

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2001 - Commission File Number 1-6523

Bank of America Corporation
(Exact name of registrant as specified in its charter)

Delaware 56-0906609
(State of incorporation) (IRS Employer
Identification No.)

Bank of America Corporate
Center
Charlotte, North Carolina
(Address of principal executive offices) 28255
(Zip Code)

1.800.299.2265

(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	Name of each exchange on which registered
Common Stock	New York Stock Exchange London Stock Exchange Pacific Stock Exchange Tokyo Stock Exchange American Stock Exchange
7 3/4% Debentures, due 2002	American Stock Exchange
S&P 500 Index(R) Linked Notes, due 2003	American Stock Exchange
DIJA/SM/ Return Linked Notes, due 2005	American Stock Exchange
8 1/2% Subordinated Notes, due 2007	New York Stock Exchange
10 7/8% Subordinated Notes, due 2003	New York Stock Exchange
.25% Senior Basket-Indexed Notes, due 2006	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: NONE

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

Yes X No ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or in any amendment to this Form 10-K. []

The aggregate market value of the registrant's common stock ("Common Stock") held by non-affiliates is approximately \$101,953,922,043 (based on the March 14, 2002, closing price of Common Stock of \$67.00 per share). As of March 14, 2002, there were 1,541,020,192 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Document of the Registrant	Form 10-K Reference Locations
Portions of the 2001 Annual Report to Stockholders	PARTS I, II and IV
Portions of the 2002 Proxy Statement	PART III

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PART I

Item 1. BUSINESS

General

Bank of America Corporation (the "Corporation") is a Delaware corporation, a bank holding company and a financial holding company under the Gramm-Leach-Bliley Act. The principal executive offices of the Corporation are located in the Bank of America Corporate Center, Charlotte, North Carolina 28255.

Primary Market Areas

Through its banking subsidiaries (the "Banks") and various nonbanking subsidiaries, the Corporation provides a diversified range of banking and nonbanking financial services and products, primarily throughout the Mid-Atlantic (Maryland, Virginia and the District of Columbia), the Midwest (Illinois, Iowa, Kansas and Missouri), the Southeast (Florida, Georgia, North Carolina, South Carolina and Tennessee), the Southwest (Arizona, Arkansas, New Mexico, Oklahoma and Texas), the Northwest (Oregon and Washington) and the West (California, Idaho and Nevada) regions of the United States and in selected international markets. Management believes that these are desirable regions in which to be located. Based on the most recent available data, personal income levels in the states in these regions as a whole rose 7.9 percent year-to-year through the third quarter of 2001, compared to growth of 6.4 percent in the rest of the United States. In addition, the population in these states as a whole rose an estimated 3.6 percent between 2000 and 2001, compared to growth of 2.7 percent in the rest of the United States. Through December 2001, the average rate of unemployment in these states was 5.1 percent, ranging from Virginia's 3.0 percent to Oregon's 7.3 percent, compared to a rate of unemployment of 4.8 percent in the rest of the United States. These states lost 0.2 million jobs in 2001, 0.5 percent below year-end 2000, compared to 0.4 percent below year-end 2000 in the rest of the United States. The number of housing permits authorized remained at historically high levels during 2001 but was down 1.6 percent from record high activity in 1999.

The Corporation has the leading bank deposit market share position in California, Florida, Maryland, North Carolina and Washington. In addition, the Corporation ranks second in terms of bank deposit market share in Arizona, Kansas, Missouri, Nevada, New Mexico, South Carolina, Texas and the District of Columbia; third in Arkansas, Georgia and Virginia; fourth in Idaho, Oklahoma and Oregon; fifth in Tennessee; twelfth in Iowa; and thirteenth in Illinois.

Acquisition and Disposition Activity

As part of its operations, the Corporation regularly evaluates the potential acquisition of, and holds discussions with, various financial institutions and other businesses of a type eligible for financial holding company ownership or control. In addition, the Corporation regularly analyzes the values of, and submits bids for, the acquisition of customer-based funds and other liabilities and assets of such financial institutions and other businesses. The Corporation also regularly considers the potential disposition of certain of its assets, branches, subsidiaries or lines of businesses. As a general rule, the Corporation publicly announces any material acquisitions or dispositions when a definitive agreement has been reached.

Government Supervision and Regulation

The following discussion describes elements of an extensive regulatory framework applicable to bank holding companies, financial holding companies and banks and specific information about the Corporation and its subsidiaries. Federal regulation of banks, bank holding companies and financial holding companies is intended primarily for the protection of depositors and the Bank Insurance Fund rather than for the protection of stockholders and creditors.

General

As a registered bank holding company and financial holding company, the Corporation is subject to the supervision of, and regular inspection by, the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"). The Banks are organized predominantly as national banking associations, which are subject to regulation, supervision and examination by the Office of the Comptroller of the Currency (the "Comptroller" or "OCC"), the Federal Deposit Insurance Corporation (the "FDIC"), the Federal Reserve

Board and other federal and state regulatory agencies. In addition to banking laws, regulations and regulatory agencies, the Corporation and its subsidiaries and affiliates are subject to various other laws and regulations and supervision and examination by other regulatory agencies, all of which directly

or indirectly affect the operations and management of the Corporation and its ability to make distributions to stockholders.

A financial holding company, and the companies under its control, are permitted to engage in activities considered "financial in nature" as defined by the Gramm-Leach-Bliley Act and Federal Reserve Board interpretations (including, without limitation, insurance and securities activities), and therefore may engage in a broader range of activities than permitted for bank holding companies and their subsidiaries. A financial holding company may engage directly or indirectly in activities considered financial in nature, either de novo or by acquisition, provided the financial holding company gives the Federal Reserve Board after-the-fact notice of the new activities. The Gramm-Leach-Bliley Act also permits national banks, such as the Banks, to engage in activities considered financial in nature through a financial subsidiary, subject to certain conditions and limitations and with the approval of the Comptroller.

Interstate Banking

Bank holding companies (including bank holding companies that also are financial holding companies) also are required to obtain the prior approval of the Federal Reserve Board before acquiring more than five percent of any class of voting stock of any bank which is not already majority-owned by the bank holding company. Pursuant to the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (the "Interstate Banking and Branching Act"), a bank holding company may acquire banks in states other than its home state without regard to the permissibility of such acquisitions under state law, but subject to any state requirement that the bank has been organized and operating for a minimum period of time, not to exceed five years, and the requirement that the bank holding company, after the proposed acquisition, controls no more than 10 percent of the total amount of deposits of insured depository institutions in the United States and no more than 30 percent or such lesser or greater amount set by state law of such deposits in that state.

Subject to certain restrictions, the Interstate Banking and Branching Act also authorizes banks to merge across state lines to create interstate branches. The Interstate Banking and Branching Act also permits a bank to open new branches in a state in which it does not already have banking operations if such state enacts a law permitting de novo branching. The Corporation has consolidated its retail subsidiary banks into a single interstate bank (Bank of America, N.A.), headquartered in Charlotte, North Carolina, with full service branch offices in 21 states and the District of Columbia. In addition, the Corporation operates a limited purpose nationally chartered credit card bank (Bank of America, N.A. (USA)), headquartered in Phoenix, Arizona, and three nationally chartered bankers' banks: Bank of America Oregon, N.A., headquartered in Portland, Oregon; Bank of America California, N.A., headquartered in Walnut Creek, California; and Bank of America Georgia, N.A., headquartered in Atlanta, Georgia.

Changes in Regulations

Proposals to change the laws and regulations governing the banking industry are frequently introduced in Congress, in the state legislatures and before the various bank regulatory agencies. The likelihood and timing of any proposals or legislation and the impact they might have on the Corporation and its subsidiaries cannot be determined at this time.

Capital and Operational Requirements

The Federal Reserve Board, the Comptroller and the FDIC have issued substantially similar risk-based and leverage capital guidelines applicable to United States banking organizations. In addition, these regulatory agencies may from time to time require that a banking organization maintain capital above the minimum levels, whether because of its financial condition or actual or anticipated growth. The Federal Reserve Board risk-based guidelines define a three-tier capital framework. Tier 1 capital includes common shareholders' equity and qualifying preferred stock, less goodwill and other adjustments. Tier 2 capital consists of preferred stock not qualifying as Tier 1 capital, mandatory convertible debt, limited amounts of subordinated debt, other qualifying term debt and the allowance for credit losses up to 1.25 percent of risk-weighted assets. Tier 3 capital includes subordinated debt that is unsecured, fully paid,

has an original maturity of at least two years, is not redeemable before maturity without prior approval by the Federal Reserve Board and includes a lock-in clause precluding payment of either interest or principal if the payment would cause the issuing bank's risk-based capital ratio to fall or remain below the required minimum. The sum of Tier 1 and Tier 2 capital less investments in unconsolidated subsidiaries represents the Corporation's qualifying total capital. Risk-based capital ratios are calculated by dividing Tier 1 and total capital by risk-weighted assets. Assets and off-balance sheet exposures are assigned to one of four categories of risk-weights, based

primarily on relative credit risk. The minimum Tier 1 capital ratio is four percent and the minimum total capital ratio is eight percent. The Corporation's Tier 1 and total risk-based capital ratios under these guidelines at December 31, 2001 were 8.30 percent and 12.67 percent, respectively. At December 31, 2001, the Corporation had no subordinated debt that qualified as Tier 3 capital.

The leverage ratio is determined by dividing Tier 1 capital by adjusted average total assets. Although the stated minimum ratio is 100 to 200 basis points above three percent, banking organizations are required to maintain a ratio of at least five percent to be classified as well capitalized. The Corporation's leverage ratio at December 31, 2001 was 6.56 percent. The Corporation meets its leverage ratio requirement.

The Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA"), among other things, identifies five capital categories for insured depository institutions (well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized and critically undercapitalized) and requires the respective federal regulatory agencies to implement systems for "prompt corrective action" for insured depository institutions that do not meet minimum capital requirements within such categories. FDICIA imposes progressively more restrictive constraints on operations, management and capital distributions, depending on the category in which an institution is classified. Failure to meet the capital guidelines could also subject a banking institution to capital raising requirements. An "undercapitalized" bank must develop a capital restoration plan and its parent holding company must guarantee that bank's compliance with the plan. The liability of the parent holding company under any such guarantee is limited to the lesser of five percent of the bank's assets at the time it became "undercapitalized" or the amount needed to comply with the plan. Furthermore, in the event of the bankruptcy of the parent holding company, such guarantee would take priority over the parent's general unsecured creditors. In addition, FDICIA requires the various regulatory agencies to prescribe certain non-capital standards for safety and soundness relating generally to operations and management, asset quality and executive compensation and permits regulatory action against a financial institution that does not meet such standards.

The various regulatory agencies have adopted substantially similar regulations that define the five capital categories identified by FDICIA, using the total risk-based capital, Tier 1 risk-based capital and leverage capital ratios as the relevant capital measures. Such regulations establish various degrees of corrective action to be taken when an institution is considered undercapitalized. Under the regulations, a "well capitalized" institution must have a Tier 1 risk-based capital ratio of at least six percent, a total risk-based capital ratio of at least ten percent and a leverage ratio of at least five percent and not be subject to a capital directive order. Under these guidelines, each of the Banks was considered well capitalized as of December 31, 2001.

Regulators also must take into consideration (a) concentrations of credit risk; (b) interest rate risk (when the interest rate sensitivity of an institution's assets does not match the sensitivity of its liabilities or its off-balance-sheet position); and (c) risks from non-traditional activities, as well as an institution's ability to manage those risks, when determining the adequacy of an institution's capital. This evaluation will be made as a part of the institution's regular safety and soundness examination. In addition, the Corporation, and any Bank with significant trading activity, must incorporate a measure for market risk in their regulatory capital calculations.

Distributions

The Corporation's funds for cash distributions to its stockholders are derived from a variety of sources, including cash and temporary investments. The primary source of such funds, and funds used to pay principal and interest on its indebtedness, is dividends received from the Banks. Each of the Banks is subject to various regulatory policies and requirements relating to the payment of dividends, including requirements to maintain capital above regulatory minimums. The appropriate federal regulatory authority

is authorized to determine under certain circumstances relating to the financial condition of a bank or bank holding company that the payment of dividends would be an unsafe or unsound practice and to prohibit payment thereof.

In addition, the ability of the Corporation and the Banks to pay dividends may be affected by the various minimum capital requirements and the capital and non-capital standards established under FDICIA, as described above. The right of the Corporation, its stockholders and its creditors to participate in any distribution of the assets or earnings of its subsidiaries is further subject to the prior claims of creditors of the respective subsidiaries.

According to Federal Reserve Board policy, bank holding companies are expected to act as a source of financial strength to each subsidiary bank and to commit resources to support each such subsidiary. This support may be required at times when a bank holding company may not be able to provide such support. Similarly, under the cross-guarantee provisions of the Federal Deposit Insurance Act, in the event of a loss suffered or anticipated by the FDIC - either as a result of default of a banking subsidiary or related to FDIC assistance provided to a subsidiary in danger of default - the other Banks may be assessed for the FDIC's loss, subject to certain exceptions.

Competition

The activities in which the Corporation and its four business segments (Consumer and Commercial Banking, Asset Management, Global Corporate and Investment Banking, and Equity Investments) engage are highly competitive. Generally, the lines of activity and markets served involve competition with other banks, thrifts, credit unions and other nonbank financial institutions, such as investment banking firms, investment advisory firms, brokerage firms, investment companies and insurance companies. The Corporation also competes against banks and thrifts owned by nonregulated diversified corporations and other entities which offer financial services, located both domestically and internationally and through alternative delivery channels such as the Internet. The methods of competition center around various factors, such as customer services, interest rates on loans and deposits, lending limits and customer convenience, such as location of offices.

The commercial banking business in the various local markets served by the Corporation's business segments is highly competitive. The four business segments compete with other banks, thrifts, finance companies and other businesses which provide similar services. The business segments actively compete in commercial lending activities with local, regional and international banks and nonbank financial organizations, some of which are larger than certain of the Corporation's nonbanking subsidiaries and the Banks. In its consumer lending operations, the competitors of the business segments include other banks, thrifts, credit unions, finance companies and other nonbank organizations offering financial services. In the investment banking, investment advisory and brokerage business, the Corporation's nonbanking subsidiaries compete with other banking and investment banking firms, investment advisory firms, brokerage firms, investment companies, other organizations offering similar services and other investment alternatives available to investors. The Corporation's mortgage banking units compete with banks, thrifts, government agencies, mortgage brokers and other nonbank organizations offering mortgage banking services. In the trust business, the Banks compete with other banks, investment counselors and insurance companies in national markets for institutional funds and insurance agents, thrifts, financial counselors and other fiduciaries for personal trust business. The Corporation and its four business segments also actively compete for funds. A primary source of funds for the Banks is deposits, and competition for deposits includes other deposit-taking organizations, such as banks, thrifts, and credit unions, as well as money market mutual funds.

The Corporation's ability to expand into additional states remains subject to various federal and state laws. See "Government Supervision and Regulation - General" for a more detailed discussion of interstate banking and branching legislation and certain state legislation.

Employees

As of December 31, 2001, there were 142,670 full-time equivalent employees within the Corporation and its subsidiaries. Of the foregoing employees, 85,147 were employed within Consumer and Commercial

Banking, 6,214 were employed within Asset Management, 7,623 were employed within Global Corporate and Investment Banking and 226 were employed within Equity Investments. The remainder were employed elsewhere within the Corporation and its subsidiaries.

None of the domestic employees within the Corporation is subject to a collective bargaining agreement. Management considers its employee relations to be good.

Additional Information

The following information set forth in the Corporation's 2001 Annual Report to Stockholders (the "2001 Annual Report") is incorporated herein by reference: Business Segment Operations (pages 36 through 43, pages 46 through 48 and pages 115 through 117), Net Interest Income (pages 43 through 46), Securities (page 50, page 84 and pages 89 through 90), Loans and Leases (page 49, pages 50 through 51, pages 54 through 64, pages 84 through 85 and pages 94 through 95), Deposits (page 51 and page 98), Short-Term Borrowings (pages 51 through 52 and pages 99 through 100), Trading Liabilities (page 91), Market Risk Management (pages 64 through 70) and Liquidity Risk Management (page 70).

Item 2. PROPERTIES

As of December 31, 2001, the principal offices of the Corporation and each of its business segments were located in the 60-story Bank of America Corporate Center in Charlotte, North Carolina, which is owned by a subsidiary of the Corporation. The Corporation occupies approximately 530,000 square feet and leases approximately 620,000 square feet to third parties at market rates, which represents substantially all of the space in this facility. In addition to this facility, the Corporation also leases or owns a significant amount of space worldwide. As of December 31, 2001, the Corporation and its subsidiaries owned or leased approximately 11,071 locations in 40 states, the District of Columbia and 33 foreign countries.

Item 3. LEGAL PROCEEDINGS

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, claims for substantial monetary 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.

In view of the inherent difficulty of predicting the outcome of such matters, the Corporation cannot state what the eventual outcome of pending matters will be. However, based on current knowledge, management does not believe that liabilities arising from pending litigation, if any, will have a material adverse effect on the consolidated financial position, operations or liquidity of the Corporation.

The Corporation and certain present and former officers and directors have been named as defendants in a number of actions filed in several federal courts that have been consolidated for pretrial purposes before a Missouri federal court. The amended complaint in the consolidated actions alleges, among other things, that the defendants failed to disclose material facts about the losses of the former BankAmerica Corporation ("BankAmerica") relating to D.E. Shaw Securities Group, L.P. ("D.E. Shaw") and related entities until mid-October 1998, in violation of various provisions of federal and state laws. The amended complaint also alleges that the proxy statement-prospectus of August 4, 1998 (the "Proxy Statement"), falsely stated that the merger between NationsBank Corporation ("NationsBank") and BankAmerica would be one of equals and alleges a scheme to have NationsBank gain control over the newly merged entity. The Missouri federal court has certified classes (the "Classes") consisting generally of persons who were stockholders of NationsBank or BankAmerica on September 30, 1998, or were entitled to vote on the merger, or who purchased or acquired securities of the Corporation or its predecessors between August 4, 1998 and October 13, 1998. The amended complaint substantially survived a motion to dismiss. Discovery has been completed. A former NationsBank stockholder who opted out of the NationsBank shareholder Class has commenced an action in the Missouri federal court (the "Opt-Out Action") asserting claims substantially similar to the claims related to D.E. Shaw set forth in the consolidated action. Similar class actions have been filed in California state courts. Plaintiffs in one such class action, brought on behalf of California residents who

owned BankAmerica stock, claim that the Proxy Statement falsely stated that the merger would be one of equals. Plaintiffs in that matter have recently been included in the federal action as part of the BankAmerica shareholder Class and will not be proceeding in California state court. Other California state court class actions (the "Other Actions") were consolidated, but have not been certified as class actions. The Missouri federal court enjoined prosecution of those consolidated cases as a class action. The plaintiffs who were enjoined appealed to the United States Court of Appeals for the Eighth Circuit, which upheld the district court's injunction. Those plaintiffs have sought review in the United States Supreme Court.

Subsequent to December 31, 2001, the Corporation announced that it had reached an agreement in principle to settle the Class actions. The proposed settlement provides for payment of \$333 million to the NationsBank Classes and \$157 million to the BankAmerica Classes. The proposed settlement is subject to a number of conditions, including judicial approval. The Corporation agreed to the proposed settlement without admitting liability. The proposed settlement will be paid from existing litigation reserves and insurance and will not have an impact on the Corporation's financial results.

On July 30, 2001, the Securities and Exchange Commission issued a cease-and-desist order finding violations of Section 13(a) of the Securities Exchange Act of 1934 and Rules 13a-1, 13a-11, 13a-13 and 12b-20 promulgated thereunder, with respect to BankAmerica's accounting for, and the disclosures relating to, the D.E. Shaw relationship. The Corporation consented to the order

without admitting or denying the findings. In the Matter of BankAmerica Corp., Exch. Act Rel. No. 44613, Acctg & Audit. Enf. Rel. No. 1249, Admin. Proc. No. 3-10541.

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

There were no matters submitted to a vote of stockholders during the quarter ended December 31, 2001.

Item 4A. EXECUTIVE OFFICERS OF THE REGISTRANT

Pursuant to the Instructions to Form 10-K and Item 401(b) of Regulation S-K, the name, age and position of each current executive officer of the Corporation are listed below along with such officer's business experience during the past five years. Officers are appointed annually by the Board of Directors at the meeting of directors immediately following the annual meeting of stockholders.

Amy Woods Brinkley, age 46, Chairman, Credit Policy and Deputy Corporate Risk Management Executive. Ms. Brinkley was named to her present position in July 2001. From August 1999 to July 2001, she served as President, Consumer Products; and from 1993 to August 1999, she served as Marketing Group Executive. She first became an officer in 1979. She also serves as Chairman, Credit Policy, Deputy Corporate Risk Management Executive and a director of Bank of America, N.A. Upon the retirement of Mr. Vandiver on March 31, 2002, Ms. Brinkley will become Chief Risk Officer.

Edward J. Brown III, age 53, President, Global Corporate and Investment Banking. Mr. Brown was named to his present position in August 2000. From September 1998 to August 2000, he served as President, Global Capital Raising and Global Capital Markets; from June 1997 to September 1998, he served as President, Global Finance; and from 1988 to June 1997, he served as President, Corporate Banking. He first became an officer in 1974. He also serves as President, Global Corporate and Investment Banking and a director of Bank of America, N.A.

Richard M. DeMartini, age 49, President, Asset Management. Mr. DeMartini was named to his present position in February 2001. From January 1999 to February 2001, he served as Chairman, International Private Client Group, Morgan Stanley Dean Witter; and from March 1997 to January 1999, he served as President Individual Asset Management Group, Morgan Stanley Dean Witter. From March 1996 to January 1997, he served as President, Dean Witter Capital, Dean Witter & Co. He first became an officer in February 2001. He also serves as President, Asset Management of Bank of America, N.A.

Barbara J. Desoer, age 49, President, Consumer Products. Ms. Desoer was named to her present position in July 2001. From September 1999 to July 2001, she served as Director of Marketing; from May 1999 to September 1999, she served as Banking Group President, California Retail Bank; and from December 1996 to May 1999, she served as Regional Executive, California Retail Bank. She first became an officer in 1977. She also serves as President, Consumer Products and a director of Bank of America, N.A.

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James H. Hance, Jr., age 57, Vice Chairman and Chief Financial Officer. Mr. Hance was named Chief Financial Officer in August 1988, and was named Vice Chairman in October 1993. He first became an officer in 1987. He also serves as a director of the Corporation and as Vice Chairman and a director of Bank of America, N.A.

Kenneth D. Lewis, age 54, Chairman, President and Chief Executive Officer. Mr. Lewis was named Chairman and Chief Executive Officer in April 2001 and President in January 1999. From October 1998 to January 1999, he served as President, Consumer and Commercial Banking; from 1993 to October 1998, he served as President; and from October 1999 to April 2001, he served as Chief Operating Officer. He first became an officer in 1971. Mr. Lewis also serves as a director of the Corporation and as Chairman, President, Chief Executive Officer and a director of Bank of America, N.A.

R. Eugene Taylor, age 54, President, Consumer and Commercial Banking. Mr. Taylor was named to his present position in June 2000. From February 2000 to June 2000, he served as President, Central Region; from October 1998 to June 2000, he served as President, West Region; from December 1997 to October 1998, he served as President, Florida; and from 1993 to December 1997, he served as President, Mid-Atlantic. He first became an officer in 1970. He also serves as President, Consumer and Commercial Banking and a director of Bank of America, N.A.

F. William Vandiver, Jr., age 59, Corporate Risk Management Executive. Mr. Vandiver was named to his present position in October 1998. From June 1997 to October 1998, he served as Chairman, Corporate Risk Policy; and from January 1996 to June 1997, he served as President, Global Finance. He first became an officer in 1968. He also serves as Vice Chairman and a director of Bank of

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON STOCK AND RELATED SECURITY HOLDER MATTERS

The principal market on which the Common Stock is traded is the New York Stock Exchange. The Common Stock is also listed on the London Stock Exchange and the Pacific Stock Exchange, and certain shares are listed on the Tokyo Stock Exchange. The following table sets forth the high and low sales prices of the Common Stock on the New York Stock Exchange for the periods indicated:

<TABLE>

<CAPTION>

	Quarter	High	Low
<S>	<C>	<C>	<C>
	-----	-----	-----
2000	first	\$55.19	\$42.31
	second	61.00	42.98
	third	57.63	43.63
	fourth	54.75	36.31
2001	first	55.94	45.00
	second	62.18	48.65
	third	65.54	50.25
	fourth	64.99	52.10

</TABLE>

As of March 1, 2002, there were 244,009 record holders of Common Stock. During 2000 and 2001, the Corporation paid dividends on the Common Stock on a quarterly basis. The following table sets forth dividends declared per share of Common Stock for the periods indicated:

<TABLE>

<CAPTION>

	Quarter	Dividend
<S>	<C>	<C>
2000	first	\$.50
	second	.50
	third	.50
	fourth	.56
2001	first	.56
	second	.56
	third	.56
	fourth	.60

</TABLE>

For additional information regarding the Corporation's ability to pay dividends, see "Government Supervision and Regulation - Distributions". In addition, Note 14 (page 106) of the Notes to Consolidated Financial Statements in the 2001 Annual Report is incorporated herein by reference.

Item 6. SELECTED FINANCIAL DATA

The information set forth in Table 1 (page 35) and Table 25 (page 71) of the 2001 Annual Report is incorporated herein by reference.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information set forth under the captions "Management's Discussion and Analysis of Results of Operations and Financial Condition" (pages 33 through 75) and "Report of Management" (page 76) in the 2001 Annual Report is incorporated herein by reference.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information set forth under the caption "Management's Discussion and Analysis of Results of Operations and Financial Condition-Market Risk Management" (pages 64 through 70) in the 2001 Annual Report is incorporated herein by reference.

Item 8. CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The following information set forth in the 2001 Annual Report is incorporated herein by reference: the Consolidated Financial Statements and Notes to Consolidated Financial Statements of Bank of America Corporation and Subsidiaries, together with the report thereon of PricewaterhouseCoopers LLP dated January 18, 2002 (pages 77 through 119).

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND
FINANCIAL DISCLOSURE

There were no changes in or disagreements with accountants on accounting and financial disclosure.

PART III

Item 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information included under the following captions in the Corporation's proxy statement relating to its 2002 annual meeting of stockholders (the "2002 Proxy Statement") is incorporated herein by reference:

- . "The Nominees" on pages 2 through 5;
- . "Section 16(a) Beneficial Ownership Reporting Compliance" on page 8; and
- . "Special Compensation Arrangements-Employment Agreements with Certain Executive Officers" and "- Consulting Agreement with Mr. McColl" on pages 14 and 15.

Additional information required by Item 10 with respect to executive officers is set forth in Part I, Item 4A hereof.

Item 11. EXECUTIVE COMPENSATION

Information included under the following captions in the 2002 Proxy Statement is incorporated herein by reference:

- . "Director Compensation" on pages 8 and 9;
- . "Executive Compensation" on pages 9 through 14;
- . "Special Compensation Arrangements" on pages 14 and 15;
- . "Compensation Committee Interlocks and Insider Participation" on page 20; and
- . "Certain Transactions" on page 20.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information included under the following caption in the 2002 Proxy Statement is incorporated herein by reference:.

- . "Stock Ownership" on pages 6 through 8.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information included under the following captions in the 2002 Proxy Statement is incorporated herein by reference:

- . "Compensation Committee Interlocks and Insider Participation" on page 20; and
- . "Certain Transactions" on page 20.

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PART IV

Item 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

<TABLE>
<C> <S>

<C>

a. The following documents are filed as part of this report:

Pages in
Annual
Report*

(1) Financial Statements:

Report of Independent Accountants.....	77
Consolidated Statement of Income for the years ended December 31, 2001, 2000 and 1999.....	78
Consolidated Balance Sheet at December 31, 2001 and 2000.....	79
Consolidated Statement of Changes in Shareholders' Equity for the years ended December 31, 2001, 2000 and 1999.....	80
Consolidated Statement of Cash Flows for the years ended December 31, 2001, 2000 and 1999.....	81
Notes to Consolidated Financial Statements.....	82-119

*Incorporated by reference from the indicated pages of the 2001 Annual Report.

(2) Schedules:

None

- b. The following reports on Form 8-K were filed by the registrant during the quarter ended December 31, 2001:

Current Report on Form 8-K dated October 3, 2001 and filed October 10, 2001, Items 5 and 7.

Current Report on Form 8-K dated and filed October 15, 2001, Items 5, 7 and 9.

Current Report on Form 8-K dated and filed November 28, 2001, Item 7.

Current Report on Form 8-K dated December 6, 2001 and filed December 14, 2001, Items 5 and 7.

- c. The exhibits filed as part of this report and exhibits incorporated herein by reference to other documents are listed in the Index to Exhibits to this Annual Report on Form 10-K (pages E-1 through E-6, including executive compensation plans and arrangements which are identified separately by asterisk).

</TABLE>

With the exception of the information expressly incorporated herein by reference, the 2001 Annual Report and the 2002 Proxy Statement are not to be deemed filed as part of this Annual Report on Form 10-K.

