000

<S>	<C>
<PERIOD-TYPE>	9-MOS
<FISCAL-YEAR-END>	DEC-31-1998
<PERIOD-END>	SEP-30-1998
<CASH>	24,715
<INT-BEARING-DEPOSITS>	6,692
<FED-FUNDS-SOLD>	30,725
<TRADING-ASSETS>	34,509
<INVESTMENTS-HELD-FOR-SALE>	67,959
<INVESTMENTS-CARRYING>	4,180
<INVESTMENTS-MARKET>	3,935
<LOANS>	351,982
<ALLOWANCE>	(7,215)
<TOTAL-ASSETS>	594,673
<DEPOSITS>	345,756
<SHORT-TERM>	111,772
<LIABILITIES-OTHER>	42,286
<LONG-TERM>	47,552
<PREFERRED-MANDATORY>	0
<PREFERRED>	84
<COMMON>	15,939
<OTHER-SE>	31,284
<TOTAL-LIABILITIES-AND-EQUITY>	594,673
<INTEREST-LOAN>	7,084
<INTEREST-INVEST>	1,105
<INTEREST-OTHER>	1,419
<INTEREST-TOTAL>	9,608
<INTEREST-DEPOSIT>	2,830
<INTEREST-EXPENSE>	5,164
<INTEREST-INCOME-NET>	4,444
<LOAN-LOSSES>	1,405
<SECURITIES-GAINS>	280
<EXPENSE-OTHER>	4,583
<INCOME-PRETAX>	416
<INCOME-PRE-EXTRAORDINARY>	416
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	374
<EPS-PRIMARY>	0.21
<EPS-DILUTED>	0.21
<YIELD-ACTUAL>	3.60
<LOANS-NON>	2,582
<LOANS-PAST>	540
<LOANS-TROUBLED>	0
<LOANS-PROBLEM>	0
<ALLOWANCE-OPEN>	6,778
<CHARGE-OFFS>	2,371
<RECOVERIES>	448
<ALLOWANCE-CLOSE>	7,215
<ALLOWANCE-DOMESTIC>	0
<ALLOWANCE-FOREIGN>	0
<ALLOWANCE-UNALLOCATED>	0

<FN>
<F1> Allownace-Domestic, Allowance-Foreign and Allowance-Unallocated are only disclosed on an annual basis in the Corporation's 10-K and are therefore not included in this Financial Data Schedule.
</FN>

</TABLE>