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SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 27, 2002

BANK OF AMERICA CORPORATION

By: */s/ KENNETH D. LEWIS

Kenneth D. Lewis
Chairman, President and Chief
Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature -----	Title -----	Date ----
*/s/ KENNETH D. LEWIS ----- Kenneth D. Lewis	Chairman, President, Chief Executive Officer and Director (Principal Executive Officer)	March 27, 2002
*/s/ JAMES H. HANCE, JR. ----- James H. Hance, Jr.	Vice Chairman, Chief Financial Officer and Director (Principal Financial Officer)	March 27, 2002
*/s/ MARC D. OKEN ----- Marc D. Oken	Executive Vice President and Principal Financial Executive (Principal Accounting Officer)	March 27, 2002
*/s/ JOHN R. BELK ----- John R. Belk	Director	March 27, 2002
*/s/ CHARLES W. COKER ----- Charles W. Coker	Director	March 27, 2002
*/s/ FRANK DOWD, IV ----- Frank Dowd, IV	Director	March 27, 2002
*/s/ KATHLEEN F. FELDSTEIN ----- Kathleen F. Feldstein	Director	March 27, 2002
*/s/ PAUL FULTON ----- Paul Fulton	Director	March 27, 2002

*/s/ DONALD E. GUINN	Director	March 27, 2002

Donald E. Guinn		
*/s/ C. RAY HOLMAN	Director	March 27, 2002

C. Ray Holman		
*/s/ WALTER E. MASSEY	Director	March 27, 2002

Walter E. Massey		

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Signature	Title	Date
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*/s/ C. STEVEN MCMILLAN	Director	March 27, 2002

C. Steven McMillan		
*/s/ PATRICIA E. MITCHELL	Director	March 27, 2002

Patricia E. Mitchell		
*/s/ O. TEMPLE SLOAN, JR.	Director	March 27, 2002

O. Temple Sloan, Jr.		
*/s/ MEREDITH R. SPANGLER	Director	March 27, 2002

Meredith R. Spangler		
*/s/ RONALD TOWNSEND	Director	March 27, 2002

Ronald Townsend		
-----	Director	March , 2002
Peter V. Ueberroth		
*/s/ JACKIE M. WARD	Director	March 27, 2002

Jackie M. Ward		
*/s/ VIRGIL R. WILLIAMS	Director	March 27, 2002

Virgil R. Williams		
*By: /s/ CHARLES M. BERGER		

Charles M. Berger		
Attorney-in-Fact		

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INDEX TO EXHIBITS

<TABLE> <CAPTION>	
Exhibit No.	Description

<C>	<S>
3(a)	Amended and Restated Certificate of Incorporation of registrant, as in effect on the date hereof, incorporated by reference to Exhibit 99.1 of registrant's Current Report on Form 8-K filed May 7, 1999.
(b)	Amended and Restated Bylaws of registrant, as in effect on the date hereof, incorporated by reference to Exhibit 99.2 of registrant's Current Report on Form 8-K filed May 7, 1999.
4(a)	Specimen certificate of registrant's Common Stock, incorporated by reference to Exhibit 4.13 of registrant's Registration No. 333-83503.
(b)	Specimen certificate of registrant's ESOP Convertible Preferred Stock, Series C, incorporated by reference to Exhibit 4(c) of registrant's 1991 Annual Report on Form 10-K (the "1991 10-K").
(c)	Specimen certificate of registrant's 7% Cumulative Redeemable Preferred Stock, Series B, incorporated by reference to Exhibit 4(c) of registrant's 1998 Annual Report on Form 10-K (the "1998 10-K").
(d)	Indenture dated as of August 1, 1982 between registrant (successor to NationsBank Corporation, formerly known as NCNB Corporation) and U.S. Bank Trust National Association (successor to Morgan Guaranty Trust Company of New York), pursuant to which registrant issued its 7 3/4% Debentures, due 2002, incorporated by reference to Exhibit 4.2 of registrant's Registration No. 2-78530; First Supplemental Indenture thereto dated as of

September 18, 1998, incorporated by reference to Exhibit 4(e) of the 1998 10-K; and Second Supplemental Indenture thereto dated as of July 16, 2001 between registrant, U.S. Bank Trust National Association, as Prior Trustee, and the Bank of New York, as Successor Trustee.

- (e) Indenture dated as of September 1, 1989 between registrant (successor to NationsBank Corporation, formerly known as NCNB Corporation) and The Bank of New York, pursuant to which registrant issued its 9 3/8% Subordinated Notes, due 2009; its 10.20% Subordinated Notes, due 2015; and its 8 1/8% Subordinated Notes, due 2002, incorporated by reference to Exhibit 4.1 of registrant's Registration No. 33-30717; and First Supplemental Indenture thereto dated as of August 28, 1998, incorporated by reference to Exhibit 4(f) of the 1998 10-K.
- (f) Indenture dated as of November 1, 1992 between registrant (successor to NationsBank Corporation) and The Bank of New York, pursuant to which registrant issued its 6 7/8% Subordinated Notes, due 2005, incorporated by reference to Exhibit 4.1 of registrant's Amendment to Application or Report on Form 8-K dated March 1, 1993; First Supplemental Indenture thereto dated as of July 1, 1993 pursuant to which registrant issued its Subordinated Medium-Term Notes; its 6 1/2% Subordinated Notes, due 2003; and its 7 3/4% Subordinated Notes, due 2004, incorporated by reference to Exhibit 4.4 of registrant's Current Report on Form 8-K dated July 6, 1993; and Second Supplemental Indenture thereto dated as of August 28, 1998, incorporated by reference to Exhibit 4(i) of the 1998 10-K.
- (g) Indenture dated as of January 1, 1995 between registrant (successor to NationsBank Corporation) and U.S. Bank Trust National Association (successor to BankAmerica National Trust Company), pursuant to which registrant issued its 7% Senior Notes, due 2003; its 6 3/8% Senior Notes, due 2005; its 6 1/8% Senior Notes, due 2004; its 5 7/8% Senior Notes, due 2009; its 6 5/8% Senior Notes, due 2004; its 7 7/8% Senior Notes, due 2005; its 7 1/8% Senior Notes, due 2006; its 4 3/4% Senior Notes, due 2006; its 5 1/4% Senior Notes, due 2007; and its Senior Medium-Term Notes, Series D, E, F, G, H and I, incorporated by reference to Exhibit 4.1 of registrant's Registration No. 33-57533; First Supplemental Indenture thereto dated as of September 18, 1998, incorporated by reference to Exhibit 4.3 of registrant's Current Report on Form 8-K filed November 18, 1998; and Second Supplemental Indenture thereto dated as of May 7, 2000 between registrant, U.S. Bank Trust National Association, as Prior Trustee, and the Bank of New York, as Successor Trustee, incorporated by reference to Exhibit 4.4 of registrant's Current Report on Form 8-K dated June 5, 2001.

</TABLE>

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<TABLE>

<CAPTION>

Exhibit No. Description

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- (h) Indenture dated as of January 1, 1995 between registrant (successor to NationsBank Corporation) and The Bank of New York, pursuant to which registrant issued its 7 5/8% Subordinated Notes, due 2005; its 7 3/4% Subordinated Notes, due 2015; its 7 1/4% Subordinated Notes, due 2025; its 6 1/2% Subordinated Notes, due 2006; its 7 1/2% Subordinated Notes, due 2006; its 7.80% Subordinated Notes, due 2016; its 6 3/8% Subordinated Notes, due 2008; its 6.80% Subordinated Notes, due 2028; its 6.60% Subordinated Notes, due 2010; its 7.80% Subordinated Notes due 2010; its 7.40% Subordinated Notes, due 2011; and its Subordinated Medium-Term Notes, Series D, E, F, G, H and I, incorporated by reference to Exhibit 4.8 of registrant's Registration No. 33-57533; and First Supplemental Indenture thereto dated as of August 28, 1998, incorporated by reference to Exhibit 4.8 of registrant's Current Report on Form 8-K filed November 18, 1998.
- (i) Amended and Restated Agency Agreement dated as of July 27, 2001 between registrant, Bank of America, N.A., The Chase Manhattan Bank, London Branch, and The Chase Manhattan Bank Luxembourg S.A.
- (j) Issuing and Paying Agency Agreement dated as of August 1, 2000 between Bank of America, N.A., as Issuer, and Bankers Trust Company, as Issuing and Paying Agent, incorporated by reference to Exhibit 4(m) of registrant's 2000 Annual Report on Form 10-K (the "2000 10-K").
- (k) Indenture dated as of November 27, 1996 between registrant (successor to NationsBank Corporation) and The Bank of New York, incorporated by reference to Exhibit 4.10 of registrant's Registration No. 333-15375.
- (l) First Supplemental Indenture dated as of December 4, 1996 to the Indenture dated as of November 27, 1996 between registrant (successor to NationsBank Corporation) and The Bank of New York pursuant to which registrant issued its 7.84% Junior Subordinated Deferrable Interest Notes due 2026, incorporated by reference to Exhibit 4.3 of registrant's Current Report on Form 8-K dated November 27, 1996.
- (m) Second Supplemental Indenture dated as of December 17, 1996 to the Indenture dated as of November 27, 1996 between registrant (successor to NationsBank Corporation) and The Bank of New York pursuant to which registrant issued its 7.83% Junior Subordinated Deferrable Interest Notes due 2026, incorporated by reference to Exhibit 4.3 of registrant's Current Report on Form 8-K dated December 10, 1996.
- (n) Third Supplemental Indenture dated as of February 3, 1997 to the Indenture

dated as of November 27, 1996 between registrant (successor to NationsBank Corporation) and The Bank of New York pursuant to which registrant issued its Floating Rate Junior Subordinated Deferrable Interest Notes due 2027, incorporated by reference to Exhibit 4.3 of registrant's Current Report on Form 8-K dated January 22, 1997.

- (o) Fourth Supplemental Indenture dated as of April 22, 1997 to the Indenture dated as of November 27, 1996 between registrant (successor to NationsBank Corporation) and The Bank of New York pursuant to which registrant issued its 8 1/4% Junior Subordinated Deferrable Interest Notes, due 2027, incorporated by reference to Exhibit 4.3 of registrant's Current Report on Form 8-K dated April 15, 1997.
- (p) Fifth Supplemental Indenture dated as of August 28, 1998 to the Indenture dated as of November 27, 1996 between registrant and The Bank of New York, incorporated by reference to Exhibit 4(t) of the 1998 10-K.
- (q) Indenture dated as of November 27, 1996, between Barnett Banks, Inc. and Bank One (successor to The First National Bank of Chicago), as Trustee, and First Supplemental Indenture dated as of January 9, 1998, among NationsBank Corporation, NB Holdings Corporation, Barnett Banks, Inc. and The First National Bank of Chicago (predecessor to Bank One), as Trustee, pursuant to which registrant (as successor to NationsBank Corporation) issued its 8.06% Junior Subordinated Debentures, due 2026, incorporated by reference to Exhibit 4(u) of registrant's 1997 Annual Report on Form 10-K (the "1997 10-K").

</TABLE>

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<TABLE>

<CAPTION>

Exhibit No. Description

<C>	<S>
(r)	Indenture dated as of September 1, 1990 between the former BankAmerica Corporation and Chase Manhattan Bank and Trust Company, N. A. (formerly Manufacturers Hanover Trust Company of California), pursuant to which registrant (as successor to the former BankAmerica Corporation) issued its 10.00% Subordinated Notes due 2003 and its 9.20% Subordinated Notes due 2003; and First Supplemental Indenture thereto dated as of September 15, 1998, incorporated by reference to Exhibit 4(v) of the 1998 10-K.
(s)	Indenture dated as of November 1, 1991 between the former BankAmerica Corporation and Chase Manhattan Bank and Trust Company, N. A. (formerly Manufacturers Hanover Trust Company of California), pursuant to which registrant (as successor to the former BankAmerica Corporation) issued its 8.125% Subordinated Notes due 2002; its 7.75% Subordinated Notes due 2002; its 8.375% Subordinated Notes due 2002; its 7.50% Subordinated Notes due 2002; its 7.20% Subordinated Notes due 2002; its 7.875% Subordinated Notes due 2002; its 6.85% Subordinated Notes due 2003; its 6.875% Subordinated Notes due 2003; its Floating Subordinated Notes due 2003; its 7.20% Subordinated Notes due 2006; its 7.625% Subordinated Notes due 2004; its 6.75% Subordinated Notes due 2005; its 6.20% Subordinated Notes due 2006; its 7.125% Subordinated Notes due 2006; its 6.625% Subordinated Notes due 2007; its 6.625% Subordinated Notes due 2007; its 7.125% Subordinated Notes due 2009; its 7.125% Subordinated Notes due 2011; and its 6.25% Subordinated Notes due 2008; First Supplemental Indenture thereto dated as of September 8, 1992; and Second Supplemental Indenture thereto dated as of September 15, 1998, incorporated by reference to Exhibit 4(w) of the 1998 10-K.
(t)	Indenture dated as of November 1, 1991 between the former BankAmerica Corporation and U.S. Bank Trust, N. A. (successor to Bankers Trust Company of California, National Association, and First Trust of California, National Association), pursuant to which registrant (as successor to the former BankAmerica Corporation) issued its Senior Medium-Term Notes, Series H and I; First Supplemental Indenture thereto dated as of August 1, 1994; and Second Supplemental Indenture thereto dated as of September 30, 1998, incorporated by reference to Exhibit 4(x) of the 1998 10-K.
(u)	Second Amended and Restated Agency Agreement dated as of November 15, 1996 between the former BankAmerica Corporation and U.S. Bank Trust National Association (successor to First Trust of New York, National Association), pursuant to which registrant (as successor to the former BankAmerica Corporation) issued its Senior and Subordinated Euro Medium-Term Notes; and Amendment thereto dated as of September 30, 1998, incorporated by reference to Exhibit 4(y) of the 1998 10-K.
(v)	Junior Subordinated Indenture dated as of November 27, 1996 between the former BankAmerica Corporation and Bankers Trust Company, pursuant to which registrant (as successor to the former BankAmerica Corporation) issued its 8.07% Junior Subordinated Debentures Series A due 2026; and its 7.70% Junior Subordinated Debentures Series B due 2026; and First Supplemental Indenture thereto dated as of September 15, 1998, incorporated by reference to Exhibit 4(z) of the 1998 10-K.
(w)	Junior Subordinated Indenture dated as of December 20, 1996 between the former BankAmerica Corporation and Bankers Trust Company, pursuant to which registrant (as successor to the former BankAmerica Corporation) issued its 7.75% Junior Subordinated Deferrable Interest Debentures,

Series 1 due 2026; its 8.00% Junior Subordinated Deferrable Interest Debentures, Series 2 due 2026; its Floating Rate Junior Subordinated Deferrable Interest Debentures, Series 3 due 2027; and its 7.00% Junior Subordinated Deferrable Interest Debentures, Series 4 due 2028; and First Supplemental Indenture thereto dated as of September 15, 1998, incorporated by reference to Exhibit 4(aa) of the 1998 10-K.

</TABLE>

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<TABLE>

<CAPTION>

Exhibit No.

Description

<C>	<S>	<C>
(x)	Restated Senior Indenture dated as of January 1, 2001 between registrant and The Bank of New York, pursuant to which registrant issued its Senior InterNotes/SM/, incorporated by reference to Exhibit 4.1 of registrant's Registration No. 333-47222.	
(y)	Restated Subordinated Indenture dated as of January 1, 2001 between registrant and The Bank of New York, pursuant to which registrant issued its Subordinated InterNotes/SM/, incorporated by reference to Exhibit 4.2 of registrant's Registration No. 333-47222.	
(z)	Amended and Restated Senior Indenture dated as of July 1, 2001 between registrant and The Bank of New York, pursuant to which registrant issued its Senior InterNotes/SM/, incorporated by reference to Exhibit 4.1 of registrant's Registration No. 333-65750.	
(aa)	Amended and Restated Subordinated Indenture dated as of July 1, 2001 between registrant and The Bank of New York, pursuant to which registrant issued its Subordinated InterNotes/SM/, incorporated by reference to Exhibit 4.2 of registrant's Registration No. 333-65750.	
(bb)	Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York, incorporated by reference to Exhibit 4.10 of registrant's Registration No. 333-70984.	
(cc)	First Supplemental Indenture dated as of December 14, 2001 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York pursuant to which registrant issued its 7% Junior Subordinated Notes due 2031, incorporated by reference to Exhibit 4.3 of registrant's Current Report on Form 8-K dated December 6, 2001.	
(dd)	Second Supplemental Indenture dated as of January 31, 2002 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York pursuant to which registrant issued its 7% Junior Subordinated Notes due 2032, incorporated by reference to Exhibit 4.3 of registrant's Current Report on Form 8-K dated January 24, 2002.	

The registrant has other long-term debt agreements, but these are not material in amount. Copies of these agreements will be furnished to the Commission on request.

10(a)	NationsBank Corporation and Designated Subsidiaries Directors' Retirement Plan, incorporated by reference to Exhibit 10(f) of registrant's 1990 Annual Report on Form 10-K (the "1990 10-K"); Amendment thereto dated as of September 28, 1994, incorporated by reference to Exhibit 10(i) of registrant's 1994 Annual Report on Form 10-K (the "1994 10-K"); and Amendment thereto dated as of April 24, 1996, incorporated by reference to Exhibit 10(g) of registrant's 1996 Annual Report on Form 10-K (the "1996 10-K").	*
(b)	NationsBank Corporation and Designated Subsidiaries Supplemental Executive Retirement Plan, incorporated by reference to Exhibit 10(j) of the 1994 10-K; Amendment thereto dated as of June 28, 1989, incorporated by reference to Exhibit 10(g) of registrant's 1989 Annual Report on Form 10-K (the "1989 10-K"); Amendment thereto dated as of June 27, 1990, incorporated by reference to Exhibit 10(g) of the 1990 10-K; Amendment thereto dated as of July 21, 1991, incorporated by reference to Exhibit 10(bb) of the 1991 10-K; Amendments thereto dated as of December 3, 1992 and December 15, 1992, incorporated by reference to Exhibit 10(l) of registrant's 1992 Annual Report on Form 10-K (the "1992 10-K"); Amendment thereto dated as of September 28, 1994, incorporated by reference to Exhibit 10(j) of the 1994 10-K; Amendments thereto dated March 27, 1996 and June 25, 1997, incorporated by reference to Exhibit 10(c) of the 1997 10-K; Amendments thereto dated April 10, 1998, June 24, 1998 and October 1, 1998, incorporated by reference to Exhibit 10(b) of the 1998 10-K; Amendment thereto dated December 14, 1999, incorporated by reference to Exhibit 10(b) of registrant's 1999 Annual Report on Form 10-K (the "1999 10-K"); and Amendment thereto dated as of March 28, 2001.	*

</TABLE>

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<TABLE>

<CAPTION>

Exhibit No.

Description

<C>	<S>	<C>
(c)	NationsBank Corporation and Designated Subsidiaries Deferred	*

Compensation Plan for Key Employees, incorporated by reference to Exhibit 10(k) of the 1994 10-K; Amendment thereto dated as of June 28, 1989, incorporated by reference to Exhibit 10(h) of the 1989 10-K; Amendment thereto dated as of June 27, 1990, incorporated by reference to Exhibit 10(h) of the 1990 10-K; Amendment thereto dated as of July 21, 1991, incorporated by reference to Exhibit 10(bb) of the 1991 10-K; Amendment thereto dated as of December 3, 1992, incorporated by reference to Exhibit 10(m) of the 1992 10-K; and Amendments thereto dated April 10, 1998 and October 1, 1998, incorporated by reference to Exhibit 10(b) of the 1998 10-K.

(d)	Bank of America Pension Restoration Plan, as amended and restated effective July 1, 1998.	*
(e)	Split Dollar Agreement dated as of February 1, 1990 between registrant and Hugh L. McColl III, as Trustee for the benefit of Hugh L. McColl, Jr. and Jane S. McColl, incorporated by reference to Exhibit 10(s) of the 1990 10-K.	*
(f)	NationsBank Corporation Benefit Security Trust dated as of June 27, 1990, incorporated by reference to Exhibit 10(t) of the 1990 10-K; First Supplement thereto dated as of November 30, 1992, incorporated by reference to Exhibit 10(v) of the 1992 10-K; and Trustee Removal/Appointment Agreement dated as of December 19, 1995, incorporated by reference to Exhibit 10(o) of registrant's 1995 Annual Report on Form 10-K.	*
(g)	Bank of America 401(k) Restoration Plan, as amended and restated effective July 1, 2000.	*
(h)	Bank of America Executive Incentive Compensation Plan, as amended and restated effective April 1, 1998, incorporated by reference to Exhibit 10(h) of the 1998 10-K.	*
(i)	Bank of America Director Deferral Plan, as amended and restated effective January 27, 1999, incorporated by reference to Exhibit 10(i) of the 1998 10-K.	*
(j)	Bank of America Corporation Directors' Stock Plan, as amended and restated effective January 1, 2002.	*
(k)	Amendment to Restricted Stock Award Plan Agreements with Hugh L. McColl, Jr. dated December 20, 1996, incorporated by reference to Exhibit 10(x) of the 1996 10-K.	*
(l)	Bank of America Corporation Key Employee Stock Plan, as amended and restated effective September 24, 1998, incorporated by reference to Exhibit 10(a) of registrant's Quarterly Report on Form 10-Q dated November 16, 1998 (the "Third Quarter 1998 10-Q").	*
(m)	BankAmerica Corporation and Bank of America National Trust and Savings Association Deferred Compensation Plan for Directors, as amended and restated, incorporated by reference to Exhibit 10(b) of the Third Quarter 1998 10-Q.	*
(n)	Split Dollar Life Insurance Agreement dated as of October 15, 1998 between registrant and NationsBank, N. A., as Trustee under that certain Irrevocable Trust Agreement dated October 2, 1998, by and between Hugh L. McColl, Jr., as Grantor, and NationsBank, N. A., as Trustee, incorporated by reference to Exhibit 10(cc) of the 1998 10-K; and Amendment thereto dated January 24, 2002.	*
(o)	Split Dollar Life Insurance Agreement dated as of October 16, 1998 between registrant and NationsBank, N. A., as Trustee under that certain Irrevocable Trust Agreement No. 2 dated October 1, 1998, by and between James H. Hance, Jr., as Grantor, and NationsBank, N. A., as Trustee, incorporated by reference to Exhibit 10(dd) of the 1998 10-K; and Amendment thereto dated January 24, 2002.	*
(p)	Split Dollar Life Insurance Agreement dated as of September 28, 1998 between registrant and J. Steele Alphin, as Trustee under that certain Irrevocable Trust Agreement dated June 23, 1998, by and between Kenneth D. Lewis, as Grantor, and J. Steele Alphin, as Trustee, incorporated by reference to Exhibit 10(ee) of the 1998 10-K; and Amendment thereto dated January 24, 2002.	*

</TABLE>

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<TABLE>

<CAPTION>

Exhibit No. Description

<C>	<S>	<C>
(q)	Employment Agreement dated as of April 10, 1998 between registrant and James H. Hance, Jr., incorporated by reference to Exhibit 10.4 of registrant's Registration No. 333-60553; and Amendment thereto dated January 24, 2001, incorporated by reference to Exhibit 10(q) of the 2000 10-K.	*
(r)	Employment Agreement dated as of April 10, 1998 between registrant and Kenneth D. Lewis, incorporated by reference to Exhibit 10.5 of registrant's Registration No. 333-60553; and Amendment thereto dated January 24, 2001, incorporated by reference to Exhibit 10(r) of the 2000 10-K.	*
(s)	Split Dollar Life Insurance Agreement dated as of August, 1999 between registrant and Bank of America, N.A., as Trustee under The Vandiver Family Trust Dated August 12, 1999, incorporated by reference to Exhibit 10(dd) of the 1999 10-K; and Amendment thereto dated January 24, 2002.	*
(t)	Global Corporate and Investment Banking Equity Incentive Plan, as established effective January 1, 2000, incorporated by reference to Exhibit 10(t) of the 2000 10-K.	*
(u)	Consulting Agreement dated January 24, 2001 between registrant and Hugh L. McColl, Jr., incorporated by reference to Exhibit 10(u) of the 2000 10-K.	*

(v)	Summary of the Corporate Management Incentive Plan.	*
(w)	Relocation Agreement dated October 5, 1998 between registrant and Edward J. Brown III, incorporated by reference to Exhibit 10(w) of the 2000 10-K.	*
(x)	Employment Agreement dated April 24, 2001 between registrant and Richard M. DeMartini.	*
12(a)	Ratio of Earnings to Fixed Charges.	
(b)	Ratio of Earnings to Fixed Charges and Preferred Dividends.	
13	2001 Annual Report to Stockholders. This exhibit contains only those portions of the 2001 Annual Report that are incorporated by reference herein.	
21	List of Subsidiaries.	
23	Consent of PricewaterhouseCoopers LLP.	
24(a)	Power of Attorney.	
(b)	Corporate Resolution.	

</TABLE>

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* Denotes executive compensation plan or arrangement.

Bank of America Corporation

SECOND SUPPLEMENTAL INDENTURE

Dated as of July 16, 2001

Supplementing the Indenture, dated
as of August 1, 1982, between
Bank of America Corporation (successor to NationsBank Corporation,
formerly known as NCNB Corporation) and
U.S. Bank Trust National Association (successor to
Morgan Guaranty Trust Company of New York), as Trustee,
as supplemented by a
First Supplemental Indenture dated as of September 18, 1998 thereto

THIS SECOND SUPPLEMENTAL INDENTURE, dated as of July 16, 2001 (the "Second Supplemental Indenture"), is made by and among BANK OF AMERICA CORPORATION, a Delaware Corporation (the "Company"), U.S. BANK TRUST NATIONAL ASSOCIATION, a national banking association, successor to Morgan Guaranty Trust Company of New York, as Prior Trustee (the "Prior Trustee") and THE BANK OF NEW YORK, a New York banking corporation (the "Successor Trustee") under the Indenture referred to herein.

W I T N E S S E T H:

WHEREAS, the Company and the Prior Trustee heretofore executed and delivered an Indenture, dated as of August 1, 1982, as supplemented by a First Supplemental Indenture dated as of September 18, 1998 thereto (the "Indenture"); and

WHEREAS, pursuant to the Indenture, the Company issued and the Trustee authenticated and delivered one or more series of the Company's notes (the "Securities"); and

WHEREAS, Section 9.01(3) of the Indenture provides that the Company, when authorized by a resolution of the Board of Directors of the Company, the Prior Trustee and the Successor Trustee may amend the Indenture without notice to or consent of the holders of the Securities in order to supplement any provision contained in the Indenture; and

WHEREAS, by resolutions adopted by the Board of Directors the Company at a meeting duly called and held on June 27, 2001, the Company was authorized to amend the Indenture; and

WHEREAS, the Company, the Prior Trustee and the Successor Trustee desire to amend the Indenture and the Securities in order to evidence and provide for the acceptance and appointment by a successor trustee with respect to the Securities of one or more series and to add or change any provisions of this Indenture as shall be necessary to provide for or facilitate the administrations of the trusts hereunder; and

WHEREAS, the Company, the Prior Trustee and the Successor Trustee have entered into an Agreement of Resignation, Appointment and Acceptance dated the date hereof, pursuant to which (i) the Prior Trustee resigns as trustee under the Indenture, (ii) the Company accepts the Prior Trustee's resignation, (iii) the Company appoints the Successor Trustee as trustee under the Indenture and (iv) the Successor Trustee accepts the Company's appointment as trustee under the Indenture with respect to the Securities; and

WHEREAS, this Second Supplemental Indenture has been duly authorized by all necessary corporate action on the part of the Company.

NOW, THEREFORE, the Company, the Prior Trustee and the Successor Trustee agree as follows for the equal and ratable benefit of the holders of the Securities:

ARTICLE I
ASSUMPTION OF DUTIES AS TRUSTEE UNDER THE INDENTURE

SECTION 1.1 Assumption of Duties by Successor Trustee. The Successor Trustee hereby expressly assumes and accepts the rights, powers, duties and obligations of the Prior Trustee as Trustee under the Indenture, upon the terms and conditions set forth therein, with like effect as if originally named as Trustee under the Indenture.

SECTION 1.2 Definition. The definition of "Principal Corporate Trust Office" is hereby deleted in its entirety and inserted in lieu thereof the

following:

"'Principal Corporate Trust Office' means the corporate trust office of the Trustee in the Borough of Manhattan, the City of New York, where Debentures may be presented for payment, for registration of transfer and for exchange as in this Indenture provided and where notices and demands to or upon the Company in respect of the Debentures or of this Indenture may be served."

SECTION 1.3 Supplemental Provisions. Any other terms or provisions of the Indenture specifically referencing the Prior Trustee shall hereafter reference the Successor Trustee.

ARTICLE II MISCELLANEOUS

SECTION 2.1 Indenture Remains in Full Force and Effect. Except as supplemented hereby, all provisions in the Indenture shall remain in full force and effect.

SECTION 2.2 Indenture and Supplemental Indentures Construed Together. This Second Supplemental Indenture is an indenture supplemental to and in implementation of the Indenture, and the Indenture and this Second Supplemental Indenture shall henceforth be read and construed together.

SECTION 2.3 Confirmation and Preservation of Indenture. The Indenture as supplemented by this Second Supplemental Indenture is in all respects confirmed and preserved.

SECTION 2.4 Conflict with Trust Indenture Act. If any provision of this Second Supplemental Indenture limits, qualifies or conflicts with any provision of the Trust Indenture Act ("TIA") that is required under the TIA to be part of and govern any provision of this Second Supplemental Indenture, the provision of the TIA shall control. If any provision of this Second Supplemental Indenture modifies or excludes any provision of the TIA that may be so modified or excluded, the provision of the TIA shall be deemed to apply to the Indenture as so modified or to be excluded by this Second Supplemental Indenture, as the case may be.

SECTION 2.5 Severability. In case any provision in this Second Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 2.6 Terms Defined in the Indenture. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

SECTION 2.7 Headings. The Article and Section headings of this Second Supplemental Indenture have been inserted for convenience of reference only, are not to be considered part of this Second Supplemental Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

SECTION 2.8 Benefits of Second Supplemental Indenture, etc. Nothing in this Second Supplemental Indenture or the Securities, express or implied, shall give to any Person, other than the parties hereto and thereto and their successors hereunder and thereunder and the holders of the Securities, any benefit of any legal or equitable right, remedy or claim under the Indenture, this Second Supplemental Indenture or the Securities.

SECTION 2.9 Certain Duties and Responsibilities of the Trustees. In entering into this Second Supplemental Indenture, the Trustee shall be entitled to the benefit of every provision of the Indenture relating to the conduct or affecting the liability or affording protection to the Trustee, whether or not elsewhere herein so provided.

SECTION 2.10 Counterparts. The parties may sign any number of copies of this Second Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

SECTION 2.11 Governing Law. This Second Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York but without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

IN WITNESS WHEREOF, the parties have caused this Second Supplemental Indenture to be duly executed as of the date first written above.

BANK OF AMERICA CORPORATION

U.S. BANK TRUST NATIONAL
ASSOCIATION
as Prior Trustee

/s/ Karen A. Gosnell

Name: Karen A. Gosnell

/s/ Barbara Nastro

Title: Senior Vice President

Name: Barbara Nastro
Title: Vice President

THE BANK OF NEW YORK
as Successor Trustee

/s/ Sandra Carreker

Name: Sandra Carreker
Title: Agent

AMENDED AND RESTATED
AGENCY AGREEMENT

relating to

BANK OF AMERICA CORPORATION
and
BANK OF AMERICA, N.A.

U.S. \$25,000,000,000

Euro Medium-Term Note Program

among

BANK OF AMERICA CORPORATION
and
BANK OF AMERICA, N.A.
as issuers

and

THE CHASE MANHATTAN BANK, LONDON BRANCH
as Issuing and Principal Paying Agent

and

CHASE MANHATTAN BANK LUXEMBOURG S.A.
as Paying Agent

DATED AS OF JULY 27, 2001

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THIS AMENDED AND RESTATED AGENCY AGREEMENT (this "Agreement") dated as of July 27, 2001 is made by and among:

- (i) Bank of America Corporation, a Delaware corporation (the "Corporation"), and Bank of America, N.A., a national banking association (the "Bank"; the Bank and the Corporation are each an "Issuer" and collectively, "Issuers");
- (ii) The Chase Manhattan Bank, London Branch (the "Agent" and the "Issuing and Principal Paying Agent"); and
- (iii) Chase Manhattan Bank Luxembourg S.A. (the "Paying Agent").

WHEREAS, the Corporation, the Bank, the Agent and the Paying Agent wish to update the arrangements originally agreed among them pursuant to that certain Agency Agreement dated November 8, 1995, as amended and restated to the date hereof, including the amendment and restatement dated August 1, 2000 (the "Original Agency Agreement");

WHEREAS, the Issuers propose to issue up to U.S. \$15,000,000,000 with respect to the Corporation and U.S. \$10,000,000,000 with respect to the Bank (or its equivalent in other currencies) in aggregate principal amount of Euro Medium-Term Notes (the "Notes") outstanding at any one time as provided in an Amended and Restated Program Agreement of even date among the Issuers, the Arranger and the Dealers named therein (the "Program Agreement") and as described in an Offering Circular of even date (the "Offering Circular");

WHEREAS, Notes will be issued in the denominations specified in the applicable Pricing Supplement issued in connection with each Series and each Tranche of Notes; and

WHEREAS, unless otherwise determined by an Issuer and specified in the applicable Pricing Supplement, beneficial interests in each Tranche of Notes initially will be represented by a Temporary Global Note, exchangeable, as provided in such Temporary Global Note, for beneficial interests in a Permanent Global Note and, only under limited circumstances, beneficial interests in a Global Note may be exchangeable for Definitive Notes, in each case in accordance with the terms of the Global Notes.

NOW, THEREFORE, it is agreed as follows:

1. Definitions and Interpretation

(1) Terms and expressions defined in the Program Agreement or the Notes or used in the applicable Pricing Supplement shall have the same meanings in this Agreement, except where the context requires otherwise.

(2) Without prejudice to the foregoing in this Agreement:

"outstanding" means, in relation to the Notes, all the Notes issued other than (a) those which have been redeemed in accordance with the Terms and Conditions, (b) those in respect of which the redemption date in accordance with the Terms and Conditions has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest or other amounts payable under the Terms and Conditions after such date) have been duly paid to the Agent as provided in this Agreement and remain available for payment against presentation and surrender of Notes and/or Receipts and/or Coupons, as the case may be, (c) those which have become void under Condition 8, (d) those which have been purchased and canceled as provided in Condition 5 (or as provided in the Global Notes), (e) those mutilated or defaced Notes which have been surrendered in exchange for replacement Notes pursuant to Condition 10, (f) (for purposes only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued pursuant to Condition 10, (g) any

Temporary Global Note to the extent that it shall have been exchanged for a Permanent Global Note, in each case pursuant to their respective provisions; provided that for the purposes of (i) ascertaining the right to attend and vote

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at any meeting of the Noteholders and (ii) the determination of how many Notes are outstanding for the purposes of Schedule 7, those Notes which are beneficially held by, or are held on behalf of, an Issuer or any of its affiliates shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

"Paying Agents" means the Issuing and Principal Paying Agent and the Paying Agent referred to above and such other Paying Agent or Agents as may be appointed from time to time hereunder; and

(3) The term "Notes" as used in this Agreement shall include the Temporary Global Note and the Permanent Global Note, Definitive Notes and Coupons. The term "Global Note" as used in this Agreement shall include both the Temporary Global Note and the Permanent Global Note, each of which is a "Global Note." The term "Noteholders" as used in this Agreement shall mean the several persons who are for the time being the holders of the Notes, which expression, while the Notes are represented by a Global Note, shall mean (other than with respect to the payment of principal and interest on the Notes, the right to which shall be vested as against the relevant Issuer solely in the bearer of such Global Note in accordance with and subject to its terms) the persons for the time being shown in the records of a common depository on behalf of Euroclear Bank S.A./NV, as operator of the Euroclear System ("Euroclear or Clearstream Banking, societe anonyme ("Clearstream, Luxembourg") (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear, and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) as the Noteholders of particular principal amounts of Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of Notes standing to the credit of the account of any person shall be conclusive and binding for all purposes).

(4) For purposes of this Agreement, the Notes of each Series shall form a separate series of Notes and the provisions of this Agreement shall apply mutatis mutandis separately and independently to the Notes of each Series and in such provisions the expressions "Notes", "Noteholders", "Receipts", "Receiptholders", "Coupons", "Couponholders", "Talons" and "Talonholders" shall be construed accordingly.

(5) All references in this Agreement to principal and/or interest or both in respect of the Notes or to any moneys payable by an Issuer under this Agreement shall have the meaning set out in Condition 4.

(6) All references in this Agreement to the "relevant currency" shall be construed as references to the currency in which the relevant Notes and/or Coupons are denominated (or payable in the case of Dual Currency Notes).

(7) In this Agreement, Clause headings are inserted for convenience and ease of reference only and shall not affect the interpretation of this Agreement. All references in this Agreement to the provisions of any statute shall be deemed to be references to that statute as from time to time modified, extended, amended or re-enacted or to any statutory instrument, order or regulation made thereunder or under such re-enactment.

(8) All references in this Agreement to an agreement, instrument or other document (including, without limitation, this Agreement, the Program Agreement, the Notes and any Terms and Conditions appertaining thereto) shall be construed as a reference to that agreement, instrument or document as the same may be amended, modified, varied or supplemented from time to time.

(9) Any references herein to Euroclear and/or Clearstream, Luxembourg shall be deemed to include, whenever the context permits, a reference to any additional or alternative clearance system approved by the Issuers and the Agent.

2. Appointments of Agent, Paying Agents and Calculation Agents

(1) The Issuers hereby continue the appointment of The Chase Manhattan Bank, London Branch, as agent, and The Chase Manhattan Bank, London Branch, hereby acknowledges its continued acceptance of such appointment as agent of the Issuers, upon the terms and subject to the conditions set out below, for the purposes of:

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(a) completing, authenticating and delivering Global Notes

and (if required) authenticating and delivering Definitive Notes;

(b) exchanging Temporary Global Notes for Permanent Global Notes or Definitive Notes, as the case may be, in accordance with the terms of such Temporary Global Notes;

(c) under limited circumstances, exchanging Permanent Global Notes for Definitive Notes in accordance with the terms of such Permanent Global Notes;

(d) paying sums due on Global Notes and Definitive Notes, Receipts and Coupons;

(e) determining the end of the Restricted Period applicable to each Tranche;

(f) unless otherwise specified in the applicable Pricing Supplement, determining the interest and/or other amounts payable in respect of the Notes in accordance with the Terms and Conditions;

(g) arranging on behalf of the Issuers for notices to be communicated to the Noteholders;

(h) preparing and sending any required periodic reports to the Ministry of Finance of Japan (the "MoF"), the Bank of England or other appropriate authority and, subject to confirmation from the relevant Issuer for the need for such further reporting, ensuring that all necessary action is taken to comply with any reporting requirements of any competent authority of any relevant currency as may be in force from time to time with respect to the Notes to be issued under the Program;

(i) subject to the Procedures Memorandum, submitting to the appropriate stock exchange such number of copies of each Pricing Supplement which relates to Notes which are to be listed on that stock exchange as it may reasonably require;

(j) receiving notice from Euroclear and/or Clearstream, Luxembourg relating to the certificates of non-United States beneficial ownership of the Notes; and

(k) performing all other obligations and duties imposed upon it by the Terms and Conditions, this Agreement or as may be agreed between the relevant Issuer and the Agent in connection with a particular Series or Tranche of Notes.

(2) The relevant Issuer may, in its discretion, appoint (or remove) one or more agents outside the United States and its possessions (each, a "Paying Agent") for the payment (subject to applicable laws and regulations) of the principal of and any interest and Additional Amounts, if any, (as defined in Section 6 of the Terms and Conditions) on the Notes. Each Issuer hereby appoints Chase Manhattan Bank Luxembourg S.A., at its office in Luxembourg at 5 rue Plaetis, L-2338 Luxembourg-Grund, as its Paying Agent in Luxembourg. Upon its written acceptance of such appointment or execution of a copy of this Agreement, each Paying Agent shall have the powers and authority granted to and conferred upon it herein and in the Notes, and such further powers and authority, acceptable to it, to act on behalf of the relevant Issuer as such Issuer may hereafter grant to or confer upon it in writing. As used herein, "paying agencies" shall mean paying agencies maintained by a Paying Agent on behalf of an Issuer as provided elsewhere herein.

(3) The Issuers will appoint an agent to make certain calculations with respect to the Notes (the "Calculation Agent") pursuant to the Terms and Conditions.

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3. Issue of Temporary Global Notes

(1) Subject to sub-clause (2), following receipt of a notification from an Issuer in respect of an issue of Notes (such notification being by receipt of a confirmation (a "Confirmation"), substantially in the applicable form set out in the Procedures Memorandum) the Agent will take the steps required of the Agent in the Procedures Memorandum. For this purpose the Agent is hereby authorized on behalf of such Issuer:

(a) to prepare a Temporary Global Note in accordance with such Confirmation by attaching a copy of the applicable Pricing Supplement to a copy of the relevant master Temporary Global Note;

(b) to authenticate (or cause to be authenticated) such Temporary Global Note;

(c) to deliver such Temporary Global Note to the specified common depositary of Euroclear and/or Clearstream, Luxembourg in accordance with the Confirmation against receipt from the common depositary of confirmation that such common depositary is holding the Temporary Global Note in safe custody for the account of Euroclear and/or Clearstream, Luxembourg and to instruct Euroclear or Clearstream, Luxembourg or both of them (as the case may be) unless otherwise agreed in writing between the Agent and the relevant Issuer (i) in the case of an issue of Notes on a non-syndicated basis, to credit the Notes represented by such Temporary Global Note to the Agent's distribution account, and (ii) in the case of Notes issued on a syndicated basis, to hold the Notes represented by such Temporary Global Note pursuant to the relevant Issuer's order; and

(d) to ensure that the Notes of each Tranche are assigned a common code ("Common Code") and International Security Identification Number ("ISIN") by Euroclear and Clearstream, Luxembourg which are different from the Common Code and ISIN assigned to Notes of any other Tranche of the same Series until 40 days after the completion of the distribution of the Notes of such Tranche as notified by the Agent to the relevant Dealer.

(2) The Agent shall only be required to perform its obligations under sub-clause (1) if it holds:

(a) master Temporary Global Notes, duly executed by a person or persons authorized to execute the same on behalf of the relevant Issuer, which may be used by the Agent for the purpose of preparing Temporary Global Notes in accordance with paragraph 3(1)(a); and

(b) master Permanent Global Notes, duly executed by a person or persons authorized to execute the same on behalf of the relevant Issuer, which may be used by the Agent for the purpose of preparing Permanent Global Notes in accordance with Clause 4 below.

(3) The Agent will provide Euroclear and/or Clearstream, Luxembourg with the notifications, instructions or other information to be given by the Agent to Euroclear and/or Clearstream, Luxembourg in accordance with the standard procedures of Euroclear and/or Clearstream, Luxembourg.

4. Determination of Exchange Date, Issue of Permanent Global Notes

or Definitive Notes and Determination of Restricted Period

(1) (a) The Agent shall determine the Exchange Date for each Temporary Global Note in accordance with the terms thereof. Forthwith upon determining the Exchange Date in respect of any Tranche, the Agent shall notify such determination to the relevant Issuer, the relevant Dealer, Euroclear and Clearstream, Luxembourg.

(b) The Agent shall deliver, upon notice from Euroclear or Clearstream, Luxembourg, a Permanent Global Note or Definitive Notes, as the case may be, in accordance

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with the terms of the Temporary Global Note in each case against certification of non-U.S. beneficial ownership as required by U.S. Treasury Regulations unless such Certification has already been given. Upon any such exchange of a portion of a Temporary Global Note for an interest in a Permanent Global Note the Agent is hereby authorized on behalf of the relevant Issuer:

(i) for the first Tranche of any Series of Notes, to prepare and complete a Permanent Global Note in accordance with the terms of the Temporary Global Note applicable to such Tranche by attaching a copy of the applicable Pricing Supplement to a copy of the relevant master Permanent Global Note;

(ii) for the first Tranche of any Series of Notes, to authenticate such Permanent Global Note;

(iii) for the first Tranche of any Series of Notes, to deliver such Permanent Global Note to the common depositary which is holding the Temporary Global Note applicable to such Tranche for the time being on behalf of Euroclear and/or Clearstream, Luxembourg either in exchange for such Temporary Global Note or, in the case of a partial exchange, on entering details of such partial exchange of the Temporary Global Note in the relevant spaces in Schedule 2 of both the Temporary Global Note and the Permanent Global Note, and in either case against receipt from the common depositary of confirmation that such

common depositary is holding the Permanent Global Note in safe custody for the account of Euroclear and/or Clearstream, Luxembourg; and

(iv) in any other case, to attach a copy of the applicable Pricing Supplement to the Permanent Global Note applicable to the relevant Series and enter details of any exchange in whole or part as aforesaid.

(2) (a) For a Tranche in respect of which there is only one Dealer, the Agent will determine the end of the Restricted Period in respect of such Tranche as being the fortieth day following the date certified by the relevant Dealer to the Agent as being the date as of which distribution of the Notes of that Tranche was completed.

(b) For a Tranche in respect of which there is more than one Dealer but is not issued on a syndicated basis, the Agent will determine the end of the Restricted Period in respect of such Tranche as being the fortieth day following the latest of the dates certified by all the relevant Dealers to the Agent as being the respective dates as of which distribution of the Notes of that Tranche purchased by each such dealer was completed.

(c) For a Tranche issued on a syndicated basis, the Agent will determine the end of the Restricted Period in respect of such Tranche as being the fortieth day following the date certified by the Lead Manager to the Agent as being the date as of which distribution of the Notes of that Tranche was completed.

(d) Forthwith upon determining the end of the Restricted Period in respect of any Tranche, the Agent shall notify such determination to the relevant Issuer and the relevant Dealer or the Lead Manager in the case of a syndicated issue.

5. Issue of Definitive Notes

(1) Interests in a Global Note will be exchangeable for Definitive Notes with Coupons attached only if: (i) an Event of Default (as defined in the Terms and Conditions) occurs and is continuing, or (ii) the relevant Issuer is notified that either Euroclear or Clearstream, Luxembourg has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) after the original issuance of the Notes or has announced an intention permanently to cease business or has in fact done so and no alternative

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clearance system approved by the Noteholders is available, or (iii) the relevant Issuer, after notice to the Agent, determines to issue Notes in Definitive form. Upon the occurrence of these events, the Agent shall deliver the relevant Definitive Note(s) in accordance with the terms of the relevant Global Note. For this purpose the Agent is hereby authorized on behalf of the relevant Issuer:

(a) to authenticate such Definitive Note(s) in accordance with the provisions of this Agreement; and

(b) to deliver such Definitive Note(s) to or to the order of Euroclear and/or Clearstream, Luxembourg in exchange for such Global Note.

The Agent shall notify the relevant Issuer forthwith upon receipt of a request for issue of Definitive Note(s) in accordance with the provisions of a Global Note and this Agreement (and the aggregate principal amount of such Temporary Global Note or Permanent Global Note, as the case may be, to be exchanged in connection therewith).

(2) The relevant Issuer undertakes to deliver to the Agent sufficient numbers of executed Definitive Notes with, if applicable, Receipts, Coupons and Talons attached to enable the Agent to comply with its obligations under this Clause 5.

6. Terms of Issue

(1) The Agent shall cause all Temporary Global Notes, Permanent Global Notes and Definitive Notes delivered to and held by it under this Agreement to be maintained in safe custody and shall ensure that such Notes are issued only in accordance with the provisions of this Agreement and the relevant Global Note and Terms and Conditions.

(2) Subject to the procedures set out in the Procedures Memorandum, for the purposes of Clause 3(1) the Agent is entitled to treat a telephone,

telex or facsimile communication from a person purporting to be (and who the Agent believes in good faith to be) the authorized representative of the relevant Issuer named in the lists referred to in, or notified pursuant to, Clause 17(7) as sufficient instructions and authority of such Issuer for the Agent to act in accordance with Clause 3(1).

(3) If a person who has signed on behalf of the relevant Issuer any Note not yet issued but held by the Agent in accordance with Clause 3(1) ceases to be authorized as described in Clause 17(7), the Agent shall (unless such Issuer gives notice to the Agent that Notes signed by that person do not constitute valid and binding obligations of such Issuer or otherwise until replacements have been provided to the Agent) continue to have authority to issue any such Notes, and the relevant Issuer hereby warrants to the Agent that such Notes shall be, unless notified as aforesaid, valid and binding obligations of such Issuer. Promptly upon such person ceasing to be authorized, the relevant Issuer shall provide the Agent with replacement Notes and upon receipt of such replacement Notes the Agent shall cancel and destroy the Notes held by it which are signed by such person and shall provide to the relevant Issuer a confirmation of destruction in respect thereof specifying the Notes so canceled and destroyed.

(4) If the Agent pays an amount (the "Advance") to an Issuer on the basis that a payment (the "Payment") has been, or will be, received from a Dealer and if the Payment is not received by the Agent on the date the Agent pays such Issuer, the Agent shall notify such Issuer by tested telex or facsimile that the Payment has not been received and such Issuer shall repay to the Agent the Advance and shall pay interest on the Advance (or the unreimbursed portion thereof) from (and including) the date such Advance is made to (but excluding) the earlier of repayment of the Advance and receipt by the Agent of the Payment (at a rate quoted at that time by the Agent as its cost of funding the Advance).

(5) Except in the case of issues where the Agent does not act as receiving bank for the relevant Issuer in respect of the purchase price of the Notes being issued, if on the relevant Issue Date a Dealer does not pay the full purchase price due from it in respect of any Note (the "Defaulted Note") and, as a result, the Defaulted Note remains in the Agent's distribution account with Euroclear and/or Clearstream, Luxembourg) after such Issue Date, the Agent will continue to hold the Defaulted Note pursuant to the order of the relevant Issuer. The

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Agent shall notify the relevant Issuer forthwith of the failure of the Dealer to pay the full purchase price due from it in respect of any Defaulted Note and, subsequently, shall notify such Issuer forthwith upon receipt from the Dealer of the full purchase price in respect of such Defaulted Note.

7. Payments -----

(1) The Agent shall advise the relevant Issuer, no later than 10 Business Days (as defined below) immediately preceding the date on which any payment is to be made to the Agent pursuant to this sub-clause (1) of the payment amount, value date and payment instructions and the relevant Issuer will before 10:00 a.m. New York time on each date on which any payment in respect of any Notes issued by it becomes due, transfer to an account specified by the Agent such amount in the relevant currency as shall be sufficient for the purposes of such payment in funds settled through such payment system as the Agent and the relevant Issuer may agree.

(2) The relevant Issuer will ensure that no later than 4:00 p.m. (London time) on the second Business Day (as defined below) immediately preceding the date on which any payment is to be made to the Agent pursuant to sub-clause (1), the Agent shall receive from the paying bank of the relevant Issuer an irrevocable confirmation in the form of a SWIFT message or tested telex that such payment shall be made. For the purposes of this Clause 7, "Business Day" means a day which is both:

(a) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in London and Charlotte, North Carolina and any additional business center specified in the applicable Pricing Supplement; and

(b) either (1) for any sum payable in a Specified Currency, a day on which commercial banks and foreign exchange markets settle payments in the principal financial center (the "Principal Financial Center") of the country of the relevant Specified Currency (if other than London) or (2) for any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("TARGET") is open. Unless otherwise specified in the applicable Pricing Supplement, the Principal Financial Center of any country for the purposes of the Terms and Conditions shall be as provided in the ISDA Definitions.

(3) The Agent shall ensure that payments of both principal and interest in respect of any Temporary Global Note will be made only to the extent that certification of non-U.S. beneficial ownership as required by U.S. securities laws and U.S. Treasury regulations (in the form set out in the Temporary Global Note) has been received from Euroclear and/or Clearstream, Luxembourg in accordance with the terms thereof.

(4) Subject to the receipt by the Agent of the payment confirmation as provided in sub-clause (2) above, the Agent or the relevant Paying Agent shall pay or cause to be paid all amounts due in respect of the Notes on behalf of the relevant Issuer in the manner provided in the Terms and Conditions. If any payment provided for in sub-clause (1) is made late but otherwise in accordance with the provisions of this Agreement, the Agent and each Paying Agent shall nevertheless make payments in respect of the Notes as aforesaid following receipt by it of such payment.

(5) If for any reason the Agent considers in its sole discretion that the amounts to be received by the Agent pursuant to sub-clause (1) will be, or the amounts actually received by it pursuant thereto are, insufficient to satisfy all claims in respect of all payments then falling due in respect of the Notes, neither the Agent nor any Paying Agent shall be obliged to pay any such claims until the Agent has received the full amount of all such payments. Should the Agent or any Paying Agent elect not to make payment of amounts falling due in respect of the Notes as aforesaid, it shall advise the relevant Issuer of any such decision as soon as practicable by telephone with confirmation by telefax.

(6) Without prejudice to sub-clauses (4) and (5), if the Agent pays any amounts to the holders of Notes, Receipts or Coupons or to any Paying Agent at a time when it has not received payment in full in respect of the relevant Notes in accordance with sub-clause (1) (the excess of the amounts so paid over the amounts so received being the "Shortfall"), the relevant Issuer will, in addition to paying amounts due under sub-clause (1),

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pay to the Agent on demand interest (at a rate which represents the Agent's cost of funding the Shortfall) on the Shortfall (or the unreimbursed portion thereof) until the receipt in full by the Agent of the Shortfall.

(7) The Agent shall on demand promptly reimburse each Paying Agent for payments in respect of Notes properly made by such Paying Agent in accordance with this Agreement and the Terms and Conditions unless the Agent has notified the Paying Agent, prior to the opening of business in the location of the office of the Paying Agent through which payment in respect of the Notes can be made prior to the day on which such Agent has to give payment instructions in respect of the due date of a payment in respect of the Notes, that the Agent does not expect to receive sufficient funds to make payment of all amounts falling due in respect of such Notes.

(8) If the Agent pays out on or after the due date therefor, or becomes liable to pay out, funds on the assumption that a corresponding payment by the relevant Issuer has been or will be made and such payment has in fact not been made by such Issuer, then such Issuer shall on demand reimburse the Agent for the relevant amount, and pay interest to the Agent on such amount from the date on which it is paid out to the date of reimbursement at a rate per annum equal to the cost to the Agent of funding the amount paid out, as certified by the Agent and expressed as a rate per annum. For the avoidance of doubt, the provisions of the Terms and Conditions as to subordination shall not apply to the relevant Issuer's obligations under this sub-clause (8).

(9) While any Notes are represented by a Global Note or Global Notes, all payments due in respect of such Notes shall be made to, or to the order of, the holder of the Global Note or Global Notes, subject to, and in accordance with, the provisions of the Global Note or Global Notes. The Paying Agent to which any Global Note was presented for the purpose of making such payment shall cause the appropriate Schedule to the relevant Global Note to be annotated so as to evidence the amounts and dates of such payments of principal and/or interest as applicable.

(10) If the amount of principal and/or interest then due for payment is not paid in full (otherwise than by reason of a deduction required by law to be made therefrom), the Paying Agent to which a Note is presented for the purpose of making such payment shall make a record of such shortfall on the Note and such record shall, in the absence of manifest error, be prima facie evidence that the payment in question has not to that extent been made.

8. Determinations and Notifications in Respect of Notes and

Interest Determination

(a) Determinations and Notifications

(1) The Agent shall make all such determinations and calculations (howsoever described) as it is required to do under the Terms and Conditions, all subject to and in accordance with the Terms and Conditions, provided that certain calculations with respect to the Notes, and associated publication or notification, shall be made by the Calculation Agent in accordance with the Terms and Conditions.

(2) The Agent or the Calculation Agent, as the case may be, shall not be responsible to the relevant Issuer or to any third party (except in the event of gross negligence, default or bad faith of the Agent or the Calculation Agent) as a result of the Agent or the Calculation Agent having acted in good faith on any quotation given by any Reference Bank which subsequently may be found to be incorrect.

(3) The Agent or the Calculation Agent, as the case may be, shall promptly notify (and confirm in writing to) the relevant Issuer, the other Paying Agents and (in respect of a Series of Notes listed on a stock exchange) the relevant stock exchange of, inter alia, each Rate of Interest, Interest Amount and Interest Payment Date and all other amounts, rates and dates which it is obliged to determine or calculate under the Terms and Conditions as soon as practicable after the determination thereof (and in any event no later than the tenth Business Day as defined in Clause 7(2) immediately preceding the date on which payment is to be made to the Agent pursuant to Clause 7(1)) and of any subsequent amendment thereto pursuant to the Terms and Conditions.

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(4) The Agent or the Calculation Agent, as the case may be, shall use its best efforts to cause each Rate of Interest, Interest Amount and Interest Payment Date and all other amounts, rates and dates which it is obliged to determine or calculate under the Terms and Conditions to be published as required in accordance with the Terms and Conditions as soon as possible after their determination or calculation.

(5) If the Agent or the Calculation Agent, as the case may be, does not at any material time for any reason determine and/or calculate and/or publish the Rate of Interest, Interest Amount and/or Interest Payment Date in respect of any Interest Period or any other amount, rate or date as provided in this Clause 8, it shall forthwith notify the relevant Issuer and the Paying Agents of such fact.

(6) Determinations with regard to Notes (including, without limitation, Indexed Notes and Dual Currency Notes) shall be made by the Calculation Agent specified in the applicable Pricing Supplement in the manner specified in the applicable Pricing Supplement. Unless otherwise agreed between the relevant Issuer and the relevant Dealer, such determinations shall be made on the basis of a Calculation Agency Agreement substantially in the form of Schedule 9 to this Agreement.

(7) For the purposes of monitoring the aggregate principal amount of Notes issued under the Program, the Agent shall determine the U.S. Dollar equivalent of the principal amount of each issue of Notes denominated in another currency, each issue of Dual Currency Notes, each Issue of Partly Paid Notes and each issue of Indexed Notes as follows:

(a) the U.S. Dollar equivalent of Notes denominated in a currency other than U.S. Dollars shall be determined as of the Agreement Date for such Notes on the basis of the spot rate for the sale of the U.S. Dollar against the purchase of the relevant currency quoted by a foreign exchange dealer selected by the relevant Issuer on the relevant day of calculation;

(b) the U.S. Dollar equivalent of Dual Currency Notes and Indexed Notes (other than Indexed Redemption Amount Notes) shall be calculated in the manner specified above by reference to the original nominal amount of such Notes;

(c) the U.S. Dollar equivalent of Zero Coupon Notes, other Notes issued at a discount or premium and Indexed Redemption Amount Notes shall be calculated in the manner specified above by reference to the net proceeds received by the relevant Issuer for the relevant issue; and

(d) the U.S. Dollar equivalent of Partly Paid Notes shall be determined in the manner specified above by reference to the original principal amount of such Notes regardless of the amount paid on the Notes.

(b) Interest Determination, Screen Rate Determination including

Fallback Provisions

(1) Where screen rate determination ("Screen Rate Determination") is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period, subject as provided below, will be either:

(a) the offered quotation (if there is only one quotation on the relevant screen page (the "Relevant Screen Page"), whatever its designation; or

(b) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the rate (the "Reference Rate") by reference to the Rate of Interest which appears or appear, as the case may be, on the Relevant Screen Page on which the Reference Rate is for the time being displayed on the Reuter Monitor Money Rates Service or the appropriate display on Bridge Telerate Inc. (or such service as is specified in the applicable Pricing Supplement) at 11:00 a.m. (London time in the case of

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Libor, or Brussels time in the case of Euribor) on the dates on which the Rate of Interest is to be determined (each, an "Interest Determination Date") plus or minus the Margin, if any, all as determined by the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest and the lowest shall be disregarded by the Calculation Agent for purposes of determining the arithmetic mean of such offered quotations.

(2) If the Relevant Screen Page is not available or if, in the case of sub-clause (b)(1)(A) above, no such offered quotation appears or, in the case of sub-clause (b)(1)(B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Calculation Agent shall at its sole discretion request the principal London office of each of the Reference Banks (defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the London interbank market at approximately 11:00 a.m. (London time in the case of LIBOR or Brussels time in the case of Euribor) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin, if any, all as determined by the Calculation Agent.

(3) If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by any two or more of the Reference Banks, at which such banks were offered, at approximately 11:00 a.m. (London time in the case of LIBOR, or Brussels time in the case of Euribor) on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the London interbank market in the case of LIBOR, or leading banks in the Euro-Zone interbank market in the case of Euribor, plus or minus (as appropriate) the Margin, if any. If fewer than two of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest shall be the offered quotation for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered quotations for deposits in the Specified Currency for the relevant Interest Period, at which, at approximately 11:00 a.m. (London time in the case of LIBOR, or Brussels time in the case of Euribor) on the relevant Interest Determination Date, any one or more banks informs the Calculation Agent it is quoting to leading banks in the London interbank market in the case of LIBOR, or leading banks in the EuroZone interbank market in the case of Euribor, plus or minus (as appropriate) the Margin, if any, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

(4) If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR or Euribor, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

In this Clause 3, the expression "Reference Banks" means, in the case of sub-clause (b) (1) (A) above, those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and in the case of sub-clause (b) (1) (B) above, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

The expression "Euro-Zone" means, the region comprised of member states of the European Union that have adopted the euro as the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, as amended by the Treaty of Amsterdam.

9. Notice of any Withholding or Deduction

If the relevant Issuer, in respect of any payment, is compelled to withhold or deduct any amount for or on account of taxes, duties, assessments or governmental charges as specifically contemplated under the

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Terms and Conditions, the relevant Issuer shall give notice thereof to the Agent as soon as it becomes aware of the requirement to make such withholding or deduction and shall give to the Agent such information as it shall require to enable it to comply with such requirement.

10. Duties of the Agent in Connection with Early Redemption

(1) If the relevant Issuer decides to redeem any outstanding Notes (in whole or in part) for the time being outstanding prior to their Maturity Date or the Interest Payment Date falling in the Redemption Month (as the case may be) in accordance with the Terms and Conditions, such Issuer shall give notice of such decision to the Agent not less than seven London Business Days before the date on which such Issuer will give notice of such redemption to the Noteholders in accordance with the Terms and Conditions in order to enable the Agent to undertake its obligations herein and in the Terms and Conditions.

(2) If only some of the Notes of like tenor and of the same Series are to be redeemed on such date, the Agent shall make the required drawing in accordance with the Terms and Conditions but shall give the relevant Issuer reasonable notice of the time and place proposed for such drawing. Where partial redemptions are to be effected when there are Definitive Notes outstanding, the Issuing and Principal Paying Agent will select by lot the Notes to be redeemed from the outstanding Notes in compliance with all applicable laws and stock exchange requirements and deemed by the Agent to be appropriate and fair; and where partial redemptions are to be effected when there are no Definitive Notes outstanding, the rights of Noteholders will be governed by the standard provisions of Euroclear and Clearstream, Luxembourg. Notice of any partial redemption and, when there are Definitive Notes outstanding, of the serial numbers of the Notes so drawn, will be given by the Agent to the Noteholders in accordance with the terms of the Notes and this Agreement.

(3) On behalf of and at the expense of the relevant Issuer, the Agent shall publish the notice required in connection with any such redemption and shall at the same time also publish a separate list of the serial numbers of any Notes previously drawn and not presented for redemption. Such notice shall specify the date fixed for redemption, the redemption amount, the manner in which redemption will be effected and, in the case of a partial redemption, the serial numbers of the Notes to be redeemed. Such notice will be published in accordance with the Terms and Conditions. The Agent also will notify the other Paying Agents of any date fixed for redemption of any Notes.

(4) Immediately prior to the date on which any notice of redemption is to be given to the Noteholders, the relevant Issuer shall deliver to the Agent a certificate stating that such Issuer is entitled to effect such redemption and setting forth in reasonable detail a statement of facts showing that all conditions precedent to such redemption have occurred or been satisfied and shall comply with all notice requirements provided for in the Terms and Conditions.

(5) Each Paying Agent will keep a stock of notices (each a "Put Notice") in the form set out in Schedule 8 and will make such notices available on demand to Noteholders, the Terms and Conditions of which provide for redemption at the option of Noteholders. Upon receipt of any Note deposited in the exercise of such option in accordance with the Terms and Conditions, the Paying Agent with which such Note is deposited shall hold such Note (together with any Coupons, if any, relating to it and deposited with it) on behalf of the depositing Noteholder (but shall not, save as provided below, release it) until the due date for redemption of the relevant Note consequent upon the exercise of such option, when, subject as provided below, it shall present such Note (and any such Coupons, if any) to itself for payment of the

amount due thereon together with any interest due on such date in accordance with the Terms and Conditions and shall pay such moneys in accordance with the directions of the Noteholder contained in the Put Notice. If, prior to such due date for its redemption, such Note becomes immediately due and payable or if upon due presentation payment of such redemption moneys is improperly withheld or refused, the Paying Agent concerned shall post such Note (together with any such Coupons, if any) by uninsured post to, and at the risk of, the relevant Noteholder unless the Noteholder has otherwise requested and paid the costs of such insurance to the relevant Paying Agent at the time of depositing the Notes at such address as may have been given by the Noteholder in the Put Notice. At the end of each period for the exercise of such option, each Paying Agent shall promptly notify the Agent of the principal amount of the Notes in respect of which such option has been exercised with it together with their serial numbers and the Agent shall promptly notify such details to the relevant Issuer.

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11. Receipt and Publication of Notices; Receipt of Certificates

(1) Upon the receipt by the Agent of a demand or notice from any Noteholder in accordance with the Terms and Conditions, the Agent shall forward a copy thereof to the relevant Issuer.

(2) On behalf of and at the request and expense of the relevant Issuer, the Agent shall cause to be published all notices required to be given by such Issuer to the Noteholders in accordance with the Terms and Conditions.

(3) The Agent shall have no responsibility to obtain the certificate of the relevant Issuer delivered by such Issuer to the Agent pursuant to Condition 9 if such a certificate is required to be issued, nor shall the Agent have any responsibility to notify the relevant Issuer that the Agent has not obtained such a certificate from such Issuer if such a certificate is required to be issued.

12. Cancellation of Notes, Receipts, Coupons and Talons

(1) All Notes which are redeemed, all Receipts or Coupons which are paid and all Talons which are exchanged shall be delivered outside the United States to the Agent, and shall be canceled by the Agent. In addition, all Notes which are purchased by or on behalf of the relevant Issuer or any of its subsidiaries and are surrendered to the Agent for cancellation, together (in the case of Notes in Definitive form) with all unmatured Receipts, Coupons or Talons (if any) attached thereto or surrendered therewith, shall be canceled by the Agent.

(2) The relevant Issuer shall have the right to request that the Agent provide, without limitation, the following information:

(a) the aggregate principal amount of Notes which have been redeemed and the aggregate amount paid in respect thereof;

(b) the number of Notes canceled together (in the case of Definitive Notes, if any) with details of all unmatured Receipts, Coupons or Talons (if any) attached thereto or delivered therewith;

(c) the aggregate amount paid in respect of interest on the Notes;

(d) the total number by maturity date of Receipts, Coupons and Talons so canceled; and

(e) in the case of Definitive Notes, if any, the serial numbers of such Notes, which shall be given to the relevant Issuer by the Agent as soon as reasonably practicable and in any event within three months after the date of such repayment or, as the case may be, payment or exchange.

(3) The Agent shall destroy all canceled Notes, Receipts, Coupons and Talons.

(4) The Agent shall keep a full and complete record of all Notes, Receipts, Coupons and Talons (other than serial numbers of Coupons, except those which have been replaced pursuant to Condition 10) and of all replacement Notes, Receipts, Coupons or Talons issued in substitution for mutilated, defaced, destroyed, lost or stolen Notes, Receipts, Coupons or Talons. The Agent shall at all reasonable times make such record available to the relevant Issuer and any persons authorized by it for inspection and for the taking of copies thereof or extracts therefrom.

(5) All records and certificates made or given pursuant to this Clause 12 and Clause 13 shall make a distinction between Notes, Receipts,

13. Issue of Replacement Notes, Receipts, Coupons and Talons

(1) The Issuers will cause a sufficient quantity of additional forms of Notes, Receipts, Coupons and Talons to be available, upon request to the Agent in Luxembourg (in such capacity, the "Replacement Agent") at its specified office for the purpose of issuing replacement Notes, Receipts, Coupons and Talons as provided below.

(2) The Replacement Agent will, subject to, and in accordance with, the Terms and Conditions and the following provisions of this Clause 13, authenticate and cause to be delivered any replacement Notes, Receipts, Coupons and Talons which the relevant Issuer may determine to issue in place of Notes, Receipts, Coupons and Talons which have been lost, stolen, mutilated, defaced or destroyed.

(3) In the case of a mutilated or defaced Note, the Replacement Agent shall ensure that (unless otherwise covered by such indemnity as the relevant Issuer may reasonably require) any replacement Note will only have attached to it Receipts, Coupons and Talons corresponding to those (if any) attached to the mutilated or defaced Note which is presented for replacement.

(4) The Replacement Agent shall not issue any replacement Note, Receipt, Coupon or Talon unless and until the applicant therefor shall have:

(a) paid such reasonable costs and expenses as may be incurred in connection therewith, including any tax or other governmental charge that may be imposed in relation thereto;

(b) furnished it with such evidence and indemnity as the relevant Issuer may reasonably require; and

(c) in the case of any mutilated or defaced Note, Receipt, Coupon or Talon, surrendered it to the Replacement Agent.

(5) The Replacement Agent shall cancel any mutilated or defaced Notes, Receipts, Coupons and Talons in respect of which replacement Notes, Receipts, Coupons and Talons have been issued pursuant to this Clause 13 and shall furnish the relevant Issuer with a certificate stating the serial numbers of the Notes, Receipts, Coupons and Talons so canceled and, unless otherwise instructed by such Issuer in writing, shall destroy such canceled Notes, Receipts, Coupons and Talons and furnish such Issuer with a destruction certificate stating the serial number of the Notes (in the case of Definitive Notes) and the number by maturity date of Receipts, Coupons and Talons so destroyed.

(6) The Replacement Agent shall, on issuing any replacement Note, Receipt, Coupon or Talon, forthwith inform the relevant Issuer, the Agent and the other Paying Agents of the serial number of such replacement Note, Receipt, Coupon or Talon issued and (if known) of the serial number of the Note, Receipt, Coupon or Talon in place of which such replacement Note, Receipt, Coupon or Talon has been issued. Whenever replacement Receipts, Coupons or Talons are issued pursuant to the provisions of this Clause 13, the Replacement Agent shall also notify the Agent and the other Paying Agents of the maturity dates of the lost, stolen, mutilated, defaced or destroyed Receipts, Coupons or Talons and of the replacement Receipts, Coupons or Talons issued.

(7) The Agent shall keep a full and complete record of all replacement Notes, Receipts, Coupons and Talons issued and shall make such record available at all reasonable times to the relevant Issuer and any persons authorized by it for inspection and for the taking of copies thereof or extracts therefrom.

(8) Whenever any Note, Receipt, Coupon or Talon for which a replacement Note, Receipt, Coupon or Talon has been issued and in respect of which the serial number is known is presented to the Agent or any of the Paying Agents for payment, the Agent or, as the case may be, the relevant Paying Agent shall immediately send notice thereof to the relevant Issuer and the other Paying Agents and shall not make payment in respect thereto, until instructed by such Issuer.

14. Copies of Documents Available for Inspection

The Agent and the Paying Agents shall hold available for inspection copies of:

- (1) the organizational documents of the Issuers;
- (2) the latest available audited consolidated financial statements of the Corporation and its consolidated subsidiaries, beginning with such financial statements for the fiscal years ended December 31, 2000 and the publicly available portions of the Call Reports with respect to the Bank beginning with the period ending December 31, 2000;
- (3) the Program Agreement and this Agreement;
- (4) the Offering Circular; and
- (5) any future offering circulars, information memoranda and supplements (except that a Pricing Supplement relating to any unlisted Note will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Paying Agent as to ownership) to the Offering Circular and any other documents incorporated therein by reference and in the case of a syndicated issue of listed Notes, the syndication agreement (or equivalent document).

For this purpose, the Issuers shall furnish the Agent and the Paying Agents with sufficient copies of each of such documents.

15. Meetings of Noteholders

(1) The provisions of Schedule 7 hereto shall apply to meetings of the Noteholders and shall have effect in the same manner as if set out in this Agreement.

(2) Without prejudice to sub-clause (1), each of the Agent and the Paying Agents on the request of any Noteholder shall issue voting certificates and block voting instructions in accordance with Schedule 7 and shall forthwith give notice to the relevant Issuer in writing of any revocation or amendment of a block voting instruction. Each of the Agent and the Paying Agents will keep a full and complete record of all voting certificates and block voting instructions issued by it and, not less than 24 hours before the time appointed for holding a meeting or adjourned meeting, will deposit at such place as the Agent shall designate or approve, full particulars of all voting certificates and block voting instructions issued by it in respect of such meeting or adjourned meeting.

16. Repayment by the Agent

Upon the relevant Issuer being discharged from its obligation to make payments in respect of any Notes pursuant to the relevant Terms and Conditions, and provided that there is no outstanding, bona fide and proper claim in respect of any such payments, the Agent shall forthwith on written demand pay to the relevant Issuer sums equivalent to any amounts paid to it by such Issuer for the purposes of such payments.

17. Conditions of Appointment

(1) The Agent shall be entitled to deal with money paid to it by an Issuer for the purpose of this Agreement in the same manner as other money paid to a banker by its customers except:

- (a) that it shall not exercise any right of set-off, lien or similar claim in respect thereof; and
- (b) as provided in sub-clause (2) below; and

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(c) that it shall not be liable to account to the relevant Issuer for any interest thereon.

(2) In acting hereunder and in connection with the Notes, the Agent and the Paying Agents shall act solely as agents of the Issuers and will not thereby assume any obligations towards or relationship of agency or trust for or with any of the owners or holders of the Notes, Receipts, Coupons or Talons.

(3) The Agent and the Paying Agents hereby undertake to the Issuers to perform such obligations and duties, and shall be obliged to perform such duties and only such duties as are herein, in the Terms and Conditions and in the Procedures Memorandum specifically set forth and no implied duties or obligations shall be read into this Agreement or the Notes against the Agent and the Paying Agents, other than the duty to act honestly and in good faith.

(4) The Agent may consult with legal and other professional advisers and the opinion of such advisers shall be full and complete protection in respect of any action taken, omitted or suffered hereunder in good faith and in accordance with the opinion of such advisers.

(5) Each of the Agent and the Paying Agents shall be protected and shall incur no liability for or in respect of any action taken, omitted or suffered in reliance upon any instruction, request or order from the relevant Issuer or any notice, resolution, direction, consent, certificate, affidavit, statement, cable, telex or other paper or document which it reasonably believes to be genuine and to have been delivered, signed or sent by the proper party or parties or upon written instructions from the relevant Issuer.

(6) Any of the Agent and the Paying Agents and their officers, directors and employees may become the owner of, or acquire any interest in any Notes, Receipts, Coupons or Talons with the same rights that it or he would have if the Agent or the relevant Paying Agent, as the case may be, were not appointed hereunder, and may engage or be interested in any financial or other transactions with the relevant Issuer and may act on, or as depository, trustee or agent for, any committee or body of Noteholders or Couponholders or in connection with any other obligations of the relevant Issuer as freely as if the Agent or the relevant Paying Agent, as the case may be, were not appointed hereunder.

(7) The relevant Issuer shall provide the Agent with a certified copy of the list of persons authorized to execute documents and take action on its behalf in connection with this Agreement and shall notify the Agent immediately in writing if any of such persons ceases to be so authorized or if any additional person becomes so authorized together, in the case of an additional authorized person, with evidence satisfactory to the Agent that such person has been so authorized, provided, however, that the Agent shall not incur any liability for any losses, claims or damages resulting from the relevant Issuer's failure to provide such notification to the Agent.

18. Communication Between the Parties

A copy of all communications relating to the subject matter of this Agreement between any Issuer and the Noteholders, Receiptholders or Couponholders and any of the Paying Agents shall be sent to the Agent by the relevant Paying Agent.

19. Changes in Agent and Paying Agents

(1) The Issuers agree that, for so long as any Note is outstanding, or until moneys for the payment of all amounts in respect of all outstanding Notes have been made available to the Agent or have been returned to the relevant Issuer as provided herein:

(a) so long as any Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;

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(b) there will at all times be a Paying Agent with a specified office in a city in continental Europe; and

(c) there will at all times be an Agent.

In addition, the Issuers shall appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 4(b). Any variation, termination, appointment or change only shall take effect (other than in the case of insolvency (as provided in sub-clause (5)), when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with the Terms and Conditions.

(2) The Agent may (subject as provided in sub-clause (4)) at any time resign as Agent by giving at least 90 days' written notice to the Issuers of such intention on its part, specifying the date on which its desired resignation shall become effective, provided that such date shall never be less than three months after the receipt of such notice by the Issuers unless the Issuers agree to accept less notice.

(3) The Agent may (subject as provided in sub-clause (4)) be removed at any time on at least 45 days' notice by the filing with it of an instrument in writing signed on behalf of each Issuer specifying such removal and the date when it shall become effective.

(4) Any resignation under sub-clause (2) or removal under sub-clause (3) shall only take effect upon the appointment by the Issuers as

hereinafter provided, of a successor Agent and (other than in cases of insolvency of the Agent) on the expiration of the notice to be given under Clause 21. The Issuers agree with the Agent that if, by the day falling ten days before the expiration of any notice under sub-clause (2), the Issuers have not appointed a successor Agent, then the Agent shall be entitled, on behalf of the Issuers, to appoint as a successor Agent in its place a reputable financial institution of good standing as it may reasonably determine to be capable of performing the duties of the Agent hereunder.

(5) In case at any time the Agent resigns, or is removed, or becomes incapable of acting or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or a substantial part of its property, or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof, or if any order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency law or if a receiver of it or of all or a substantial part of its property is appointed or any officer takes charge or control of it or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, a successor Agent, which shall be a reputable financial institution of good standing, may be appointed by the Issuers by an instrument in writing filed with the successor Agent. Upon the appointment as aforesaid of a successor Agent and acceptance by the latter of such appointment and (other than in case of insolvency of the Agent) upon expiration of the notice to be given under Clause 21 the Agent so superseded shall cease to be the Agent hereunder.

(6) Subject to sub-clause (1):

(a) the Issuers may, after prior consultation (other than in the case of insolvency of any Paying Agent) with the Agent, terminate the appointment of any of the Paying Agents at any time; and/or

(b) the Issuers may in respect of the Program or the relevant Issuer may in respect of any Series of Notes, if so required by the relevant Stock Exchange or regulatory body, appoint one or more further Paying Agents by giving to the Agent, and to the relevant Paying Agent, at least 45 days' notice in writing to that effect.

(7) Subject to sub-clause (1), all or any of the Paying Agents may resign their respective appointments hereunder at any time by giving the Issuers and the Agent at least 45 days' written notice to that effect.

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(8) Upon its resignation or removal becoming effective the Agent or the relevant Paying Agent:

(a) shall, in the case of the Agent, forthwith transfer all moneys held by it hereunder and the records referred to in Clause 12(4) to the successor Agent hereunder; and

(b) shall be entitled to the payment by the Issuers of its commissions, fees and expenses for the services theretofore rendered hereunder in accordance with the terms of Clause 25.

(9) Upon its appointment becoming effective, a successor Agent and any new Paying Agent, without further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of its predecessor or, as the case may be, a Paying Agent with like effect as if originally named as Agent or (as the case may be) a Paying Agent hereunder.

20. Merger and Consolidation

Any entity into which the Agent or any Paying Agent may be merged or converted, or any entity with which the Agent or any of the Paying Agents may be consolidated or any entity resulting from any merger, conversion or consolidation to which the Agent or any of the Paying Agents shall be a party, or any entity to which the Agent or any of the Paying Agents shall sell or otherwise transfer all or substantially all the assets of the Agent or any Paying Agent shall, on the date when such merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws, become the successor Agent or, as the case may be, Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of the parties hereto, unless otherwise required by the Issuers, and after the said effective date all references in this Agreement to the Agent or, as the case may be, such Paying Agent shall be deemed to be references to such entity. Written notice of any such merger, conversion, consolidation or transfer forthwith shall be given to the Issuers by the relevant Agent or Paying Agent.

21. Notification of Changes to Paying Agents

Following receipt of notice of resignation from the Agent or any Paying Agent and forthwith upon appointing a successor Agent or, as the case may be, other Paying Agents or on giving notice to terminate the appointment of any Agent or, as the case may be, Paying Agent, the Agent (on behalf of and at the expense of the Issuers) shall give or cause to be given not more than 60 days' nor less than 30 days' notice thereof to the Noteholders in accordance with the Terms and Conditions.

22. Change of Specified Office

If the Agent or any Paying Agent determines to change its specified office it shall give to the Issuers and (if applicable) the Agent written notice of such determination giving the address of the new specified office which shall be in the same city and stating the date on which such change is to take effect, which shall not be less than 45 days thereafter. The Agent (on behalf and at the expense of the Issuers) shall within 15 days of receipt of such notice (unless the appointment of the Agent or the relevant Paying Agent, as the case may be, is to terminate pursuant to Clause 19 on or prior to the date of such change) give or cause to be given not more than 45 days' nor less than 30 days' notice thereof to the Noteholders in accordance with the Terms and Conditions.

23. Notices

All notices hereunder shall be deemed to have been given when deposited in the mail as first class mail, registered or certified, return receipt requested, postage prepaid, addressed to any party hereto as follows:

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Address

The Corporation: Bank of America Corporation
Bank of America Corporate Center
100 North Tryon Street
NC1-007-23-01
Charlotte, North Carolina 28255-0065
Attn: Corporate Treasury
Telecopy: (704) 386-0270

with a copy to:

Bank of America Corporation
Bank of America Corporate Center
100 North Tryon Street
Legal Department
NC1-007-56-11
Charlotte, North Carolina 28255
Attn: Paul J. Polking, Esq.
General Counsel
Telecopy: (704) 370-3515

The Bank: Bank of America, N.A.
Bank of America Corporate Center
100 North Tryon Street
NC1-007-23-01
Charlotte, North Carolina 28255
Attn: Corporate Treasury
Telecopy: (704) 386-0270

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with a copy to:

Bank of America Corporation
Bank of America Corporate Center
100 North Tryon Street
Legal Department
NC1-007-56-11
Charlotte, North Carolina 28255
Attn: Paul J. Polking, Esq.
General Counsel
Telecopy: (704) 370-3515

The Agent: The Chase Manhattan Bank
Trinity Tower

9 Thomas More Street
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Attn: Manager, Institutional Trust Services
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The Paying Agent: Chase Manhattan Bank Luxembourg S.A.
5 rue Plaetis
L-2338 Luxembourg - Grund
Attn: Manager, Corporate Trust Operations
Telecopy: 352-462685-380

with a copy to:

Bank of America Corporation
Bank of America Corporate Center
100 North Tryon Street
Legal Department
NC1-007-56-11
Charlotte, North Carolina 28255
Attn: Paul J. Polking, Esq.
General Counsel
Telecopy: (704) 370-3515

or at any other address of which any of the foregoing shall have notified the others in writing.

(1) if delivered in person to the relevant address specified in the signature pages hereof and if so delivered, shall be deemed to have been delivered at the time of receipt; or

(2) if sent by facsimile or telex to the relevant number specified on the signature pages hereof and, if so sent, shall be deemed to have been delivered immediately after transmission provided such transmission is confirmed by the answerback of the recipient (in the case of telex) or when an acknowledgment of receipt is received (in the case of facsimile).

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Where a communication is received after business hours it shall be deemed to be received and become effective on the next business day. Every communication shall be irrevocable save in respect of any manifest error therein.

24. Taxes and Stamp Duties

The Issuers agree to pay any and all stamp and other documentary taxes or duties which may be payable in connection with the execution, delivery, performance and enforcement of this Agreement.

25. Commissions, Fees and Expenses

(1) The Issuers undertake to pay in respect of the services of the Agent and the Paying Agents under this Agreement such fees and expenses as may be agreed between them from time to time, the initial such fees being set out in a letter of even date herewith from the Agent to, and countersigned by, the Issuers.

(2) The Issuers will promptly pay on demand all reasonable out-of-pocket expenses (including legal, advertising, facsimile, telex and postage expenses) properly incurred by the Agent and the Paying Agents in connection with their services hereunder, including, without limitation, the expenses contemplated in Clause 24.

26. Indemnity

(1) The relevant Issuer (or Issuers, as the case may be) undertakes to indemnify and hold harmless each of the Agent and the Paying Agents against all losses, liabilities, costs (including, without limitation, legal fees and expenses), expenses, claims, actions or demands which the Agent or any Paying Agent, as the case may be, may reasonably incur or which may be made against the Agent or any Paying Agent, as a result of or in connection with the appointment or the exercise of or performance of the powers, discretions, authorities and duties of the Agent or any Paying Agent under this Agreement except such as may result from its own gross negligence, bad faith or failure to comply with its obligations hereunder or that of its officers, employees or agents.

(2) Each of the Agent and the Paying Agents shall severally indemnify and hold harmless the relevant Issuer (or Issuers, as the case may be) against any loss, liability, costs (including, without limitation, legal fees and expenses), expense, claim, action or demand which it may

reasonably incur or which may be made against it as a result of such Agent's or Paying Agent's own negligence, bad faith or material failure to comply with its obligations under this Agreement or that of its officers, employees or agents.

(3) If, under any applicable law and whether pursuant to a judgment being made or registered or in the liquidation, insolvency or analogous process of any party hereto or for any other reason, any payment under or in connection with this Agreement is made or fails to be satisfied in a currency (the "Other Currency") other than that in which the relevant payment is expressed to be due (the "Required Currency") under this Agreement, then, to the extent that the payment (when converted into the Required Currency at the rate of exchange on the date of payment or, if it is not practicable for the payee to purchase the Required Currency with the Other Currency on the date of payment, at the rate of exchange as soon thereafter as it is practicable for it to do so or, in the case of a liquidation, insolvency or analogous process, at the rate of exchange on the latest date permitted by applicable law for the determination of liabilities in such liquidation, insolvency or analogous process) actually received by the payee falls short of the amount due under the terms of this Agreement, the payor shall, as a separate and independent obligation, indemnify and hold harmless the payee against the amount of such shortfall. For the purpose of this Clause 26, "rate of exchange" means the rate at which the payee is able on the relevant date to purchase the Required Currency with the Other Currency and shall take into account any premium and other costs of exchange.

27. Reporting

(1) The Agent shall upon receipt of a written request therefor from an Issuer and after the payment of any further remuneration agreed between such Issuers and the Agent (on behalf of such Issuers and on the basis of the information and documentation the Agent had in its possession) use all reasonable efforts to submit such reports or information as may be required from time to time by any applicable law, regulation or guideline

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promulgated by (i) any relevant United States governmental regulatory authority in respect of the issue and purchase of Notes or (ii) any other relevant governmental regulatory authority in respect of the issue and purchase of Notes denominated in the applicable currency of such governmental regulatory authority.

(2) The Agent will notify the MoF of such details relating to Yen Notes and provide such other information about the Program to the MoF as may be required.

(3) The Agent will notify the German Bundesbank of such details relating to DM-denominated Notes issued during the month in question and provide such other information about the Program to the German Bundesbank as may be required.

(4) The Agent will notify the Bank of England of such details relating to Sterling Notes and provide such other information about the Program to the Bank of England as may be required.

28. Governing Law

(1) This Agreement, the Notes, and any Receipts, Coupons or Talons appertaining thereto shall be governed by and construed in accordance with the laws of the State of New York, United States of America, without regard to principles of conflicts of laws.

(2) The Issuers and the Agent each hereby irrevocably submit to the non-exclusive jurisdiction of any United States federal court sitting in New York City, the Borough of Manhattan over any suit, action or proceeding arising out of or related to this Agreement, any Note, Receipt, Coupon or Talon, as the case may be (together, the "Proceedings"). The Issuers and the Agent each irrevocably waive, to the fullest extent permitted by law, any objection which it may have to the laying of the venue of the Proceedings brought in such a court and any claim that the Proceedings have been brought in an inconvenient forum. The Issuers and the Agent each agree that final judgment in the Proceedings brought in such a court shall be conclusive and binding upon the Issuers or the Agent, as the case may be, and may be enforced in any court of the jurisdiction to which the relevant Issuer (or Issuers, as the case may be) or the Agent is subject by a suit upon such judgment, provided that the service of process is effected upon such Issuers and the Agent in the manner specified in subsection (3) below or as otherwise permitted by law.

(3) As long as any of the Notes, Receipts, Coupons or Talons remains outstanding, the relevant Issuer shall at all times either maintain an office or have an authorized agent in New York City upon whom process may be served in the Proceedings. Service of process upon either Issuer at its offices

or upon such agent with written notice of such service mailed or delivered to the relevant Issuer shall, to the fullest extent permitted by law, be deemed in every respect effective service of process upon such Issuer in the Proceedings. Each Issuer hereby appoints CT Corporation System located at 1633 Broadway, New York, New York 10019 as its agent for such purposes, and covenants and agrees that service of process in the Proceedings may be made upon it at its office or at the specified offices of such agent (or such other addresses or at the offices of any other authorized agents which the relevant Issuer may designate by written notice to the Agent) and prior to any termination of such agencies for any reason, it will so appoint a successor thereto as agent hereunder.

29. Amendments

Without the consent of the Noteholders, Receiptholders or Couponholders, the Agent and the Issuers may agree to modifications of or amendments to this Agreement, the Notes, the Receipts or the Coupons for any of the following purposes:

(A) to evidence the succession of another entity to an Issuer and the assumption by any such successor of the covenants of such Issuer in this Agreement, the Notes, Receipts or Coupons;

(B) to add to the covenants of an Issuer for the benefit of the Noteholders, the Receiptholders or the Couponholders, or to surrender any right or power herein conferred upon such Issuer;

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(C) to relax or eliminate the restrictions on payment of principal and interest in respect of the Notes, Receipts or Coupons in the United States, provided that such payment is permitted by United States tax laws and regulations then in effect and provided that no adverse tax consequences would result to the Noteholders, the Receiptholders or the Couponholders;

(D) to cure any ambiguity, to correct or supplement any defective provision herein or any provision which may be inconsistent with any other provision herein;

(E) to make any other provisions with respect to matters or questions arising under the Notes, the Receipts, the Coupons or this Agreement, provided such action pursuant to this sub-clause (E) shall not adversely affect the interests of the Noteholders, the Receiptholders or the Couponholders;

(F) to authorize or facilitate the issuance of Notes in registered form;

(G) to facilitate the issuance of Notes in accordance with the laws of a particular country; and

(H) to permit further issuances of Notes in accordance with the terms of the Program Agreement.

Any such modification or amendment shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification or amendment shall be notified to the Noteholders, the Receiptholders or the Couponholders in accordance with Condition 13 as soon as practicable thereafter.

30. Descriptive Headings

The descriptive headings in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

31. Counterparts

This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument. Any party may enter into this Agreement by signing such a counterpart.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective corporate names by their respective officers thereunder duly authorized as of the date and year first above written.

BANK OF AMERICA CORPORATION
as Issuer

By /s/ James T. Houghton

Name: James T. Houghton

Title: Senior Vice President

BANK OF AMERICA, N.A.
as Issuer

By /s/ James T. Houghton

Name: James T. Houghton
Title: Senior Vice President

THE CHASE MANHATTAN BANK,
LONDON BRANCH
as Agent and
Principal Paying Agent

By /s/ J. Pennell

Name: J. Pennell
Title: Authorized Signatory

CHASE MANHATTAN BANK LUXEMBOURG S.A.
as Paying Agent

By /s/ J. Pennell

Name: J. Pennell
Title: Authorized Signatory

TWELFTH AMENDMENT TO THE
BANK OF AMERICA CORPORATION AND DESIGNATED SUBSIDIARIES
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

WHEREAS, Bank of America Corporation ("Bank of America") and certain of its subsidiary corporations (collectively with Bank of America, the "Participating Employers") maintain the Bank of America Corporation and Designated Subsidiaries Supplemental Executive Retirement Plan (the "Plan"); and

WHEREAS, Bank of America desires to amend the Plan to provide that (i) compensation earned from and after attainment of age 65 shall be included in determining the amount of Plan benefits and (ii) no new participants shall be added to the Plan from and after June 1, 2001; and

WHEREAS, the Compensation Committee of the Board of Directors of Bank of America has authorized and approved said amendments to the Plan in accordance with the provisions of Article VI of the Plan;

NOW, THEREFORE, Bank of America does hereby declare that the Plan is hereby amended effective as of March 28, 2001 as follows:

1. Section 2.1(c)(13) of the Plan is amended to read as follows:

"(13) Delayed Retirement Benefit means, with respect to a

Participant, an annual amount equal to (A) minus (B) where:

(A) is such Participant's Target Retirement Benefit;
and

(B) is the sum of such Participant's (i) Assumed
Retirement Benefit and (ii) Social Security Benefit."

2. Section 2.1(c)(24) of the Plan is amended to read as follows:

"(24) Final Average Compensation means, with respect to a

Participant as of any determination date, the average of the annual Compensation paid to such Participant during the five (5) calendar years of highest Compensation (which calendar years need not be consecutive) during the ten (10) calendar years next preceding the Participant's separation from Service, to be determined by dividing the aggregate Compensation received by the Participant during the appropriate five (5) calendar years by five (5). If a Participant has completed less than five (5) calendar years of Service as hereinabove provided, such Participant's Final Average Compensation shall be determined by dividing the aggregate Compensation received by the Participant during said calendar years by the number of such calendar years."

3. Notwithstanding any provision of the Plan to the contrary, no new participants shall be added to the Plan from and after June 1, 2001.

4. Except as expressly or by necessary implication amended hereby, the Plan shall continue in full force and effect.

IN WITNESS WHEREOF, Bank of America has caused this instrument to be executed by its duly authorized officer as of the 28th day of March, 2001.

BANK OF AMERICA CORPORATION

By: /s/ C. J. Cooley

Name: C. J. Cooley

Title: Corporate Personnel Executive

BANK OF AMERICA PENSION RESTORATION PLAN
(as amended and restated effective July 1, 1998)

BANK OF AMERICA PENSION RESTORATION PLAN
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BANK OF AMERICA PENSION RESTORATION PLAN

(as amended and restated effective July 1, 1998)

THIS INSTRUMENT OF AMENDMENT AND RESTATEMENT is executed effective as of the 1st day of July, 1998, by BANK OF AMERICA CORPORATION, a Delaware corporation (the "Corporation");

Statement of Purpose -----

Prior to July 1, 1998, the Corporation and certain of its affiliates (collectively with the Corporation, the "Participating Employers") maintained the NationsBank Corporation and Designated Subsidiaries Supplemental Retirement Plan (the "Restoration Plan"). The Restoration Plan provided benefits which would have accrued to participants in The NationsBank Pension Plan (the "Pension Plan") but for certain benefit limitations imposed by the Internal Revenue Code.

Effective July 1, 1998, the Pension Plan was amended to convert it to a defined benefit cash balance plan, and the Participating Employers desire to amend and restate the Restoration Plan in its entirety effective as of that date to reflect the amendments to the Pension Plan and to meet other current needs.

In addition, effective July 1, 2000, a number of changes were made to the Corporation's employee benefit plans in connection with the combination of the former NationsBank and BankAmerica benefit programs. The Participating Employers desire to further provide herein for a number of design changes to the Restoration Plan in connection with those benefit program changes, as well as to rename the Restoration Plan as the "Bank of America Pension Restoration Plan".

The Participating Employers have reserved the right to amend the Plan at any time and have delegated to the Corporation the right to amend the Plan on behalf of all Participating Employers.

NOW, THEREFORE, for the purposes aforesaid, the Corporation, on behalf of the Participating Employers, hereby amends and restates the Restoration Plan effective July 1, 1998 to consist of the following Articles I through V:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. Unless the context clearly indicates otherwise,

when used in the Restoration Plan:

Amendment or Termination Date means the date on which an amendment to

or termination of the Restoration Plan is adopted by the Corporation or, if later, the effective date of such amendment or termination.

Applicable Minimum Benefits Provisions means:

(A) for the period from July 1, 1998 through June 30, 2000, Section 6.4(b) of the Pension Plan; and

(B) for periods from and after July 1, 2000, (i) if Pension Plan benefits are payable in a single cash payment, Section 6.5(b)(1) of the Pension Plan, and (ii) if Pension Plan benefits are payable in an annuity method, Section 6.5(b)(2) of the Pension Plan.

Beneficiary means the "Beneficiary" of a Participant under the Pension

Plan.

Change of Control means, and shall be deemed to have occurred upon,

any of the following events:

(A) The acquisition by any person, individual, entity or "group" (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (collectively, a "Person") of Beneficial Ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty-five percent (25%) or more of either:

(i) The then-outstanding shares of common stock of the Corporation (the "Outstanding Shares"); or

(ii) The combined voting power of the then-outstanding voting securities of the Corporation entitled to vote generally in the election of directors of the Corporation (the "Outstanding Voting Securities");

provided, however, that the following acquisitions shall not

constitute a Change of Control for purposes of this subparagraph (A): (a) any acquisition directly from the Corporation, (b) any acquisition by the Corporation or any of its subsidiaries, (c) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any of its subsidiaries, or (d) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subparagraph (C) below; or

(B) Individuals who, as of September 30, 1998, constitute the Board of Directors of the Corporation (the "Incumbent Board") cease for

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any reason to constitute at least a majority of the Board of Directors of the Corporation; provided, however, that any individual

who becomes a director subsequent to September 30, 1998 and whose election, or whose nomination for election by the Corporation's shareholders, to the Board of Directors of the Corporation was either (i) approved by a vote of at least a majority of the directors then comprising the Incumbent Board or (ii) recommended by a nominating committee comprised entirely of directors who are then Incumbent Board members shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act), other actual or threatened solicitation of proxies or consents or an actual or threatened tender offer; or

(C) Approval by the Corporation's shareholders of a reorganization, merger, or consolidation or sale or other disposition of all or substantially all of the assets of the Corporation (a "Business Combination"), in each case, unless following such Business Combination, (i) all or substantially all of the Persons who were the Beneficial Owners (within the meaning of Rule 13d-3 promulgated under the Exchange Act), respectively, of the Outstanding Shares and Outstanding Voting Securities immediately prior to such Business Combination own, directly or indirectly, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from the Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Corporation or all or substantially all of the Corporation's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Shares and Outstanding Voting Securities, as the case may be (provided, however, that for purposes of this clause (i), any shares of common stock or voting securities of such resulting corporation received by such Beneficial Owners in such Business Combination other than as the result of such Beneficial Owners' ownership of Outstanding Shares or Outstanding Voting Securities immediately prior to such Business Combination shall not be considered to be owned by such Beneficial Owners for the purposes of calculating their percentage of ownership of the outstanding common stock and voting power of the resulting corporation), (ii) no Person (excluding

any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Corporation or such corporation resulting from the Business Combination) beneficially owns, directly or indirectly, twenty-five percent (25%) or more of, respectively, the then

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outstanding shares of common stock of the corporation resulting from the Business Combination or the combined voting power of the then outstanding voting securities of such corporation unless such Person owned twenty-five percent (25%) or more of, respectively, the Outstanding Shares or Outstanding Voting Securities immediately prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or the action of the Board of Directors of the Corporation, providing for such Business Combination; or

(D) Approval by the Corporation's shareholders of a complete liquidation or dissolution of the Corporation.

Notwithstanding the foregoing, a Change of Control shall not be deemed to have occurred for purposes of this Plan as a result of the transactions contemplated by that certain Agreement and Plan of Reorganization between the Corporation and BankAmerica Corporation dated April 10, 1998.

Code means the Internal Revenue Code of 1986. References to the

Code shall include the valid and binding governmental regulations, court decisions and other regulatory and judicial authority issued or rendered thereunder.

Code Limitations means any one or more of the limitations and restrictions that Sections 401(a)(17) and 415 of the Code place on the accrual of benefits under the Pension Plan.

Committee means the committee designated pursuant to Section 2.1 of the Restoration Plan.

Conversion Date means July 1, 1998.

Corporation means Bank of America Corporation, a Delaware corporation, and any successor thereto. Prior to September 30, 1998, the Corporation was named "NationsBank Corporation", and from September 30, 1998 through April 28, 1999 the Corporation was named "BankAmerica Corporation".

Lump Sum Benefit of a Participant means the Participant's Restoration Plan benefits expressed as a single lump sum amount. If a Participant's Restoration Plan benefits are not determined under Section 3.5, then the Participant's Lump Sum Benefit shall equal the amount credited to the Participant's Restoration Account from time to time. However, if a Participant's Restoration Plan benefits are determined under Section 3.5, then the Participant's Lump Sum Benefit shall equal the Actuarial Equivalent lump sum value of the Participant's Restoration Plan benefits determined under Section 3.5.

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Participant means a "Participant" as defined in the Pension Plan.

Participating Employer means each "Participating Employer" under (and as defined in) the Pension Plan which have adopted the Restoration Plan. In addition, the Personnel Group, in its sole and exclusive discretion, may designate certain other entities as "Participating Employers" under the Restoration Plan for such purposes as the Personnel Group may determine from time to time.

Pension Plan means The Bank of America Pension Plan, as in effect from time to time. From July 1, 1998 through July 1, 2000 the Pension Plan was named "The NationsBank Cash Balance Plan", and prior to July 1, 1998 the Pension Plan was named "The NationsBank Pension Plan."

Personnel Group means the Personnel Group of the Corporation.

Plan Year means the twelve-month period commencing January 1 and

ending the following December 31.

Restoration Account means the bookkeeping account established and

maintained on the books and records of the Restoration Plan for a Participant pursuant to Article III.

Restoration Credit means the amount credited to a Participant's

Restoration Account as of the end of a pay period pursuant to Section 3.2(c).

Restoration Plan means this plan: the Bank of America Pension

Restoration Plan as in effect from time to time. From July 1, 1998 through June 30, 2000, the Restoration Plan was named "The NationsBank Cash Balance Restoration Plan", and prior to July 1, 1998 the Restoration Plan was named the "NationsBank Corporation and Designated Subsidiaries Supplemental Retirement Plan".

SERP means either the Bank of America Supplemental Executive

Retirement Plan (sometimes more commonly referred to as "SERP I") or the Bank of America Supplemental Executive Retirement Plan for Senior Management Employees (sometimes more commonly referred to as "SERP II").

SRP means the BankAmerica Supplemental Retirement Plan, but only

to the extent that the SRP restored benefits under the BankAmerica Pension Plan.

Any capitalized terms used in the Restoration Plan that are defined in the documents comprising the Pension Plan have the meanings assigned to them in the Pension Plan, unless such terms are otherwise defined above in this Article or unless the context clearly indicates otherwise.

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ARTICLE II PLAN ADMINISTRATION

Section 2.1 Committee. The Restoration Plan shall be administered by the

"Committee" under (and as defined in) the Pension Plan (although certain provisions of the Restoration Plan shall be administered by the Personnel Group as specified herein). The Committee shall be empowered to interpret the provisions of the Restoration Plan and to perform and exercise all of the duties and powers granted to it under the terms of the Restoration Plan by action of a majority of its members in office from time to time. The Committee may adopt such rules and regulations for the administration of the Restoration Plan as are consistent with the terms hereof and shall keep adequate records of its proceedings and acts. All interpretations and decisions made (both as to law and fact) and other action taken by the Committee with respect to the Restoration Plan shall be conclusive and binding upon all parties having or claiming to have an interest under the Restoration Plan. Not in limitation of the foregoing, the Committee shall have the discretion to decide any factual or interpretative issues that may arise in connection with its administration of the Restoration Plan (including without limitation any determination as to claims for benefits hereunder), and the Committee's exercise of such discretion shall be conclusive and binding on all affected parties as long as it is not arbitrary or capricious. The Committee may delegate any of its duties and powers hereunder to the extent permitted by applicable law.

ARTICLE III PENSION RESTORATION BENEFITS

Section 3.1 Eligibility for Benefits. Subject to Section 5.10, any

Participant who is paid a benefit under the Pension Plan on or after the Conversion Date shall be eligible to receive benefits under this Restoration Plan. Subject to Sections 3.5 and 3.6 below, the amount of a Participant's Restoration Plan benefits shall equal the amount (if any) credited to the Participant's Restoration Account from time to time, which such benefits shall become payable as provided in Section 3.4 below.

Section 3.2 Restoration Accounts.

(a) General. A Restoration Account shall be established and maintained

on the books and records of the Restoration Plan for each Participant who has an amount credited in accordance with the provisions of this Section 3.2.

(b) Initial Restoration Account Balance. The Restoration Account

established for a Participant shall be credited with an initial balance equal to the excess (if any) of Amount A over Amount B, where:

Amount A equals the initial balance that would have been credited to the

Participant's pension account under the Pension Plan as of the Conversion Date if (i) the Code Limitations did not apply to the Pension Plan and (ii) the Participant's compensation under the Pension Plan included any amounts which were disregarded because of the Participant's deferral of such amounts pursuant to an election under

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the Bank of America 401(k) Restoration Plan or any other nonqualified deferred compensation plan designated by the Personnel Group; and

Amount B equals the initial balance actually credited to the

Participant's pension account under the Pension Plan as of the Conversion Date.

(c) Restoration Credits. At the end of each pay period, the Restoration

Account of each Participant shall be credited with a Restoration Credit the amount of which shall be equal to the excess (if any) of Amount A over Amount B,

where:

Amount A equals the compensation credit that would have been allocated to

the Participant's pension account under the Pension Plan as of such date as (i) the Code Limitations did not apply to the Pension Plan and (ii) the Participant's compensation under the Pension Plan included the amounts, if any, deferred by the Participant under the Bank of America 401(k) Restoration Plan or any other nonqualified deferred compensation plan designated by the Personnel Group; and

Amount B equals the compensation credit actually allocated to the

Participant's pension account under the Pension Plan as of such date.

(d) Limit on Certain Incentive Compensation. Notwithstanding any

provision of the Restoration Plan to the contrary, in no event shall an amount be credited to a Participant's Restoration Account or otherwise accrued hereunder with respect to any portion of the Participant's bonuses, commissions or other incentive compensation payable for a Plan Year (regardless of the year earned and regardless of whether such bonus, commission or other incentive compensation is paid currently to the Participant or deferred pursuant to the Bank of America 401(k) Restoration Plan or any other non-qualified deferred compensation plan) in excess of One Million Dollars (\$1,000,000).

Section 3.3 Account Adjustments -----

(a) Account Adjustments for Deemed Investments. The Committee shall from

time to time designate one or more investment vehicle(s) in which the Restoration Accounts of Participants shall be deemed to be invested. The investment vehicle(s) may be designated by reference to the investments available under other plans sponsored by a Participating Employer (including the "Investment Measures" under the Pension Plan). Each Participant shall designate the investment vehicle(s) in which his or her Restoration Account shall be deemed to be invested according to the procedures developed by the Personnel Group, except as otherwise required by the terms of the Restoration Plan. No Participating Employer shall be under an obligation to acquire or invest in any of the deemed investment vehicle(s) under this subparagraph, and any acquisition of or investment in a deemed investment vehicle by a Participating Employer shall be made in the name of the Participating Employer and shall remain the sole property of the Participating Employer. Effective July 1, 2000, the designated investment vehicles shall be (and shall remain until such time as changed by the Committee in its sole discretion from time to time according to its procedures for designating investments) the following:

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- (i) Nations LifeGgal Income & Growth Portfolio;
- (ii) Nations LifeGoal Balanced Growth Portfolio;
- (iii) Nations LifeGoal Growth Portfolio;
- (iv) Nations LargeCap Index Fund;
- (v) Nations MidCap Index Fund;
- (vi) Nations SmallCap Index Fund;
- (vii) Stable Capital Fund;
- (viii) Nations Bond Fund;
- (ix) Nations Value Fund;
- (x) Nations International Equity Fund;
- (xi) Nations Marsico Focused Equities Fund; and
- (xii) Bank of America Corporation Common Stock Fund.

The Committee shall also establish from time to time a default fund into which a Participant's Restoration Account shall be deemed to be invested if the Participant fails to provide investment instructions pursuant to this Section 3.3(a). Effective July 1, 2000, such default fund shall be the Stable Capital Fund.

(b) Periodic Account Adjustments. Each Restoration Account shall be

adjusted from time to time at such intervals as determined by the Personnel Group. The Personnel Group may determine the frequency of account adjustments by reference to the frequency of account adjustments under another plan sponsored by a Participating Employer. The amount of the adjustment shall equal the amount that each Participant's Restoration Account would have earned (or lost) for the period since the last adjustment had the Restoration Account actually been invested in the Pension Plan in the deemed investment vehicle(s) designated by the Participant for such period pursuant to Section 3.3(a).

(c) Account Adjustments in Connection With Benefit Commencement Date.

Notwithstanding any provision of the Restoration Plan to the contrary, the Personnel Group may cause a Participant's Restoration Account to be adjusted in a manner other than based on the Participant's investment election as the Personnel Group may in its discretion determine from time to time in order to calculate the amount of the Participant's Restoration Plan benefits that become payable on or after the Participant's Benefit Commencement Date (including in connection with determining the amount of installment payments as provided under Section 3.4(e) below).

Section 3.4 Time and Method of Benefit Payments.

(a) Applicable Provisions. The provisions of this Section 3.4 shall apply

to the payment of Restoration Plan benefits for Benefit Commencement Dates from and after July 1, 2000. Exhibit A attached hereto and made a part hereof

contains the applicable payment provisions that apply to the payment of Restoration Plan benefits for Benefit Commencement Dates from July 1, 1998 through June 30, 2000.

(b) Coordination with Pension Plan Payments. Except as otherwise provided

for in this Section 3.4 or in Section 3.6 below, a Participant's vested Restoration Plan benefits shall be payable at the same time and in the same form as the Participant's Pension Plan benefits. If a

Participant's Pension Plan benefits are payable in part as an annuity and in part as a lump sum or other non-annuity form, then the Participant's entire Restoration Plan benefits shall be payable as an annuity (in the same annuity form as applicable in part to the Participant's Pension Plan benefits). Any payment of Restoration Plan benefits in a form different than the form in which such benefits are otherwise stated shall be determined by the Personnel Group based on the applicable actuarial equivalency factors in effect from time to time under the Pension Plan. Notwithstanding any provision of the Restoration Plan to the contrary, if the amount of a Participant's vested Lump Sum Benefit is less than or equal to Fifty Thousand Dollars (\$50,000) as of the Participant's Benefit Commencement Date, then such vested Restoration Plan benefits shall be payable to the Participant as soon as administratively practicable after the Benefit Commencement Date in a single cash payment (consistent with the provisions of Section 3.4(d) (i) below). In addition and notwithstanding any provision of the Restoration Plan to the contrary, if a Participant's Pension Plan benefits are payable pursuant to a non-annuity installment payment method (e.g., as a result of having transferred amounts to the Pension Plan from the Bank of America 401(k) Plan), then the Participant's vested Restoration Plan benefits shall be payable in a single cash payment in accordance with the provisions of Section 3.4(d) below.

(c) Other Payment Methods. Notwithstanding the provisions of Section

3.4(b) to the contrary, if a Participant's entire Pension Plan benefits are payable in a single cash payment, then the Participant's vested Restoration Plan benefits shall be payable in a payment method described in this Section 3.4(c) if elected in accordance with, and subject to, the following terms and provisions (except to the extent that the provisions of Section 3.4(h) may apply):

(i) Timing of Elections. A Participant who is in active service may

make or change a payment option election among any of the payment options described in subparagraph (ii) below, subject to the provisions of subparagraph (iii) below. The election shall not become effective until the later of (A) the date that is twelve (12) months after the date that the election is made if the Participant remains in active service throughout that period (as determined by the Personnel Group in its discretion) or (B) the date the Participant attains age fifty-five (55).

(ii) Payment Methods. The payment options from which a

Participant may elect are as follows: (A) single cash payment, (B) five (5) annual installments or (C) ten (10) annual installments, as such methods are more fully described below.

(iii) Form of Elections. Any election made under this Section

3.4(c) shall be made on such form, at such time and pursuant to such procedures as determined by the Personnel Group in its sole discretion from time to time. A Participant may not have more than two (2) payment elections pending under this Section 3.4(c) at any one time.

(iv) Failure to Elect. For a Participant who does not yet have

an election in effect under this Section 3.4(c) or for a Participant who fails to elect a payment option under this Section 3.4(c) (and assuming the Participant's entire

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Pension Plan benefits are otherwise payable in a single cash payment), the method of payment shall be the single cash payment.

(d) Single Cash Payments. The following provisions shall apply with

respect to single cash payments under the Restoration Plan for a Participant whose entire Pension Plan benefits are payable in a single cash payment:

(i) Pre-Age 55 or Lump Sum Benefit Under \$50,000. If a Participant

terminates employment with the Participating Employers either (A) before attainment of age fifty-five (55) or (B) with a vested Lump Sum Benefit (determined as of the Participant's Benefit Commencement Date) that is Fifty Thousand Dollars (\$50,000) or less (even if the Participant has elected and is otherwise eligible for installment payments), then the Participant's vested Lump Sum Benefit shall be determined as of the Participant's Benefit Commencement Date, and such final vested Lump Sum Benefit shall be paid in a single cash payment to the Participant (or to the Participant's Beneficiary in the case of the Participant's death) as soon as administratively practicable after the Benefit Commencement Date.

(ii) After Age 55 and Lump Sum Benefit Over \$50,000. If a

Participant terminates employment with the Participating Employers after attainment of age fifty-five (55) with a vested Lump Sum Benefit (determined as of the Participant's Benefit Commencement Date) exceeding Fifty Thousand Dollars (\$50,000) and with a single cash payment election in effect under Section 3.4(c), then such Participant's vested Lump Sum Benefit shall be paid in a single cash payment to the Participant (or to the Participant's Beneficiary in the case of the Participant's death) either (A) within ninety (90) days following the end of the Plan Year in which the termination of employment occurs if the Benefit Commencement Date is in the same Plan Year or (B) as soon as administratively practicable after the Benefit Commencement Date if the Benefit Commencement Date is in any subsequent Plan Year. In the case of payment in accordance with clause (A), the Personnel Group shall in its discretion establish procedures from time to time to cause the amount of such Lump Sum Benefit to be adjusted for the period between the Benefit Commencement Date and the applicable payment date.

(e) Annual Installments. If a Participant (whose entire Pension Plan

benefits are payable in a single cash payment) terminates employment with the Participating Employers after attainment of age fifty-five (55) with a vested Lump Sum Benefit (determined as of the Participant's Benefit Commencement Date)

exceeding Fifty Thousand Dollars (\$50,000) and with an installment payment election in effect under Section 3.4(c), then the amount of the annual installments shall be calculated and paid pursuant to the following provisions:

(i) Timing of Payments. If the Participant's Benefit Commencement

Date occurs in the same Plan Year as the Participant's termination of employment, then the first installment shall be paid within ninety (90) days

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following the end of the Plan Year in which the Participant's Benefit Commencement Date occurs, and each subsequent installment shall be paid within ninety (90) days following the end of each subsequent Plan Year during the selected payment period. If, however, the Participant's Benefit Commencement Date occurs in a Plan Year after the Plan Year in which the Participant's termination of employment occurs, then the first installment shall be paid as soon as administratively practicable after the Benefit Commencement Date, the second installment shall be paid within ninety (90) days following the end of the Plan Year in which the Participant's Benefit Commencement Date occurs, and each subsequent installment shall be paid within ninety (90) days following the end of each subsequent Plan Year during the selected payment period.

(ii) Special Adjustment to Restoration Account. If a Participant's

Lump Sum Benefit to be payable as annual installments is determined under the provisions of Section 3.5 (rather than based on the amount credited to the Participant's Restoration Account), then in order to administer the payment of annual installments of such Lump Sum Benefit the Participant's Restoration Account shall be adjusted (either up or down, as applicable) as of the Benefit Commencement Date to equal the amount of such Lump Sum Benefit.

(iii) Amount of Installments. The amount payable for each

installment shall equal the Restoration Account balance as of either:

(A) the Benefit Commencement Date (in the case of the first installment payment made for a Benefit Commencement Date that occurs in a Plan Year after the Plan Year in which the Participant's termination of employment occurs), or

(B) the end of the applicable Plan Year (in the case of any other installment payment made within ninety (90) days following the end of a Plan Year)

divided by the number of remaining installments (including the installment then payable).

(iv) Investment of Account During Payment Period. The Participant's

Restoration Account, to the extent vested, shall continue to be credited with adjustments under Section 3.3 during the installment payment period as follows:

(A) if the Participant has elected to receive payment through five (5) annual installments, then the Participant shall be permitted to continue to direct the investment of the Participant's unpaid Restoration Account balance in accordance with Section 3.3 during the payment period (i.e., from the Participant's Benefit Commencement Date through the last day of the Plan Year preceding the last installment payment); and

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(B) if the Participant has elected to receive payment through ten (10) annual installments, then the Participant's unpaid Restoration Account balance shall be deemed invested in the Stable Capital Fund during the payment period (i.e., from the Participant's Benefit Commencement Date through the last day of the Plan Year preceding the last installment payment).

(v) Death of Participant. If a Participant covered by this Section

3.4(e) dies, then the annual installments (or remaining annual installments in the case of death after commencement of payment) shall be paid to the Participant's Beneficiary as and when such installments would have otherwise been paid to the Participant had the Participant not died.

(f) Vesting of Restoration Accounts. Notwithstanding any provision of the

Restoration Plan to the contrary, a Participant's Restoration Plan benefits shall be vested if, and to the same extent, that the Participant's Pension Plan benefits are vested. If, and to the extent that, a Participant's Restoration Plan benefits are not vested on the date that the Participant terminates employment with the Participating Employers, such benefits shall be forfeited as of such date. However, if a Participant whose Restoration Plan benefits are forfeited subsequently returns to service with any Participating Employer, any such forfeitures shall be restored (adjusted for earnings on the same basis as restored forfeitures under the Pension Plan) as soon as administratively practicable after the date of such return to service (such restored benefits shall remain subject to the vesting requirements of this Section 3.4(f)).

(g) Other Payment Provisions. A Participant shall not be paid any portion

of the Participant's Restoration Account prior to the Participant's termination of employment with the Participating Employers. Any Restoration Plan benefit or payment hereunder shall be subject to applicable payroll and withholding taxes. In the event any amount becomes payable under the provisions of the Restoration Plan to a Participant, Beneficiary or other person who is a minor or an incompetent, whether or not declared incompetent by a court, such amount may be paid directly to the minor or incompetent person or to such person's fiduciary (or attorney-in-fact in the case of an incompetent) as the Personnel Group, in its sole discretion, may decide, and the Personnel Group shall not be liable to any person for any such decision or any payment pursuant thereto.

(h) Former SRP Participants. Notwithstanding any other provisions in this

Restoration Plan to the contrary, the following provisions shall apply to a Participant who was participating in the SRP as of June 30, 2000:

(i) SRP Installment Elections. If (A) the Participant has in

effect as of June 30, 2000 an installment payment election (but not including an annuity payment election based on the Participant's life or the joint life of the Participant and his or her Beneficiary) under the SRP (an "SRP Installment Election") and (B) the Participant's entire Pension Plan benefits are payable in a single cash payment, then the Participant's vested Restoration Plan benefits shall be payable

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in the number of installments provided by such SRP Installment Election (even if the Participant has not attained age fifty-five (55) upon termination of employment) unless either (X) the Participant changes such election in accordance with the provisions of Section 3.4(c)(i) above or this Section 3.4(h) or (Y) the Participant's vested Lump Sum Benefit is Fifty Thousand Dollars (\$50,000) or less as of the Participant's Benefit Commencement Date (in which case payment of such Lump Sum Benefit shall be in the form of a single cash payment in accordance with the provisions of Section 3.4(d)(i) above).

(ii) Timing and Amount of Installment Payments. Notwithstanding any

provision of the SRP Installment Election to the contrary, the timing of the installment payments and the method for determining the amount of each installment payment shall be determined in accordance with the provisions of Section 3.4(e)(i), (ii) and (iii) above.

(iii) Investments During Installment Payment Period.

Notwithstanding any provision of the SRP Installment Election to the contrary, if the SRP Installment Election had a payment period of five (5) years or less, then the Restoration Account may continue to be invested during the payment period in accordance with the Participant's investment election as provided in Section 3.3 (consistent with the provisions of Section 3.4(e)(iv) applicable to five (5) annual installments). However, if the SRP Installment Election had a payment period in excess of five (5) years, then the Restoration Account shall be deemed invested in the Stable Capital Fund during the payment period (consistent with the provisions of Section 3.4(e)(iv) applicable to ten (10) annual installments).

(iv) Special Right to Change Election. If a Participant to which

this Section 3.4(h) applies is under age fifty-five (55), then (A) the Participant may at any time elect to change the method of payment to a single cash payment (in accordance with Section 3.4(d) above) and (B) the Participant may elect on or before August 31, 2000 to change the method of payment to either five (5) or ten (10) year annual installments. In either case, such election shall not become effective until the date that is twelve (12) months after the date that the election is made if the Participant remains in active service throughout that period (as determined by the Personnel Group in its discretion).

Section 3.5 Minimum and Special Benefits. Notwithstanding any provision

of the Restoration Plan to the contrary, if the Actuarial Equivalent single sum
value of Amount A described below as of a Participant's Benefit Commencement

Date exceeds the sum of the Participant's Restoration Account and Pension Plan
Accounts as of such date, then the Participant's Restoration Plan benefits
shall equal the excess (if any) of Amount A over Amount B, where:

Amount A equals the Pension Plan benefits determined in accordance with

the Applicable Minimum Benefits Provisions of the Pension Plan if (i) the
Code Limitations did not apply to the Pension Plan and (ii) the
Participant's compensation

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under the Pension Plan included any amounts which were disregarded because
of the Participant's deferral of such amounts pursuant to an election under
the Bank of America 401(k) Restoration Plan or any other nonqualified
deferred compensation plan designated by the Personnel Group; and

Amount B equals the Participant's actual Pension Plan benefits.

Restoration Plan benefits determined in accordance with the provisions of this
Section 3.5 are subject to the limitation on certain incentive compensation set
forth in Section 3.2(d) and shall be payable in accordance with the provisions
of Section 3.4.

Section 3.6 Participants Without Restoration Accounts. Notwithstanding

any provision of the Restoration Plan to the contrary, if a Participant does
not have a Restoration Account (for example, because the Participant commenced
benefit payments under the Restoration Plan prior to conversion of the Pension
Plan to a cash balance plan, because the Participant was in a "deferred vested"
status prior to such date, or because the Participant was in pay status or was
a deferred vested participant under a prior plan that was merged into the
Restoration Plan as described in Section 5.7 below), the Participant's
Restoration Plan benefits shall be determined and paid in accordance with the
provisions of the Restoration Plan as in effect prior to July 1, 1998 (or the
provisions of any prior plan, if applicable); provided, however, that the

Personnel Group may in its discretion (i) determine to pay out in a single cash
payment any such benefits that as of a given determination date have an
Actuarial Equivalent single sum value less than or equal to Fifty Thousand
Dollars (\$50,000), or (ii) otherwise modify the date(s) and/or form(s) of
payment so long as the effect of any such modification does not further defer
the date of payment(s).

Section 3.7 Coordination with SERP Payments. In the event that a Covered

Associate is eligible to receive SERP benefits, the Personnel Group may make
such changes as it deems necessary or advisable to the payment and benefit
calculation procedures described in this Article III in order to have the
Covered Associate's vested Restoration Plan benefits paid at the same time(s)
and in the same form as the Covered Associate's SERP benefits, so long as any
such change does not otherwise reduce the Actuarial Equivalent amount of the
Covered Associate's vested Restoration Plan benefits.

ARTICLE IV
AMENDMENT AND TERMINATION

Section 4.1 Amendment and Termination. The Corporation shall have the

right and power at any time and from time to time to amend the Restoration Plan
in whole or in part, on behalf of all Participating Employers, and at any time
to terminate the Restoration Plan or any Participating Employer's participation
hereunder; provided, however, that no such amendment or termination shall

reduce the amount of a Participant's Restoration Plan benefits on the date of
such amendment or termination, or further defer the due dates for the payment
of such benefits, without the consent of the affected person. In connection
with any termination of the Restoration Plan, the Corporation shall have the
authority to cause the Restoration Plan benefits of all current and former
Participants (and Beneficiary of any deceased Participants) to be paid in a
single sum

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payment as of a date determined by the Corporation or to otherwise accelerate
the payment of all Restoration Plan benefits in such manner as the Corporation
shall determine in its discretion.

Section 4.2 Change of Control.

(a) General. Notwithstanding any provisions of the Restoration Plan to

the contrary, on and after the date of a Change of Control (i) the provisions of the Restoration Plan may not be terminated, amended or modified if the Amendment or Termination Date is prior to the date immediately following the date of the Change of Control and (ii) with respect to any amendment to the Restoration Plan otherwise permissible under clause (i), the provisions of the Restoration Plan may not be terminated, amended or modified to reduce, eliminate or otherwise adversely affect in any manner the total amount of benefits that would have been payable to a Participant, or the method and timing by which such benefits would have been payable to the Participant, from time to time under the Restoration Plan, assuming for this purpose that the Participant had separated from service (as such term is defined in the Pension Plan) on the date immediately preceding the Amendment or Termination Date of any such amendment or termination; provided, however, the Corporation may

terminate, amend or modify the Restoration Plan at any time prior to the date of a Change of Control in accordance with, and subject to, the provisions of Section 4.1.

(b) Certain Benefits Disregarded. In determining after a Change of

Control the total amount of benefits payable under the Restoration Plan to or with respect to a Participant who is also a participant in either the NationsBank Supplemental Executive Retirement Plan or the NationsBank Supplemental Executive Retirement Plan for Senior Management Employees, the Participating Employers shall disregard the effect of any increase in the accrued benefit (as such term is defined in the Pension Plan) of such Participant as a result of Section 17.3 of the Pension Plan.

ARTICLE V
MISCELLANEOUS PROVISIONS

Section 5.1 Nature of Plan and Rights. The Restoration Plan is unfunded

and intended to constitute an incentive and deferred compensation plan for a select group of officers and key management employees of the Participating Employers. If necessary to preserve the above intended plan status, the Committee, in its sole discretion, reserves the right to limit or reduce the number of actual Participants and otherwise to take any remedial or curative action that the Committee deems necessary or advisable. The Restoration Accounts established and maintained under the Restoration Plan by a Participating Employer are for accounting purposes only and shall not be deemed or construed to create a trust fund of any kind or to grant a property interest of any kind to any Participant, designated beneficiary or estate. The amounts credited by a Participating Employer to such Restoration Accounts are and for all purposes shall continue to be a part of the general assets of such Participating Employer, and to the extent that a Participant, beneficiary or estate acquires a right to receive payments from such Participating Employer pursuant to the Restoration Plan, such right shall be no greater than the right of any unsecured general creditor of such Participating Employer.

Section 5.2 Termination of Employment. For the purposes of the

Restoration Plan, a Participant's employment with a Participating Employer shall not be considered to have

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terminated so long as the Participant is in the employ of any Participating Employer, other member of the Affiliated Group or any other entity as the Personnel Group may designate.

Section 5.3 Spendthrift Provision. No Restoration Plan benefits or other

right or interest under the Restoration Plan of a Participant or Beneficiary may be assigned, transferred or alienated, in whole or in part, either directly or by operation of law, and no such balance, right or interest shall be liable for or subject to any debt, obligation or liability of the Participant or Beneficiary. Notwithstanding the foregoing, the Participating Employers shall have the right to offset from a Participant's unpaid benefits under the Restoration Plan any amounts due and owing from the Participant to the extent permitted by law.

Section 5.4 Employment Noncontractual. The establishment of the

Restoration Plan shall not enlarge or otherwise affect the terms of any Participant's employment with his Participating Employer, and such Participating Employer may terminate the employment of the Participant as

freely and with the same effect as if the Restoration Plan had not been established.

Section 5.5 Adoption by Other Participating Employers. The Restoration

Plan may be adopted by any Participating Employer participating under the Pension Plan, such adoption to be effective as of the date specified by such Participating Employer at the time of adoption.

Section 5.6 Applicable Law. The Restoration Plan shall be governed and

construed in accordance with the laws of the State of North Carolina, except to the extent such laws are preempted by the laws of the United States of America.

Section 5.7 Merged Plans. From time to time the Participating Employers

may cause other nonqualified plans to be merged into the Restoration Plan. Schedule 5.7 attached hereto sets forth the names of the plans that merged into the Restoration Plan by July 1, 2000 and their respective merger dates. Schedule 5.7 shall be updated from time to time to reflect mergers after July 1, 2000.

Upon such a merger, the accrued benefits immediately prior to the date of merger of each participant in the merged plan shall be transferred and credited as of the merger date to a Restoration Account established under the Restoration Plan for such participant. From and after the merger date, the participant's rights shall be determined under the Restoration Plan, and the participant shall be subject to all of the restrictions, limitations and other terms and provisions of the Restoration Plan. Not in limitation of the foregoing, the Restoration Account established for the participant as a result of the merger shall be periodically adjusted when and as provided in Section 3.3 hereof as in effect from time to time and shall be paid at such time and in such manner as provided in Section 3.4 hereof, except to the extent otherwise provided on Schedule 5.7. Notwithstanding any provision of this Section 5.7 to the contrary and subject to the provisions of Section 3.6, a participant in a merged plan that is in pay status or is a terminated employee in a deferred vested status as of the plan merger date shall continue to be eligible to receive benefits as and when provided under the terms of the merged plan as in effect immediately prior to such merger. The Personnel Group shall, in its discretion, establish any procedures it deems necessary or advisable in order to administer any such plan mergers,

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including without limitation procedures for transitioning from the method of account adjustments under the prior plan to the methods provided for under the Restoration Plan.

Section 5.8 Status Under the Act. The Restoration Plan is maintained for

purposes of providing deferred compensation for a select group of management or highly compensated employees. In addition, to the extent that the Restoration Plan makes up benefits limited under the Pension Plan as a result of Section 415 of the Code, the Restoration Plan shall be considered an "excess benefit plan" within the meaning of the Act.

Section 5.9 Claims Procedure. Any claim for benefits under the

Restoration Plan by a Participant or Beneficiary shall be made in accordance with the claims procedures set forth in the Pension Plan.

Section 5.10 Limited Effect of Restatement. Notwithstanding anything to

the contrary contained in the Plan, to the extent permitted by the Act and the Code, this instrument shall not affect the availability, amount, form or method of payment of benefits being paid before the Conversion Date, or to be paid on or after the Conversion Date, to any Participant or former Participant (or a Beneficiary of either) in the Restoration Plan who is not an active Participant on or after the Conversion Date, said availability, amount, form or method of payment of benefits, if any, to be determined in accordance with the applicable provisions of the Restoration Plan as in effect prior to the Conversion Date.

Section 5.11 Binding Effect. The Restoration Plan (including any and all

amendments thereto) shall be binding upon the Participating Employers, their respective successors and assigns, and upon the Participants and their Beneficiaries and their respective heirs, executors, administrators, personal representatives and all other persons claiming by, under or through any of them.

IN WITNESS WHEREOF, this instrument has been executed by the Corporation effective as of July 1, 1998.

BANK OF AMERICA CORPORATION

By: /s/ J. Steele Alphin

Title: Corporate Personnel Executive

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SCHEDULE 5.7

MERGED PLANS AS OF JULY 1, 2000

Plan Name
- - - - -

Date of Merger
- - - - -

BankAmerica Supplemental Retirement Plan
(but only as to BankAmerica Pension Plan
restored benefits)

July 1, 2000

BANK OF AMERICA 401(k) RESTORATION PLAN

(as amended and restated effective July 1, 2000)

BANK OF AMERICA 401(k) RESTORATION PLAN
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BANK OF AMERICA 401(k) RESTORATION PLAN

(as amended and restated effective July 1, 2000)

THIS INSTRUMENT OF AMENDMENT AND RESTATEMENT is executed effective as of the 1st day of July, 2000, by BANK OF AMERICA CORPORATION, a Delaware corporation (the "Corporation");

Statement of Purpose

The Corporation sponsors The NationsBank Corporation 401(k) Restoration Plan (the "Restoration Plan"). The purpose of the Restoration Plan is to provide benefits, on a non-qualified and unfunded basis, to certain associates whose benefits under The NationsBank 401(k) Plan (the "401(k) Plan") are adversely affected by the limitations of Sections 401(a)(17), 401(k)(3), 401(m), 402(g) and 415 of the Internal Revenue Code, as well as certain limits placed on the contribution rates of highly compensated participants established by the administrative committee under The NationsBank 401(k) Plan.

Effective July 1, 2000, a number of changes are being made to the Corporation's employee benefit plans in connection with the combination of the former NationsBank and BankAmerica benefit programs. By this Instrument, the Corporation is amending and restating the Restoration Plan effective July 1, 2000 to (i) make a number of design changes to the Restoration Plan in connection with those benefit program changes, (ii) rename the Restoration Plan as the "Bank of America 401(k) Restoration Plan", and (iii) otherwise meet current needs.

NOW, THEREFORE, for the purposes aforesaid, the Corporation hereby amends and restates the Restoration Plan effective July 1, 2000 to consist of the following Articles I through V:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. Unless the context clearly indicates

otherwise, when used in the Restoration Plan:

Account means, collectively, the Deferral Account and

Matching Contribution Restoration Account.

Annual Incentive Award means, with respect to a Key Associate, any

annual incentive award payable to such Key Associate pursuant to (i) the Bank of America Executive Incentive Compensation Plan or (ii) any other incentive compensation plan of the Corporation or any of its Subsidiaries approved for purposes of this Plan by the Committee. Annual Incentive Awards may be

payable annually, quarterly, or on such other basis as provided by the applicable plan.

Associate means a common law employee of a Participating Employer

who is identified as an employee in the personnel records of the Participating Employer.

Beneficiary means the "Beneficiary" of a Covered Associate under the

401(k) Plan, unless the Covered Associate elects a different Beneficiary for purposes of the Restoration Plan in accordance with such procedures as the Personnel Group may establish from time to time. If there is no Beneficiary election in effect under the 401(k) Plan or the Restoration Plan at the time of a Covered Associate's death, or if the designated Beneficiary fails to survive the Covered Associate, then the Beneficiary

shall be the Covered Associate's surviving spouse, or if there is no surviving spouse, the Covered Associate's estate.

Benefit Determination Date means the last day of the calendar month

following the calendar month in which a Covered Associate's employment with the Participating Employers terminates, or the last day of a subsequent calendar month if the Personnel Group determines to be administratively necessary or appropriate (e.g., as a result of the timing of notification to the Personnel Group of such termination of employment).

Code means the Internal Revenue Code of 1986. References to the Code

shall include the valid and binding governmental regulations, court decisions and other regulatory and judicial authority issued or rendered thereunder.

Code Limitations means any one or more of the limitations and

restrictions that Sections 401(a)(17), 401(k)(3), 401(m), 402(g) and 415 of the Code place on the Pre-Tax Employee Contributions and Matching Contributions for a Covered Associate under the 401(k) Plan. In addition, Code Limitations also means and refers to any limitations on contributions under the 401(k) Plan established by the 401(k) Plan administrative committee with respect to highly compensated participants.

Committee means the committee designated pursuant to Section 2.1 of

the Restoration Plan.

Corporation means Bank of America Corporation, a Delaware

corporation, and any successor thereto.

Covered Associate means either a Highly Compensated Associate or a

Key Associate.

DCP means the BankAmerica Corporation Deferred Compensation Plan.

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Deferral Account means the account established and maintained on the

books of a Participating Employer to record a Covered Associate's interest under the Restoration Plan attributable to amounts credited to the Covered Associate pursuant to Section 3.2 or Section 3.4 of the Restoration Plan.

401(k) Plan means The Bank of America 401(k) Plan, as in effect from

time to time.

Highly Compensated Associate means an Associate eligible to

participate in the 401(k) Plan who the Personnel Group determines to be a "highly compensated employee" (within the meaning of Section 414(q) of the Code) under the 401(k) Plan for a Plan Year, but shall not include a Key Associate.

Key Associate means a Covered Associate who is in Band 0, 1, 2 or 3,

or who has annual base compensation of \$100,000 or more as determined by the Personnel Group in its discretion at such time or times as it may select.

Matching Contribution Restoration Account means the account

established and maintained on the books of a Participating Employer to record a Covered Associate's interest under the Restoration Plan attributable to amounts credited to the Covered Associate pursuant to Section 3.3 or Section 3.5 of the Restoration Plan.

Participating Employer means (i) the Corporation, (ii) each other

"Participating Employer" under (and as defined in) the 401(k) Plan on the date hereof and (iii) any other incorporated or unincorporated trade or business which may hereafter adopt both the 401(k) Plan and the Restoration Plan. In addition, the Personnel Group, in its sole and exclusive discretion, may designate certain other entities as "Participating Employers" under the Restoration Plan for such purposes as the Personnel Group may determine from time to time.

Personnel Group means the Personnel Group of the Corporation.

Plan Year means the twelve-month period commencing January 1 and

ending the following December 31.

Restoration Plan means this plan: the Bank of America 401(k)

Restoration Plan as in effect from time to time.

SRP means the BankAmerica Supplemental Retirement Plan, other than

the portion of the SRP that restored benefits under the BankAmerica
Pension Plan.

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Any capitalized terms used in the Restoration Plan that are defined in the documents comprising the 401(k) Plan have the meanings assigned to them in the 401(k) Plan, unless such terms are otherwise defined above in this Article or unless the context clearly indicates otherwise.

ARTICLE II PLAN ADMINISTRATION

Section 2.1 Committee. The Restoration Plan shall be administered by

the "Committee" under (and as defined in) the 401(k) Plan (although certain provisions of the Restoration Plan shall be administered by the Personnel Group as specified herein). The Committee shall be empowered to interpret the provisions of the Restoration Plan and to perform and exercise all of the duties and powers granted to it under the terms of the Restoration Plan by action of a majority of its members in office from time to time. The Committee may adopt such rules and regulations for the administration of the Restoration Plan as are consistent with the terms hereof and shall keep adequate records of its proceedings and acts. All interpretations and decisions made (both as to law and fact) and other action taken by the Committee with respect to the Restoration Plan shall be conclusive and binding upon all parties having or claiming to have an interest under the Restoration Plan. Not in limitation of the foregoing, the Committee shall have the discretion to decide any factual or interpretative issues that may arise in connection with its administration of the Restoration Plan (including without limitation any determination as to claims for benefits hereunder), and the Committee's exercise of such discretion shall be conclusive and binding on all affected parties as long as it is not arbitrary or capricious. The Committee may delegate any of its duties and powers hereunder to the extent permitted by applicable law.

ARTICLE III DEFERRED COMPENSATION PROVISIONS

Section 3.1 Form and Time of Elections. Prior to January 1 of a Plan

Year, or at such other times as may be established by the Personnel Group, a Covered Associate for the Plan Year may elect to defer under the Restoration Plan such amounts as provided by this Article III in accordance with the procedures set forth in this Section 3.1. All elections made under this Section 3.1 shall be made in writing on a form, or pursuant to such other non-written procedures, as may be prescribed from time to time by the Personnel Group and shall be irrevocable for such Plan Year. An election by a Covered Associate under this Section 3.1 shall continue in effect for all subsequent Plan Years (during which the Covered Associate is a highly compensated employee) unless and until changed or terminated by the Covered Associate in accordance with procedures established from time to time by the Personnel Group. Any such change in or termination of an election under this Section 3.1 shall be effective as of the January 1 of the next succeeding Plan Year.

Section 3.2 Deferrals by Highly Compensated Associates. If a Highly

Compensated Associate makes an election to defer in accordance with Section 3.1 above for a Plan Year, the amount attributable to any Pre-Tax Employee Contribution for a particular pay period during the Plan Year which cannot be credited to the Highly Compensated Associate under the 401(k) Plan because of the Code Limitations shall be credited to a Deferral Account established and

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maintained in the name of the Highly Compensated Associate on the books and records of his or her Participating Employer. Such amount shall be credited to the Deferral Account as of the date the amount would have otherwise been paid to the Highly Compensated Associate.

Section 3.3 Matching Contributions for Highly Compensated Associates.

A Participating Employer shall establish and maintain on its books a Matching Contribution Restoration Account for each Highly Compensated Associate employed by such Participating Employer whose Matching Contributions under the 401(k) Plan shall have been limited, directly or indirectly, by the operation of the Code Limitations. If a Highly Compensated Associate is a Match-Eligible Participant for the Plan Year under the 401(k) Plan, the Highly Compensated Associate's Matching Contribution Restoration Account shall be credited as of the Valuation Date under the 401(k) Plan that occurs on the last day of the Plan Year with an amount equal to the sum of Amount A and Amount B, where:

Amount A is one hundred percent (100%) of the sum of the portions (if any)

of the amounts credited to the Highly Compensated Associate's Deferral Account for the Plan Year pursuant to Section 3.2 above that would have been Matchable Pre-Tax Employee Contributions for the Plan Year under the 401(k) Plan had such amounts been contributed to the 401(k) Plan as Pre-Tax Employee Contributions for the Highly Compensated Associate and the Code Limitations not applied to the 401(k) Plan.

Amount B is one hundred percent (100%) of the portion (if any) of the

actual Matchable Pre-Tax Employee Contributions made to the 401(k) Plan for the Highly Compensated Associate for the Plan Year with respect to which Matching Contribution allocations were not made under Section 5.4 of the 401(k) Plan or (if made) were forfeited under Section 5.4 of the 401(k) Plan because of the Code Limitations.

Notwithstanding the foregoing, no amount shall be credited to the Matching Contribution Restoration Account of a Highly Compensated Associate for a Plan Year to the extent it relates to bonus, incentive or commission compensation payable to the Highly Compensated Associate for the Plan Year in excess of One Million Dollars (\$1,000,000); provided, however, that for a Highly Compensated

Associate who first becomes eligible to participate in the Restoration Plan on July 1, 2000 as a result of the merger of the DCP or SRP into the Restoration Plan on that date, the foregoing limit shall apply only with respect to bonuses, incentives or commissions earned and paid following July 1, 2000. In addition, the Plan Administrator may determine, in its sole and exclusive discretion, to deduct from the amount otherwise to be credited to the Matching Contribution Restoration Account of a Highly Compensated Associate for a Plan Year an amount necessary to pay any related payroll taxes.

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Section 3.4 Deferrals by Key Associates. -----

(a) Deferral Accounts for Key Associates. A Participating Employer -----

shall establish and maintain on its books a Deferral Account for each Key Associate employed by such Participating Employer who elects pursuant to Section 3.1 to defer the receipt of any amount of the Restoration Plan. Such Deferral Account shall be designated by the name of the Key Associate for whom established. The amount to be deferred under this Section 3.4 for a payroll period shall be credited to such Deferral Account as of the date such amount would have otherwise been paid to the Key Associate.

(b) Election to Defer Base Salary. A Key Associate may elect to defer, -----

on a combined basis with the 401(k) Plan as hereinafter provided, up to thirty percent (30%) of the Key Associate's base salary for a Plan Year; provided,

however, that the Key Associate has elected to defer no less than the maximum
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percentage amount permissible under the 401(k) Plan for the Plan Year. Deferrals shall be made on a payroll period basis. The deferral of base salary for a payroll period shall be made after any Pre-Tax Employee Contributions under the 401(k) Plan for the payroll period related to such base salary such that the total percentage of base salary deferred for the payroll period on a combined basis with the percentage of base salary deferred under the 401(k) Plan for the payroll period shall equal the percentage elected by the Key Associate without any regard to the Code Limitations.

(c) Election to Defer Covered Annual Incentive Award. Each Key -----

Associate for a Plan Year may elect pursuant to Section 3.1 above to defer for the Plan Year up to ninety percent (90%) of any Annual Incentive Award otherwise payable to the Key Associate for the Plan Year. Such deferral shall be made without regard to the Code Limitations. Any portion of an Annual Incentive Award not deferred under the Restoration Plan shall be excluded from the Key Associate's Compensation in accordance with, and subject to, the terms and provisions of the 401(k) Plan (and therefore shall not be included in determining the amount of the Key Associate's Pre-Tax Employee Contributions under the 401(k) Plan).

Section 3.5 Matching Contributions for Key Associates.

(a) Matching Contribution Restoration Account for Key Associates. A

Participating Employer shall establish and maintain on its books a Matching Contribution Restoration Account for each Key Associate employed by such Participating Employer who is credited with a matching contribution under this Section 3.5. Such Matching Contribution Restoration Account shall be designated by the name of the Key Associate for whom established.

(b) Matching Contributions for Base Salary Deferrals. If a Key

Associate is a Match-Eligible Participant for the Plan Year under the 401(k) Plan, the Key Associate's Matching Contribution Restoration Account shall be credited as of the Valuation Date under the 401(k) Plan that occurs on the last day of the Plan Year with an amount determined consistent with the provisions of Section 3.3 above with respect to any base salary deferrals for the Plan Year pursuant to Section 3.4(b) above.

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(c) Matching Contributions for Annual Incentive Awards. If a Key

Associate is a Match-Eligible Participant for a Plan Year under the 401(k) Plan and has deferred any portion of the Key Associate's Annual Incentive Award under Section 3.4(c) that would have otherwise been paid during the Plan Year, then the Matching Contribution Restoration Account of the Key Associate shall be credited as of the Valuation Date under the 401(k) Plan that occurs on the last day of the Plan Year with a matching contribution equal to the amount of the Annual Incentive Award otherwise payable during the Plan Year that is deferred by the Key Associate pursuant to Section 3.4(c) above, but excluding any such deferrals that exceed five percent (5%) of the Key Associate's total Annual Incentive Award. Notwithstanding the foregoing, the maximum amount of such matching contribution for a Plan Year shall equal Fifty Thousand Dollars (\$50,000) (i.e., the matching contribution shall not be based on the portion of an Annual Incentive Award exceeding \$1,000,000).

(d) Payroll Taxes. The Plan Administrator may determine, in its sole

and exclusive discretion, to deduct from the amount otherwise to be credited to the Matching Contribution Restoration Account of a Key Associate for a Plan Year an amount necessary to pay any related payroll taxes.

Section 3.6 Account Adjustments.

(a) Account Adjustments for Deemed Investments. The Committee shall

from time to time designate one or more investment vehicle(s) in which the Accounts of Covered Associates shall be deemed to be invested. The investment vehicle(s) may be designated by reference to the investments available under other plans sponsored by a Participating Employer (including the 401(k) Plan). Each Covered Associate shall designate the investment vehicle(s) in which his or her Account shall be deemed to be invested according to the procedures developed by the Personnel Group, except as otherwise required by the terms of the Restoration Plan. No Participating Employer shall be under an obligation to acquire or invest in any of the deemed investment vehicle(s) under this subparagraph, and any acquisition of or investment in a deemed investment vehicle by a Participating Employer shall be made in the name of the Participating Employer and shall remain the sole property of the Participating Employer. Effective July 1, 2000, the designated investment vehicles shall be (and shall remain until such time as changed by the Committee in its sole discretion from time to time according to its procedures for designating investments) the following:

- (i) Nations LifeGoal Income & Growth Portfolio;
- (ii) Nations LifeGoal Balanced Growth Portfolio;
- (iii) Nations LifeGoal Growth Portfolio;
- (iv) Nations LargeCap Index;
- (v) Nations MidCap Index Fund;
- (vi) Nations SmallCap Index Fund;
- (vii) Stable Capital Fund;
- (viii) Nations Bond Fund;
- (ix) Nations Value Fund;
- (x) Nations International Equity Fund;
- (xi) Nations Marsico Focused Equities Fund; and

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- (xii) Bank of America Corporation Common Stock Fund.

The Committee shall also establish from time to time a default Fund into which a Covered Associate's Account shall be deemed to be invested if the Covered Associate fails to provide investment instructions pursuant to this Section 3.6(a). Effective July 1, 2000, such default Fund shall be the Stable Capital Fund.

(b) Periodic Account Adjustments. Each Account shall be adjusted from

time to time at such intervals as determined by the Personnel Group. The Personnel Group may determine the frequency of account adjustments by reference to the frequency of account adjustments under another plan sponsored by a Participating Employer. The amount of the adjustment shall equal the amount that each Covered Associate's Account would have earned (or lost) for the period since the last adjustment had the Account actually been invested in the 401(k) Plan in the deemed investment vehicle(s) designated by the Covered Associate for such period pursuant to Section 3.6(a).

Section 3.7 Account Payments Following Termination of Employment.

(a) Payment Options.

(i) A Covered Associate may make or change a payment option election among any of the payment options described in subparagraph (ii) below, subject to the provisions of subparagraph (iii) below. The election shall not become effective until the later of (A) the date that is twelve (12) months after the date that the election is made (as determined by the Personnel Group in its discretion) or (B) the date the Covered Associate attains age fifty-five (55).

(ii) The payment options from which a Covered Associate may elect are as follows: (A) single cash payment, (B) five (5) annual installments or (C) ten (10) annual installments, as such methods are more fully described below.

(iii) Any election made under this Section 3.7(a) shall be made on such form, at such time and pursuant to such procedures as determined by the Personnel Group in its sole discretion from time to time. A Covered Associate may not have more than two (2) payment elections pending under this Section 3.7(a) at any one time.

(iv) For a Covered Associate who does not yet have an election in effect under this Section 3.7(a) or for a Covered Associate who fails to elect a payment option under this Section 3.7(a), the method of payment shall be the single cash payment.

(b) Single Cash Payments. The following provisions shall apply with

respect to single cash payments under the Restoration Plan:

(i) If a Covered Associate terminates employment with the Participating Employers either (A) before attainment of age fifty-five (55) or (B)

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with a vested Account balance (determined as of the Benefit Determination Date) that is Fifty Thousand Dollars (\$50,000) or less (even if the Covered Associate has elected and is otherwise eligible for installment payments), then the Covered Associate's Account, to the extent vested, shall be determined as of the Benefit Determination Date, and such final vested Account balance shall be paid in a single cash payment to the Covered Associate (or to the Covered Associate's Beneficiary in the case of the Covered Associate's death) as soon as administratively practicable after the Benefit Determination Date.

(ii) If a Covered Associate terminates employment with the Participating Employers after attainment of age fifty-five (55) with a vested Account balance (determined as of the Benefit Determination Date) exceeding Fifty Thousand Dollars (\$50,000) and with a single cash payment election in effect under Section 3.7(a), then such Covered Associate's Account, to the extent vested, shall continue to be credited with adjustments under Section 3.6 through the last day of the Plan Year in which such termination of employment occurs. The final vested Account balance as of the last day of such Plan Year shall be paid in a single cash payment to the Covered Associate (or to the Covered Associate's Beneficiary in the case of the Covered Associate's death) within ninety (90) days following the end of such Plan Year. Notwithstanding the foregoing, if the applicable Benefit Determination Date occurs in the Plan Year after the Plan Year in which termination of employment occurs, then the single cash payment shall be in the amount of the Account Balance determined as of the Benefit Determination Date and shall be payable as soon as administratively practicable after the Benefit Determination Date.

(c) Annual Installments. If a Covered Associate terminates employment

with the Participating Employers after attainment of age fifty-five (55) with a
vested Account balance (determined as of the Benefit Determination Date)
exceeding Fifty Thousand Dollars (\$50,000) and with an installment payment
election in effect under Section 3.7(a), then the amount of the annual
installments shall be calculated and paid pursuant to the following provisions:

(i) Timing of Payments. The first installment shall be paid

within ninety (90) days following the end of the Plan Year in which the
Covered Associate's employment with the Participating Employers
terminates; provided, however, that if the applicable Benefit

Determination Date occurs in the Plan Year after the Plan Year in which
termination of employment occurs, then the first installment shall be paid
as soon as administratively practicable after the Benefit Determination
Date. Each subsequent installment shall be paid within ninety (90) days
following the end of each subsequent Plan Year during the selected payment
period.

(ii) Amount of Installments. The amount payable for each

installment shall equal the Account balance as of the end of the
applicable Plan Year divided by the number of remaining installments
(including the installment then payable); provided, however, that if the

applicable Benefit Determination Date occurs in the

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Plan Year after the Plan Year in which termination of employment occurs,
then the amount of the first installment shall be based on the amount of
the Account balance as of such Benefit Determination Date.

(iii) Investment of Account During Payment Period. The Covered

Associate's Account, to the extent vested, shall continue to be credited
with adjustments under Section 3.6 through the end of the Plan Year in
which the Covered Associate's employment with the Participating Employers
terminates (or through the applicable Benefit Determination Date if the
Benefit Determination Date occurs in the Plan Year after the Plan Year in
which termination of employment occurs). If the Covered Associate has
elected to receive payment through five (5) annual installments, then the
Covered Associate shall be permitted to continue to direct the investment
of the Covered Associate's unpaid Account balance in accordance with
Section 3.6 during the payment period (i.e., through the last day of the
fourth Plan Year after the Plan Year in which the Covered Associate's
employment with the Participating Employers terminates). If the Covered
Associate has elected to receive payment through ten (10) annual
installments, then the Covered Associate's unpaid Account balance shall be
deemed invested in the Stable Capital Fund during the payment period
(i.e., through the last day of the ninth Plan Year after the Plan Year in
which the Covered Associate's employment with the Participating Employers
terminates).

(iv) Death of Covered Associate. If a Covered Associate covered

by this Section 3.7(c) dies, then the annual installments (or remaining
annual installments in the case of death after commencement of payment)
shall be paid to the Covered Associate's Beneficiary as and when such
installments would have otherwise been paid to the Covered Associate had
the Covered Associate not died.

(d) Vesting of Matching Accounts. Notwithstanding any provision of the

Restoration Plan to the contrary, if a Covered Associate is not fully (100%)
vested in the amount credited to the Associate's Matching Contribution Account
under the 401(k) Plan at the time of the Associate's termination of employment
with the Participating Employers, then the amount credited to the Covered
Associate's Matching Contribution Restoration Account shall be reduced as of
the applicable Benefit Determination Date to an amount equal to the product of
(i) the amount then credited to said Matching Contribution Restoration Account
multiplied by (ii) the vested percentage applicable to the Associate's Matching
Contribution Account and Pre-1993 Stock/Thrift Plan Matching Contribution
Account under the 401(k) Plan as of the date of such termination of employment.
The amount by which the Associate's Matching Contribution Restoration Account
is reduced by application of the preceding sentence shall be forfeited as of
the applicable Benefit Determination Date.

(e) Other Payment Provisions. Subject to the provisions of Section

3.8, a Covered Associate shall not be paid any portion of the Associate's

Account prior to the Associate's termination of employment with the Participating Employers. Any deferral or payment hereunder shall be subject to applicable payroll and withholding taxes. For purposes of the Restoration Plan, a Covered Associate shall be deemed to have terminated employment with the

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Participating Employers upon eligibility for benefits under the Long-Term Disability Plan in which the Covered Associate participates as in effect from time to time; provided, however, that the Personnel Group may in its discretion

determine that a Covered Associate who is eligible to receive Long-Term Disability Plan benefits has not terminated employment if the Personnel Group concludes that the Covered Associate is likely to return to work. In the event any amount becomes payable under the provisions of the Restoration Plan to a Covered Associate, Beneficiary or other person who is a minor or an incompetent, whether or not declared incompetent by a court, such amount may be paid directly to the minor or incompetent person or to such person's fiduciary (or attorney-in-fact in the case of an incompetent) as the Personnel Group, in its sole discretion, may decide, and the Personnel Group shall not be liable to any person for any such decision or any payment pursuant thereto.

(f) Former DCP and SRP Participants. Notwithstanding any other

provisions in this Restoration Plan to the contrary, the following provisions shall apply to a Covered Associate who was participating in the DCP or SRP as of June 30, 2000:

(i) If the Covered Associate has in effect as of June 30, 2000 an installment payment election (but not including an annuity payment election based on the Covered Associate's life or the joint life of the Covered Associate and his or her Beneficiary) under the DCP or (if no installment payment election is in effect under the DCP) the SRP (a "Prior Plan Installment Election"), then the Covered Associate's vested Account balance shall be payable in the number of installments provided by such Prior Plan Installment Election (even if the Covered Associate has not attained age fifty-five (55) upon termination of employment) unless either (A) the Covered Associate changes such election in accordance with the provisions of Section 3.7(a)(ii) above or this Section 3.7(f) or (B) the Covered Associate's vested Account balance is Fifty Thousand Dollars (\$50,000) or less as of the applicable Benefit Determination Date (in which case the Account shall be payable in a single cash payment in accordance with Section 3.7(b)(i) above).

(ii) Notwithstanding any provision of the Prior Plan Installment Election to the contrary, the timing of the installment payments and the method for determining the amount of each installment payment shall be determined in accordance with the provisions of Section 3.7(c)(i) and (ii) above.

(iii) Notwithstanding any provision of the Prior Plan Installment Election to the contrary, if the Prior Plan Installment Election had been made under the SRP with a payment period of five (5) years or less or under the DCP (regardless of the payment period), then the Account may continue to be invested during the payment period in accordance with the Covered Associate's investment election as provided in Section 3.6 (consistent with the provisions of Section 3.7(c)(iii) applicable to five (5) annual installments). However, if the Prior Plan Installment Election had been made under the SRP with a payment period in excess of five (5) years, then the Account shall be deemed invested in the Stable

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Capital Fund during the payment period (consistent with the provisions of Section 3.7(c)(iii) applicable to ten (10) annual installments).

(iv) If a Covered Associate to which this Section 3.7(f) applies is under age fifty-five (55), then (A) the Covered Associate may at any time elect to change the method of payment to a single cash payment and (B) the Covered Associate may elect on or before August 31, 2000 to change the method of payment to either a single cash payment or five (5) or ten (10) year annual installments. In either case, such election shall not become effective until the date that is twelve (12) months after the date that the election is made (as determined by the Personnel Group in its discretion).

(v) In the case of a former DCP or SRP participant who is not employed by the Participating Employers as of July 1, 2000, payments of DCP and SRP balances shall be made in accordance with the provisions of the DCP and SRP, as applicable, except that any participant-directed investment of DCP accounts shall be made in accordance with the provisions

of Section 3.6 above.

Section 3.8 In-Service Withdrawals.

(a) Withdrawals on Demand. A Covered Associate who is in the active

service of a Participating Employer may elect to receive an unscheduled payment of up to one hundred percent (100%) of his or her vested Account balance at any time; provided, however, that (i) ten percent (10%) of the amount requested

----- shall be forfeited from the Covered Associate's Account and (ii) the Covered Associate shall be ineligible to participate in the Restoration Plan for the remainder of the Plan Year in which the withdrawal is made and one (1) Plan Year thereafter.

(b) Withdrawals on Account of an Unforeseeable Emergency. A Covered

Associate who is in active service of a Participating Employer may, in the Committee's sole discretion, receive a refund of all or any part of the amounts previously credited to the Covered Associate's Accounts (to the extent vested) in the case of an "unforeseeable emergency". A Covered Associate requesting a payment pursuant to this Section shall have the burden of proof of establishing, to the Committee's satisfaction, the existence of such "unforeseeable emergency", and the amount of the payment needed to satisfy the same. In that regard, the Covered Associate shall provide the Committee with such financial data and information as the Committee may request. If the Committee determines that a payment should be made to a Covered Associate under this Section such payment shall be made within a reasonable time after the Committee's determination of the existence of such "unforeseeable emergency" and the amount of payment so needed. The Committee may in its discretion establish the order in which amounts shall be withdrawn under this Section from a Covered Associate's Accounts. As used herein, the term "unforeseeable emergency" means a severe financial hardship to a Covered Associate resulting from a sudden and unexpected illness or accident of the Covered Associate or of a dependent of the Covered Associate, loss of the Covered Associate's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Covered Associate. The circumstances that shall constitute an "unforeseeable emergency" shall depend upon the facts of each case, but, in any case, payment may not be made to the extent

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that such hardship is or may be relieved (i) through reimbursement or compensation by insurance or otherwise, or (ii) by liquidation of the Covered Associate's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship. Examples of what are not considered to be "unforeseeable emergencies" include the need to send a Covered Associate's child to college or the purchase of a home. Withdrawals of amounts because of an "unforeseeable emergency" shall not exceed an amount reasonably needed to satisfy the emergency need. If any withdrawal is permitted pursuant to this Section during a Plan Year, no further deferral of compensation shall be made during the Plan Year from and after the effective date of the withdrawal.

Section 3.9 Other Contributions. The Participating Employers may from

time to time, in their sole and exclusive discretion, elect to credit a Covered Associate's Account with additional amounts not otherwise contemplated by this Article III.

ARTICLE IV
AMENDMENT AND TERMINATION

Section 4.1 Amendment and Termination. The Corporation shall have the

right and power at any time and from time to time to amend the Restoration Plan in whole or in part, on behalf of all Participating Employers, and at any time to terminate the Restoration Plan or any Participating Employer's participation hereunder; provided, however, that no such amendment or termination shall reduce the amount actually credited to the Account(s) of any current or former Covered Associate (or beneficiary of a deceased Covered Associate) on the date of such amendment or termination, or further defer the due dates for the payment of such amounts, without the consent of the affected person. In connection with any termination of the Restoration Plan the Corporation shall have the authority to cause the Accounts of all current and former Covered Associates (and beneficiary of any deceased Covered Associates) to be paid in a single sum payment as of a date determined by the Corporation or to otherwise accelerate the payment of all Accounts in such manner as the Corporation shall determine in its discretion.

ARTICLE V
MISCELLANEOUS PROVISIONS

Section 5.1 Nature of Plan and Rights. The Restoration Plan is

unfunded and intended to constitute an incentive and deferred compensation plan for a select group of officers and key management employees of the Participating Employers. If necessary to preserve the above intended plan status, the Committee, in its sole discretion, reserves the right to limit or reduce the number of actual participants and otherwise to take any remedial or curative action that the Committee deems necessary or advisable. The Accounts established and maintained under the Restoration Plan by a Participating Employer are for accounting purposes only and shall not be deemed or construed to create a trust fund of any kind or to grant a property interest of any kind to any Associate, designated beneficiary or estate. The amounts credited by a Participating Employer to such Accounts are and for all purposes shall continue to be a part of the general assets of such Participating Employer, and to the extent that an Associate, beneficiary or estate acquires a right to receive payments from such Participating Employer pursuant to the

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Restoration Plan, such right shall be no greater than the right of any unsecured general creditor of such Participating Employer.

Section 5.2 Termination of Employment. For the purposes of the

Restoration Plan, an Associate's employment with a Participating Employer shall not be considered to have terminated so long as the Associate is in the employ of any Participating Employer, other member of the Controlled Group or any other entity as the Personnel Group may designate.

Section 5.3 Spendthrift Provision. No Account balance or other right

or interest under the Restoration Plan of an Associate, beneficiary or estate may be assigned, transferred or alienated, in whole or in part, either directly or by operation of law, and no such balance, right or interest shall be liable for or subject to any debt, obligation or liability of the Associate, designated beneficiary or estate. Notwithstanding the foregoing, the Participating Employers shall have the right to offset from a Covered Associate's unpaid benefits under the Restoration Plan any amounts due and owing from the Covered Associate to the extent permitted by law.

Section 5.4 Employment Noncontractual. The establishment of the

Restoration Plan shall not enlarge or otherwise affect the terms of any Associate's employment with his Participating Employer, and such Participating Employer may terminate the employment of the Associate as freely and with the same effect as if the Restoration Plan had not been established.

Section 5.5 Adoption by Other Participating Employers. The Restoration

Plan may be adopted by any Participating Employer participating under the 401(k) Plan, such adoption to be effective as of the date specified by such Participating Employer at the time of adoption.

Section 5.6 Applicable Law. The Restoration Plan shall be governed and

construed in accordance with the laws of the State of North Carolina, except to the extent such laws are preempted by the laws of the United States of America.

Section 5.7 Merged Plans. From time to time the Participating

Employers may cause other nonqualified plans to be merged into the Restoration Plan. Schedule 5.7 attached hereto sets forth the names of the plans that merged into the Restoration Plan by July 1, 2000 and their respective merger dates. Schedule 5.7 shall be updated from time to time to reflect mergers after July 1, 2000.

Upon such a merger, the account balance(s) immediately prior to the date of merger of each participant in the merged plan shall be transferred and credited as of the merger date to one or more accounts established under the Restoration Plan for such participant. From and after the merger date, the participant's rights shall be determined under the Restoration Plan, and the participant shall be subject to all of the restrictions, limitations and other terms and provisions of the Restoration Plan. Not in limitation of the foregoing, each Restoration Plan Account established for the participant as a result of the merger shall be periodically adjusted when and as provided in Section 3.6 hereof as in effect from time to time and shall be paid at such time and in such manner as provided in Section 3.7 and Section 3.8 hereof, except to the extent otherwise provided on Schedule 5.7. The Personnel Group shall, in its discretion, establish any procedures it deems necessary or advisable in order to administer any such plan mergers, including without

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limitation procedures for transitioning from the method of account adjustments

under the prior plan to the methods provided for under the Restoration Plan.

Section 5.8 Status Under the Act. The Restoration Plan is maintained

for purposes of providing deferred compensation for a select group of management or highly compensated employees. In addition, to the extent that the Restoration Plan makes up benefits limited under the 401(k) Plan as a result of Section 415 of the Code, the Restoration Plan shall be considered an "excess benefit plan" within the meaning of the Act.

Section 5.9 Claims Procedure. Any claim for benefits under the

Restoration Plan by a Covered Associate or Beneficiary shall be made in accordance with the claims procedures set forth in the 401(k) Plan.

IN WITNESS WHEREOF, this instrument has been executed by the Corporation as of the day and year first above written.

BANK OF AMERICA CORPORATION

By: /s/ J. Steele Alphin

Title: Corporate Personnel Executive

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SCHEDULE 5.7

MERGED PLANS AS OF JULY 1, 2000

Plan Name - -----	Date of Merger -----
C&S Policy Committee Supplemental Savings Plan	December 31, 1992
C&S Key Executive Supplemental Savings Plan	December 31, 1992
C&S/Sovran Supplemental Retirement Plan for Former Sovran Executives (Thrift Restoration Benefits)	December 31, 1992
First & Merchants Corporation Deferred Management Incentive Compensation Plan	March 31, 1993
Sovran Deferred Compensation Plan	March 31, 1993
NationsBank of Texas, N.A. Profit Sharing Restoration Plan	March 31, 1993
Thrift Plan Reserve Account Maintained Under the NationsBank Corporation and Designated Subsidiaries Supplemental Executive Retirement Plan	March 31, 1993
Bank South Executive Bonus Deferral Plan	July 1, 1996
Boatmen's Bancshares, Inc. Executive Deferred Compensation Plan	December 31, 1997
Fourth Financial Corporation Executive Deferred Compensation Plan	December 31, 1997
NationsBank Corporation Key Employee Deferral Plan	April 1, 1998
Deferred compensation components of the NationsBank Corporation Executive Incentive Compensation Plan	April 1, 1998
Management Excess Savings Plan of Barnett Banks, Inc. and its Affiliates	December 31, 1998
BankAmerica Deferred Compensation Plan	June 30, 2000
BankAmerica Supplemental Retirement Plan	June 30, 2000

BANK OF AMERICA CORPORATION DIRECTORS' STOCK PLAN
(as amended and restated effective January 1, 2002)

1. PURPOSE:

The purpose of the Plan is to enable the Corporation to attract and retain persons of exceptional ability to serve as directors and to further align the interests of directors and stockholders in enhancing the value of the Common Stock. The Plan was originally established effective April 24, 1996 and approved by the Corporation's stockholders to provide for (i) the payment of shares of Common Stock to certain of the directors in connection with the partial termination of the NationsBank Corporation and Designated Subsidiaries Directors' Retirement Plan and (ii) the payment in Common Stock of a portion of the Annual Retainer Fee payable to each Nonemployee Director. The Plan is being amended and restated hereby effective as of January 1, 2002 to add provisions regarding the annual award of Stock Options to Nonemployee Directors and to otherwise meet current needs. The Plan shall continue in effect unless and until terminated by the Board in accordance with Section 10 below.

2. DEFINITIONS:

For purposes of the Plan, the following terms shall have the following meanings:

"Annual Retainer Fee" means the annual retainer fee payable to a

Nonemployee Director under the Corporation's compensation policies for directors in effect from time to time.

"Board" means the Board of Directors of the Corporation.

"Change in Control" means "Change in Control" as defined under the Bank of America Corporation Key Employee Stock Plan, as the same may be amended from time to time.

"Common Stock" means the common stock of the Corporation.

"Corporation" means Bank of America Corporation, a Delaware corporation, and its successors and assigns.

"Deferral Plan" means the Bank of America Corporation Director Deferral Plan, as the same may be amended from time to time.

"Effective Date" means the original effective date of the Plan, April 24, 1996.

"Fair Market Value" of a share of Common Stock on any date means the closing price of a share as reflected in the report of composite trading of New York Stock Exchange listed securities for that day (or, if no shares were publicly traded on that day, the immediately preceding day that shares were so traded) published in The Wall Street Journal [Eastern Edition]

or in any other publication selected by the Board; provided, however, that if the shares of Common Stock are misquoted or omitted by the selected publication(s), the Board shall directly solicit the information from officials of the stock exchanges or from other informed independent market sources. If shares of Common Stock shall not have been publicly traded for more than ten (10) days immediately preceding such date, then the Fair Market Value of a share shall be determined by the Board in such manner as it shall deem appropriate.

"Immediate Family Member" with respect to a Nonemployee Director, means

(a) the Nonemployee Director's spouse and lineal descendants (limited to the Nonemployee Director's children, stepchildren, sons-in-law, daughters-in-law and grandchildren, including adoptive relationships), (b) a trust for the benefit of such family members or (c) a partnership, limited liability company or similar entity in which such family members are the sole owners.

"Nonemployee Director" means an individual who is a member of the Board, but who is not an employee of the Corporation or any of its subsidiaries.

"Payment Date" of an Annual Retainer Fee for a calendar year means the

date of the annual meeting of the stockholders of the Corporation during such
calendar year.

"Plan" means the Bank of America Corporation Directors' Stock Plan as

set forth herein, as the same may be amended from time to time.

"Stock Option" means an option to purchase shares of Common Stock

granted to a Nonemployee Director under Section 6 herein.

3. ADMINISTRATION:

The Board shall be responsible for administering the Plan. The Board shall have all of the powers necessary to enable it to properly carry out its duties under the Plan. Not in limitation of the foregoing, the Board shall have the power to construe and interpret the Plan and to determine all questions that shall arise thereunder. The Board shall have such other and further specified duties, powers, authority and discretion as are elsewhere in the Plan either expressly or by necessary implication conferred upon it. The Board may appoint such agents as it may deem necessary for the effective performance of its duties, and may delegate to such agents such powers and duties as the Board may deem expedient or appropriate that are not inconsistent with the intent of the Plan. The decision of the Board upon all matters within its scope of authority shall be final and conclusive on all persons, except to the extent otherwise provided by law.

4. SHARES AVAILABLE:

The maximum number of shares of Common Stock that may delivered under the Plan shall equal 600,000 (after giving effect to the two-for-one stock split of the shares effective February 27, 1997). Such shares shall be subject to adjustment or substitution pursuant to Section 7 herein. If any Stock Option awarded hereunder is canceled, lapses or is forfeited in accordance with the provisions of Section 6 herein, then any shares of Common Stock with respect to such Stock Option shall again be available for delivery under the Plan. In addition, if

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the exercise price of any Stock Option is satisfied by tendering previously owned shares of Common Stock pursuant to Section 6 herein, only the net of the number of shares to be delivered as a result of the exercise of the Stock Option and of those shares tendered will be deemed delivered for purposes of determining the maximum number of shares available for delivery under the Plan. Shares delivered under the Plan may be original issue shares, treasury stock or shares purchased in the open market or otherwise, all as determined by the Chief Financial Officer of the Corporation (or the Chief Financial Officer's designee) from time to time.

5. SHARES FOR ANNUAL RETAINER FEE:

Any Annual Retainer Fee payable to a Nonemployee Director on or after the Effective Date shall be payable sixty percent (60%) in cash and forty percent (40%) in shares of Common Stock. The total number of shares of Common Stock to be issued under this Section to a Nonemployee Director with respect to an Annual Retainer Fee shall be determined by dividing the amount of such Annual Retainer Fee payable in shares of Common Stock by the Fair Market Value of the Common Stock on the applicable Payment Date. In no event shall the Corporation be obligated to issue fractional shares under this Section, but instead shall pay any such fractional share in cash based on the Fair Market Value of the Common Stock on the Payment Date. Certificates for the shares of Common Stock payable under this Section shall be delivered as soon as practicable after the relevant Payment Date; provided, however, that if a Nonemployee Director has

elected to defer an Annual Retainer Fee pursuant to the Deferral Plan, the shares of Common Stock otherwise issuable under this Plan in connection with such Annual Retainer Fee shall not be issued and such Nonemployee Director shall be credited with "Stock Units" to be paid in cash when and as provided for under the Deferral Plan.

6. ANNUAL STOCK OPTION AWARDS:

(a) Awards at Annual Stockholders Meeting. Each Nonemployee Director

who serves as a director of the Corporation at the close of each annual stockholders meeting of the Corporation that occurs after January 1, 2002 shall be awarded a Stock Option effective as of the date of such annual stockholders meeting subject to the following terms and conditions:

(i) The Stock Option shall be a "nonqualified stock option" under the

Internal Revenue Code.

- (ii) The number of shares of Common Stock covered by the Stock Option shall be four thousand (4,000) (subject to adjustment or substitution pursuant to Section 7 herein).
- (iii) The exercise price per share for the Stock Option shall equal the Fair Market Value of a share of Common Stock as of the date of the applicable stockholders meeting (subject to adjustment pursuant to Section 7 herein).
- (iv) The Stock Option shall have a term of ten (10) years from the date of grant. At the end of such ten (10) year term the Stock Option, to the extent not previously exercised, shall expire and be canceled.

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- (v) Except as otherwise provided in this subparagraph, the Stock Option shall not become vested and exercisable until the first anniversary of the grant date. If the Nonemployee Director ceases to serve as a Nonemployee Director before the first anniversary of the grant date due to the Nonemployee Director's death, or if there is a Change in Control prior to the first anniversary of the grant date, then the Stock Option shall become fully vested as of the date of such death or Change in Control, as applicable. If the Nonemployee Director ceases to serve as a Nonemployee Director at any time for any reason other than death before the earlier of the first anniversary of the grant date or a Change in Control, then the Stock Option shall become vested pro rata (based on the number of days between the grant date and the date of cessation of services divided by 365 days), and to the extent the Stock Option is not thereby vested it shall be forfeited and canceled as of the date of such cessation of services.
- (vi) The Stock Option, to the extent vested, shall remain exercisable until the end of the Stock Option term set forth in subparagraph (iv) above regardless of any cessation of services by the Nonemployee Director after vesting.
- (vii) The Stock Option shall be exercised by the delivery of a written notice of exercise to the Corporation, setting forth the number of shares with respect to which the Stock Option is to be exercised, accompanied by full payment for the shares. The exercise price due upon exercise of the Stock Option shall be payable to the Corporation in full either: (A) in cash or its equivalent, or (B) by tendering previously acquired shares of Common Stock having an aggregate Fair Market Value at the time of exercise equal to the total exercise price (provided that the shares which are tendered must have been held by the Nonemployee Director for at least six (6) months prior to their tender to satisfy the exercise price unless such shares had been acquired by the Nonemployee Director on the open market), or (C) by a combination of (A) and (B). As soon as practicable after receipt of a written notification of exercise and full payment, the Corporation shall deliver the shares of Common Stock to the Nonemployee Director in an appropriate amount based upon the number of shares purchased under the Stock Option. Notwithstanding the foregoing, the Nonemployee Director may also exercise the Stock Option pursuant to any other method of exercise generally available to participants under the Bank of America Corporation Key Employee Stock Plan to the extent made available under this Plan, including without limitation cashless exercises as permitted under Federal Reserve Board's Regulation T, subject to applicable securities law restrictions.
- (viii) Except as otherwise provided by subparagraph (ix) below, the Stock Option may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution, and the Stock Option shall be exercisable during his or her lifetime only by the Nonemployee Director.

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- (ix) Notwithstanding any provision herein to the contrary, the Nonemployee Director may transfer any vested Stock Options to Immediate Family Members pursuant to an irrevocable election by the Nonemployee Director provided that (A) the Stock Option will remain subject to all of the terms and conditions of the Plan, (B) the Stock Option may not be further assigned or transferred by the Immediate Family Member other than in connection with the Immediate Family Member's death and (C)

the Nonemployee Director and the Immediate Family Member may be required to sign such certificates or affidavits and must comply with such other rules and procedures as may be required by the Corporation consistent with any nonqualified stock option transfer program as in effect from time to time under the Bank of America Corporation Key Employee Stock Plan.

- (x) To the extent that the Stock Option is exercisable following the Nonemployee Director's death, the Stock Option shall be exercisable by such person empowered to do so under the Nonemployee Director's will, or if the Nonemployee Director fails to make a testamentary disposition of the Stock Option or shall have died intestate, by the Nonemployee Director's executor or other legal representative.
- (xi) The Nonemployee Director shall have no rights as a stockholder of the Corporation with respect to the shares covered by the Stock Option except to the extent that shares are issued to the Nonemployee Director upon the due exercise of the Stock Option.
- (b) Mid-Year Awards. Effective after the April 2002 annual

stockholders meeting, a Nonemployee Director who first commences services as a Nonemployee Director other than at an annual stockholders meeting shall be awarded a Stock Option in connection with such commencement of services on the same terms and conditions as set forth in paragraph (a) above except as follows:

- (i) The grant date for the Stock Option shall be the first day of the calendar month coincident with or next following the date of such commencement of services as a Nonemployee Director;
- (ii) The exercise price per share for the Stock Option shall equal the Fair Market Value of a share of Common Stock on the grant date (subject to adjustment pursuant to Section 7 herein); and
- (iii) The number of shares of Common Stock covered by the Stock Option shall be proportionately reduced based on the period from the date of commencement of services as a Nonemployee Director to the date of the next annual stockholders meeting.

7. ADJUSTMENTS IN AUTHORIZED SHARES:

In the event of any change in corporate capitalization, such as a stock split, or a corporate transaction, such as any merger, consolidation, separation, including a spin-off, or other distribution of stock or property of the Corporation, any reorganization (whether or not such

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reorganization comes within the definition of such term in Internal Revenue Code Section 368) or any partial or complete liquidation of the Corporation, such adjustment shall be made in the number and class of shares of Common Stock which may be delivered under the Plan and in the number and class of, and exercise price for, shares of Common Stock subject to outstanding Stock Options, as may be determined to be appropriate and equitable by the Board, in its sole discretion, to prevent dilution or enlargement of rights; provided,

however, that the number of shares of Common Stock subject to any Stock Option
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shall always be a whole number.

8. REALES OF SHARES:

The Corporation may impose such restrictions on the sale or other disposition of shares issued under this Plan as the Board deems necessary to comply with applicable securities laws. Certificates for shares issued under this Plan may bear such legends as the Corporation deems necessary to give notice of such restrictions.

9. COMPLIANCE WITH LAW AND OTHER CONDITIONS:

No shares shall be issued under this Plan prior to compliance by the Corporation, to the satisfaction of its counsel, with any applicable laws. The Corporation shall not be obligated to (but may in its discretion) take any action under applicable federal or state securities laws (including registration or qualification of the Plan or the Common Stock) necessary for compliance therewith in order to permit the issuance of shares hereunder, except for actions (other than registration or qualification) that may be taken by the Corporation without unreasonable effort or expense and without the incurrence of any material exposure to liability.

10. AMENDMENT, MODIFICATION AND TERMINATION OF THE PLAN:

The Board shall have the right and power at any time and from time to time to amend the Plan in whole or in part and at any time to terminate the Plan; provided, however, that an amendment to the Plan may be conditioned on the

approval of the stockholders of the Corporation if and to the extent the Board determines that stockholder approval is necessary or appropriate. The Board shall not have the authority to cancel outstanding Stock Options and issue substitute Stock Options in replacement thereof. No termination, amendment, or modification of the Plan shall adversely affect in any material way any Stock Option previously granted under the Plan, without the written consent of the Nonemployee Director holding such Stock Option.

11. MISCELLANEOUS:

The Plan shall be construed, administered, regulated and governed in all respects under and by the laws of the United States to the extent applicable, and to the extent such laws are not applicable, by the laws of the state of Delaware. The Plan shall be binding on the Corporation and any successor in interest of the Corporation.

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT (the "Amendment") is made and entered into by and between BANK OF AMERICA CORPORATION, a Delaware corporation (the "Corporation"), and BANK OF AMERICA, N.A. (formerly "NationsBank, N.A."), as Trustee under that certain Irrevocable Trust Agreement established by Hugh L. McColl, Jr., as Grantor, dated October 2, 1998 (the "Owner").

Statement of Purpose

Hugh L. McColl, Jr. (the "Executive") is currently serving as a consultant to the Corporation. The Corporation and the Owner have previously entered into a Split Dollar Life Insurance Agreement (the "Agreement") pursuant to which the parties have insured the lives of the Executive and the Executive's spouse, Jane S. McColl, for the benefit and protection of both the Corporation and the Executive's family under a Variable Survivorship Life Insurance Policy issued by John Hancock Variable Life Insurance Company. The Internal Revenue Service, in Internal Revenue Service Notice 2002-08, has proposed a change in the manner in which split dollar insurance arrangements will be taxed for federal income tax purposes effective as of January 1, 2004. However, split dollar insurance arrangements entered into before January 28, 2002 will be eligible for certain "grandfathered" treatment with respect to such change. The parties desire to amend the Agreement in order to allow the Agreement to qualify under the "grandfathering" provisions of Internal Revenue Service Notice 2002-08 and to preserve the economic benefits which were contemplated to be delivered pursuant to the Agreement at the time the Agreement was originally executed.

NOW, THEREFORE, in consideration of the foregoing statement of purpose the parties hereto agree as follows:

1. The first paragraph of Section 4 of the Agreement is hereby amended to read as follows:

"4. Payment of Premiums. As a convenience to the parties, the

Corporation shall pay all premiums under the Policy to the Insurer as and when such premiums become due. During the six (6) year period following the effective date of the Policy, the Corporation shall pay the full amount of the premiums to the Insurer as set forth on Exhibit 2B attached hereto.

Beginning in the sixteenth (16th) year of the Policy, the Corporation shall pay premiums under the Policy to the Insurer equal to the economic value of the death benefit under the Policy as determined by the Insurer from time to time while the Policy

remains in effect. Within thirty (30) days of each such premium payment by the Corporation during the six (6) year period following the effective date of the Policy and within thirty (30) days of each anniversary of the effective date of the Policy thereafter, the Owner shall pay to the Corporation the economic value of the death benefit under the Policy as determined by the Insurer from time to time while the Policy remains in effect. A schedule of the premiums to be paid by the Owner based on the Insurer's current rates is set forth on Exhibit 2B."

2. The last sentence of Section 10 of the Agreement is hereby amended to read as follows:

"If the Owner does not repay the entire amount of the Corporation's

Interest in the Policy within such sixty (60) day time period, the Corporation may enforce its rights under the Collateral Assignment and, upon exercise of the Corporation's rights under the Collateral Assignment, the Owner shall be liable for any deficiency realized by the Corporation."

3. Exhibit 2A attached to the Agreement is hereby deleted in its

entirety and replaced by Exhibit 2B attached hereto and all references in the

Agreement to "Exhibit 2" or "Exhibit 2A" shall hereby refer to Exhibit 2B.

4. Except as expressly or by necessary implication amended hereby,
the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on January
24, 2002.

BANK OF AMERICA CORPORATION

BANK OF AMERICA, N.A.

By: /s/ J. Steele Alphin

Trustee under the Irrevocable Trust

J. Steele Alphin
Corporate Personnel Executive

Agreement dated October 2, 1998

By: /s/ John T. McElroy

"Corporation"

Name: John T. McElroy

Title: Assistant Vice President

"Owner"

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT (the "Amendment") is made and entered into by and between BANK OF AMERICA CORPORATION, a Delaware corporation (the "Corporation"), and BANK OF AMERICA, N.A. (formerly "NationsBank, N.A."), as Trustee under that certain Irrevocable Trust Agreement No. 2 established by James H. Hance, Jr., as Grantor, dated October 1, 1988 (the "Owner").

Statement of Purpose

James H. Hance, Jr. (the "Executive") is employed by the Corporation as its Chief Financial Officer. The Corporation and the Owner have previously entered into a Split Dollar Life Insurance Agreement (the "Agreement") pursuant to which the parties have insured the lives of the Executive and the Executive's spouse, Beverly S. Hance, for the benefit and protection of both the Corporation and the Executive's family under a Last Survivor Flexible Premium Variable Life Insurance Policy issued by Pacific Life Insurance Co. The Internal Revenue Service, in Internal Revenue Service Notice 2002-08, has proposed a change in the manner in which split dollar insurance arrangements will be taxed for federal income tax purposes effective as of January 1, 2004. However, split dollar insurance arrangements entered into before January 28, 2002 will be eligible for certain "grandfathered" treatment with respect to such change. The parties desire to amend the Agreement in order to allow the Agreement to qualify under the "grandfathering" provisions of Internal Revenue Service Notice 2002-08 and to preserve the economic benefits which were contemplated to be delivered pursuant to the Agreement at the time the Agreement was originally executed.

NOW, THEREFORE, in consideration of the foregoing statement of purpose the parties hereto agree as follows:

1. The first paragraph of Section 4 of the Agreement is hereby amended to read as follows:

"4. Payment of Premiums. As a convenience to the parties, the

Corporation shall pay all premiums under the Policy to the Insurer as and when such premiums become due. During the five (5) year period following the effective date of the Policy, the Corporation shall pay the full amount of the premiums to the Insurer as set forth on Exhibit 2A attached

hereto. Beginning in

the sixteenth (16th) year of the Policy, the Corporation shall pay premiums under the Policy to the Insurer equal to the economic value of the death benefit under the Policy as determined by the Insurer from time to time while the Policy remains in effect. Within thirty (30) days of each such premium payment by the Corporation during the five (5) year period following the effective date of the Policy and within thirty (30) days of each anniversary of the effective date of the Policy thereafter, the Owner shall pay to the Corporation the economic value of the death benefit under the Policy as determined by the Insurer from time to time while the Policy remains in effect. A schedule of the premiums to be paid by the Owner based on the Insurer's current rates is set forth on Exhibit

2A."

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2. The last sentence of Section 10 of the Agreement is hereby amended to read as follows:

"If the Owner does not repay the entire amount of the Corporation's Interest in the Policy within such sixty (60) day time period, the Corporation may enforce its rights under the Collateral Assignment and, upon exercise of the Corporation's rights under the Collateral Assignment, the Owner shall be liable for any deficiency realized by the Corporation."

3. Exhibit 2 attached to the Agreement is hereby deleted in its

entirety and replaced by Exhibit 2A attached hereto and all references in the

Agreement to "Exhibit 2" shall hereby refer to Exhibit 2A.

4. Except as expressly or by necessary implication amended hereby, the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on January 24, 2002.

BANK OF AMERICA CORPORATION

By: /s/J. Steele Alphin

J. Steele Alphin
Corporate Personnel Executive

"Corporation"

BANK OF AMERICA, N.A.

Trustee under the Irrevocable Trust

Agreement No. 2 dated October 1, 1998

By: /s/ John T. McElroy

Name: John T. McElroy

Title: Assistant Vice President

"Owner"

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT (the "Amendment") is made and entered into by and between BANK OF AMERICA CORPORATION, a Delaware corporation (the "Corporation"), and BANK OF AMERICA, N.A., as successor Trustee under that certain Irrevocable Trust Agreement established by Kenneth D. Lewis, as Grantor, dated June 23, 1998 (the "Owner").

Statement of Purpose

Kenneth D. Lewis (the "Executive") is employed by the Corporation as its Chief Executive Officer. The Corporation and the Owner have previously entered into a Split Dollar Life Insurance Agreement (the "Agreement") pursuant to which the parties have insured the lives of the Executive and the Executive's spouse, Donna C. Lewis, for the benefit and protection of both the Corporation and the Executive's family under a Variable Survivorship Life Insurance Policy issued by John Hancock Variable Life Insurance Company. The Internal Revenue Service, in Internal Revenue Service Notice 2002-08, has proposed a change in the manner in which split dollar insurance arrangements will be taxed for federal income tax purposes effective as of January 1, 2004. However, split dollar insurance arrangements entered into before January 28, 2002 will be eligible for certain "grandfathered" treatment with respect to such change. The parties desire to amend the Agreement in order to allow the Agreement to qualify under the "grandfathering" provisions of Internal Revenue Service Notice 2002-08 and to preserve the economic benefits which were contemplated to be delivered pursuant to the Agreement at the time the Agreement was originally executed.

NOW, THEREFORE, in consideration of the foregoing statement of purpose the parties hereto agree as follows:

1. The first paragraph of Section 4 of the Agreement is hereby amended to read as follows:

"4. Payment of Premiums. As a convenience to the parties, the

Corporation shall pay all premiums under the Policy to the Insurer as and when such premiums become due. During the five (5) year period following the effective date of the Policy, the Corporation shall pay the full amount of the premiums to the Insurer as set forth on Exhibit 2B attached

hereto. Beginning in the sixteenth (16th) year of the Policy, the Corporation shall pay premiums under the Policy to the Insurer equal to the economic value of the death benefit under

the Policy as determined by the Insurer from time to time while the Policy remains in effect. Within thirty (30) days of each such premium payment by the Corporation during the five (5) year period following the effective date of the Policy and within thirty (30) days of each anniversary of the effective date of the Policy thereafter, the Owner shall pay to the Corporation the economic value of the death benefit under the Policy as determined by the Insurer from time to time while the Policy remains in effect. A schedule of the premiums to be paid by the Owner based on the Insurer's current rates is set forth on Exhibit 2B."

2. The last sentence of Section 10 of the Agreement is hereby amended to read as follows:

"If the Owner does not repay the entire amount of the Corporation's Interest in the Policy within such sixty (60) day time period, the Corporation may enforce its rights under the Collateral Assignment and, upon exercise of the Corporation's rights under the Collateral Assignment, the Owner shall be liable for any deficiency realized by the Corporation."

3. Exhibit 2A attached to the Agreement is hereby deleted in its

entirety and replaced by Exhibit 2B attached hereto and all references in the

Agreement to "Exhibit 2" or "Exhibit 2A" shall hereby refer to Exhibit 2B.

4. Except as expressly or by necessary implication amended hereby, the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on January 24, 2002.

BANK OF AMERICA CORPORATION

By: /s/ J. Steele Alphin

J. Steele Alphin
Corporate Personnel Executive

"Corporation"

BANK OF AMERICA, N.A.

Trustee under the Irrevocable Trust
Agreement dated June 23, 1998

By: /s/ John T. McElroy

Name: John T. McElroy

Title: Assistant Vice President

"Owner"

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT (the "Amendment") is made and entered into by and between BANK OF AMERICA CORPORATION, a Delaware corporation (the "Corporation"), and BANK OF AMERICA, N.A., as Trustee under The Vandiver Family Trust dated August 12, 1999 (the "Owner").

Statement of Purpose

F. William Vandiver, Jr. (the "Executive") is employed by the Corporation as its Corporate Risk Management Executive. The Corporation and the Owner have previously entered into a Split Dollar Life Insurance Agreement (the "Agreement") pursuant to which the parties have insured the lives of the Executive and the Executive's spouse, Virginia Rita Eldridge Vandiver, for the benefit and protection of both the Corporation and the Executive's family under a Variable Survivorship Life Insurance Policy issued by John Hancock Variable Life Insurance Company. The Internal Revenue Service, in Internal Revenue Service Notice 2002-08, has proposed a change in the manner in which split dollar insurance arrangements will be taxed for federal income tax purposes effective as of January 1, 2004. However, split dollar insurance arrangements entered into before January 28, 2002 will be eligible for certain "grandfathered" treatment with respect to such change. The parties desire to amend the Agreement in order to allow the Agreement to qualify under the "grandfathering" provisions of Internal Revenue Service Notice 2002-08 and to preserve the economic benefits which were contemplated to be delivered pursuant to the Agreement at the time the Agreement was originally executed.

NOW, THEREFORE, in consideration of the foregoing statement of purpose the parties hereto agree as follows:

1. The first paragraph of Section 4 of the Agreement is hereby amended to read as follows:

"4. Payment of Premiums. As a convenience to the parties,

the Corporation shall pay all premiums under the Policy to the Insurer as and when such premiums become due. During the five (5) year period following the effective date of the Policy, the Corporation shall pay the full amount of the premiums to the Insurer as set forth on Exhibit 2A

attached hereto. Beginning in the sixteenth (16th) year of the Policy, the Corporation shall pay premiums under the Policy to the Insurer equal to the economic value of the death benefit under

the Policy as determined by the Insurer from time to time while the Policy remains in effect. Within thirty (30) days of each such premium payment by the Corporation during the five (5) year period following the effective date of the Policy and within thirty (30) days of each anniversary of the effective date of the Policy thereafter, the Owner shall pay to the Corporation the economic value of the death benefit under the Policy as determined by the Insurer from time to time while the Policy remains in effect. A schedule of the premiums to be paid by the Owner based on the Insurer's current rates is set forth on Exhibit 2A."

2. The last sentence of Section 10 of the Agreement is hereby amended to read as follows:

"If the Owner does not repay the entire amount of the Corporation's Interest in the Policy within such sixty (60) day time period, the Corporation may enforce its rights under the Collateral Assignment and, upon exercise of the Corporation's rights under the Collateral Assignment, the Owner shall be liable for any deficiency realized by the Corporation."

3. Exhibit 2 attached to the Agreement is hereby deleted in its entirety and replaced by Exhibit 2A attached hereto and all references in the Agreement to "Exhibit 2" shall hereby refer to Exhibit 2A.

4. Except as expressly or by necessary implication amended hereby, the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on January 24, 2002.

BANK OF AMERICA CORPORATION

BANK OF AMERICA, N.A.

By: /s/ J. Steele Alphin

J. Steele Alphin
Corporate Personnel Executive

"Corporation"

Trustee under the Irrevocable Trust
dated August 12, 1999

By: /s/ John T. McElroy

Name: John T. McElroy

Title: Assistant Vice President

"Owner"

BANK OF AMERICA CORPORATION
SUMMARY OF CORPORATE MANAGEMENT INCENTIVE PLAN

I. Objective of the Plan

The purposes of this plan is to retain key management of the Corporation and to motivate them to increase shareholders' wealth.

II. Participants

Participants are approved by the Management Compensation Committee. Participants whose employment is terminated (either by Bank of America or the participant) prior to the receipt of payment will not be eligible to receive the award. This rule does not apply in cases related to death, retirement or disability.

III. Determination of the Annual Fund

Funding will be based on a target incentive award and the achievement of goals or objectives as determined at the beginning of the year. Preliminary funding of the pool will be based primarily on the Corporation's achievement of its financial goals such as EPS growth, Revenue growth, SVA.

- . If the Corporation achieves a minimum performance level, the funding level will be adjusted accordingly. If this minimum level of performance is not achieved, a pool will not be funded.
- . Upon achievement of the target performance level, a pool will be funded based on the targeted incentive award for all participants in the plan.
- . The pool funding for achievement above target performance will be determined by the Management Compensation Committee.

The pool as determined above may be adjusted up or down based on the Corporation's financial performance and achievement of goals or objectives as determined by the Management Compensation Committee.

IV. Funding Allocation/Award Determination

Participants will be evaluated on the achievement of specific performance goals. The Management Compensation Committee has the authority to:

- A. Determine the award amount, if any, to eligible participants based on guidelines or rules deemed appropriate.
- B. Allocate among the eligible participants all or any portion of the pool funded.
- C. Reduce or eliminate awards based on a less than acceptable level of performance.

V. Plan Year

The plan year shall be from January 1 to December 31.

April 23, 2001

Mr. Richard M. DeMartini
42 Masterton Road
Bronxville, NY 10708

Dear Rich:

This letter (the "Agreement") confirms the terms and conditions of your employment with Bank of America Corporation (the "Company") for the two-year period (the "Term") beginning on your start date, February 26, 2001 (the "Start Date"), and ending on February 26, 2003. This Agreement is not intended to describe the terms and conditions that would apply to your employment with the Company for periods after February 26, 2003.

- . Your corporate title will be Executive Vice President. You will hold the position of President of the Asset Management Group reporting directly to Mr. Ken Lewis. For purposes of this Agreement, references to the Asset Management Group include the businesses currently denominated as Private Banking, BACAP and BAISI. You will perform your duties hereunder at the Company's offices in the Borough of Manhattan in the City of New York, New York, with such business travel to other locations as may be necessary in connection with the performance of your responsibilities.
- . You will receive a salary of \$41,666.66 per month (\$500,000.00 annualized), less appropriate taxes.
- . You will be eligible for an annual target cash incentive award for each calendar year during the Term of \$5,000,000, payable each February after the applicable year, less appropriate taxes. Your cash incentive awards will be paid under the terms of our Bank of America Equity Incentive Plan 2000 (the "Equity Incentive Plan"), which pays a portion of any annual incentive awards in the form of restricted stock units ("RSUs"). If you terminate for any reason other than cause, these shares will be fully vested.
- . You will receive options to purchase 310,000 shares of the Company's Common Stock ("Common Stock") on March 1, 2001 (the "Grant Date"), one-third of which will vest on each of the first, second and third anniversaries of the Grant Date.
- . Your target stock option award for 2001 performance (to be granted in February 2002) is 210,000 shares. All stock and options awarded to you will provide that you will be treated as a retiree if you terminate employment with the Company (other than for "Cause" as defined below) after having completed at least 5 years of service with the Company.
- . Subject to the terms of this paragraph, the Company will pay you an amount sufficient to compensate you for any reasonable losses incurred by you as a result of the forfeiture of any options or restricted stock units that occur in connection with the termination of your employment with your former employer (such amounts being referred to herein as "Loss Amounts"). You will use reasonable best efforts to limit the Loss Amounts. The loss amounts will be paid to you on the earlier to occur of (1) the end of the Term or (2) the date your employment is terminated by the Company other than for Cause or by you for Good Reason.

OTHER TERMS AND CONDITIONS

- . If your employment is terminated during the Term (i) by the Company without Cause or (ii) by you for "Good Reason" (as defined below), then: (A) you will receive a lump sum payment equal to your base salary for the remainder of the term; (B) your target annual cash incentive award for the year of termination and (C) an amount equal to the difference between the exercise price and the fair market value of any unvested options as of the date of your termination, less appropriate taxes. If your employment is terminated within one year after the term, for the reasons outlined above, you will receive a lump sum payment of the amount described in (C).
- . For purposes of this Agreement, "Cause" shall mean: (I) the commission of an act of fraud or dishonesty in the course of your employment; (ii) conviction of (or a plea of no contest with respect to) a crime constituting a felony; or (iii) conviction of (or a plea of no contest with respect to) a crime involving any act of fraud, dishonesty or moral turpitude materially injurious to the Company or any of its subsidiaries.
- . For purposes of this Agreement, "Good Reason" shall mean (i) any

material breach by the Company of its obligations under this Agreement, which breach is not cured by the Company within ten days after you give the Company written notice of such breach, (ii) any material diminution of your responsibilities or authority as an officer of the Company or as President of the Asset Management Group reporting directly to Mr. Lewis, or any reorganization or restructuring of the Asset Management Group that materially reduces the businesses operating under your authority, or (iii) any requirement that you perform your duties under this Agreement principally in an office located outside of the Borough of Manhattan in the City of New York, New York.

- . This Agreement shall be governed by and construed in accordance with the laws of the State of New York.
- . This Agreement constitute the entire and final expression of the agreement of the parties with respect to the subject matter hereof and supersede all prior agreements, oral and written, between the parties hereto with respect to the subject matter hereof This Agreement may only be modified or amended by an instrument in writing signed by both parties hereto.

If you have any questions or if there is any way I can help you further, please do not hesitate to call. Please indicate your agreement to the foregoing terms by signing and returning the enclosed counterpart of this Agreement, whereupon this Agreement shall be a binding agreement between the company and you.

Sincerely,

BANK OF AMERICA CORPORATION

By: /s/ Charles D. Loring

Charles D. Loring
Personnel Executive
Bank of America

Acknowledged and Agreed:

/s/ Richard M. DeMartini

Richard M. DeMartini

4/24/01

Date

BANK OF AMERICA CORPORATION AND SUBSIDIARIES

RATIO OF EARNINGS TO FIXED CHARGES

<TABLE>

<CAPTION>

December 31				
	2001	2000	1999	1998
(Dollars in millions)				
1997				
<S>	<C>	<C>	<C>	<C>
<C>				
Excluding Interest on Deposits				
Income before income taxes	\$10,117	\$11,788	\$12,215	\$ 8,048
\$10,556				
Less: Equity in undistributed earnings of unconsolidated subsidiaries	(6)	(27)	(167)	162
(49)				
Fixed charges:				
Interest expense (including capitalized interest)	9,117	13,806	10,084	9,479
8,219				
1/3 of net rent expense	379	368	342	335
302				
Total fixed charges	9,496	14,174	10,426	9,814
8,521				
Earnings (excluding capitalized interest)	\$19,607	\$25,935	\$22,474	\$18,024
\$19,028				
Fixed charges	\$ 9,496	\$14,174	\$10,426	\$ 9,814
8,521				
Ratio of earnings to fixed charges	2.06	1.83	2.16	1.84
2.23				

<CAPTION>

December 31				
	2001	2000	1999	1998
(Dollars in millions)				
1997				
<S>	<C>	<C>	<C>	<C>
<C>				
Including Interest on Deposits				
Income before income taxes	\$10,117	\$11,788	\$12,215	\$ 8,048
\$10,556				
Less: Equity in undistributed earnings of unconsolidated subsidiaries	(6)	(27)	(167)	162
(49)				
Fixed charges:				
Interest expense (including capitalized interest)	18,003	24,816	19,086	20,290
18,903				
1/3 of net rent expense	379	368	342	335
302				
Total fixed charges	18,382	25,184	19,428	20,625
19,205				
Earnings (excluding capitalized interest)	\$28,493	\$36,945	\$31,476	\$28,835
\$29,712				

Fixed charges	\$18,382	\$25,184	\$19,428	\$20,625
\$19,205				
Ratio of earnings to fixed charges	1.55	1.47	1.62	1.40
1.55				

=====

</TABLE>

BANK OF AMERICA CORPORATION AND SUBSIDIARIES
 RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED DIVIDENDS

<TABLE>				
<CAPTION>				

	December 31			

(Dollars in millions)	2001	2000	1999	1998
1997				

<S>	<C>	<C>	<C>	<C>
<C>				
Excluding Interest on Deposits				
Income before income taxes	\$10,117	\$11,788	\$12,215	\$ 8,048
\$10,556				
Less: Equity in undistributed earnings of Unconsolidated subsidiaries	(6)	(27)	(167)	162
(49)				
Fixed charges:				
Interest expense (including capitalized interest)	9,117	13,806	10,084	9,479
8,219				
1/3 of net rent expense	379	368	342	335
302				

Total fixed charges	9,496	14,174	10,426	9,814
8,521				

Preferred dividend requirements	7	9	10	40
183				

Earnings (excluding capitalized interest)	\$19,607	\$25,935	\$22,474	\$18,024
\$19,028				

Fixed charges and preferred dividends	\$ 9,503	\$14,183	\$10,436	\$ 9,854
\$8,704				

Ratio of earnings to fixed charges and preferred dividends	2.06	1.83	2.15	1.83
2.19				
=====				
=====				

<CAPTION>

	December 31			

(Dollars in millions)	2001	2000	1999	1998
1997				

<S>	<C>	<C>	<C>	<C>
<C>				
Including Interest on Deposits				
Income before income taxes	\$10,117	\$11,788	\$12,215	\$ 8,048
\$10,556				
Less: Equity in undistributed earnings of unconsolidated subsidiaries	(6)	(27)	(167)	162
(49)				
Fixed charges:				
Interest expense (including capitalized interest)	18,003	24,816	19,086	20,290
18,903				
1/3 of net rent expense	379	368	342	335
302				

Total fixed charges	18,382	25,184	19,428	20,625
19,205				

Preferred dividend requirements	7	9	10	40
183				
- - - - -				

Earnings (excluding capitalized interest)	\$28,493	\$36,945	\$31,476	\$28,835
\$29,712				
- - - - -				

Fixed charges and preferred dividends	\$18,389	\$25,193	\$19,438	\$20,665
\$19,388				
- - - - -				

Ratio of earnings to fixed charges and preferred dividends	1.55	1.47	1.62	1.40
1.53				
=====				
=====				
</TABLE>				

Management's Discussion and Analysis of Results of Operations and Financial Condition

This Annual Report contains certain 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 Bank of America Corporation (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 Annual Report should not rely solely on the forward-looking statements and should consider all uncertainties and risks discussed throughout this report. 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 general 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; retention of residential mortgage loans; and the management of borrower, industry, product and geographic concentrations and the mix of the loan portfolio. The level of nonperforming assets, charge-offs and provision expense can be affected by local, regional and international economic and market conditions, including the 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. 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. The Corporation is also exposed to potential litigation liabilities, including costs, expenses, settlements and judgments, that may adversely affect the Corporation.

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 Currency, the Federal Deposit Insurance Corporation, state regulators and the Office of Thrift Supervision, whose policies and regulations could affect the Corporation's results. Other factors that may cause actual results to differ from the forward-looking statements include the following: projected business increases following process changes and productivity and investment initiatives are lower than expected or do not pay for severance or other related costs as quickly as anticipated; competition with other local, regional and international banks, thrifts, credit unions and other nonbank financial institutions, such as investment banking firms, investment advisory firms, brokerage firms, investment companies and insurance companies, as well as other entities which offer financial services, located both within and outside the United States and through alternative delivery channels such as the Internet; 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.

Overview

The Corporation is a Delaware corporation, a bank holding company and a financial holding company, and is headquartered in Charlotte, North Carolina. The Corporation operates in 21 states and the District of Columbia and has offices located in 34 countries. The Corporation provides a diversified range of banking and certain nonbanking financial services and products both domestically and internationally through four business segments:

Consumer and Commercial Banking, Asset Management, Global Corporate and Investment Banking and Equity Investments. A customer-centered strategic focus is changing the way the Corporation is managing its business. In addition to existing financial reporting, the Corporation has begun preparing customer

segment-based financial operating information. At December 31, 2001, the Corporation had \$622 billion in assets and approximately 143,000 full-time equivalent employees. Refer to Table One and Table Twenty-Five for annual and quarterly selected financial data, respectively.

Key performance highlights for 2001 compared to 2000:

- o Net income totaled \$6.8 billion, or \$4.18 per common share (diluted), compared to \$7.5 billion, or \$4.52 per common share (diluted). The return on average common shareholders' equity was 13.96 percent.
- o Operating earnings, which excluded charges related to the Corporation's strategic decision to exit certain consumer finance businesses in 2001 and related to restructuring in 2000, totaled \$8.0 billion, or \$4.95 per common share (diluted), compared to \$7.9 billion, or \$4.72 per common share (diluted). Excluding exit charges, the return on average common shareholders' equity was 16.53 percent in 2001. Shareholder value added (SVA), excluding exit and restructuring charges, remained essentially unchanged at \$3.1 billion.

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- o Total revenue includes net interest income on a taxable-equivalent basis and noninterest income. Total revenue was \$35.0 billion, an increase of \$1.7 billion.
- o Net interest income increased \$2.0 billion to \$20.6 billion. The increase was primarily due to the effects of changes in interest rates on the Corporation's asset and liability positions and investment portfolio repositioning, an increased trading-related contribution, higher deposit and equity levels and a favorable shift in loan mix. These factors were partially offset by the impact of the money market deposit pricing initiative and a decrease in auto lease financing contributions. Average managed loans and leases were \$378.7 billion, a \$1.2 billion decrease, primarily due to an eight percent decrease in commercial loans and leases, partially offset by an eight percent increase in consumer loans and leases. Average customer-based deposits grew to \$306.9 billion, a \$14.9 billion increase. The net interest yield was 3.68 percent, a 48 basis point increase. The increase in the net interest yield was primarily due to the effect of changes in interest rates and investment portfolio repositioning.
- o Noninterest income was \$14.3 billion, a \$234 million decrease. Consumer and Commercial Banking experienced a \$321 million, or nine percent, increase in service charges driven by higher business volumes. A \$192 million, or nine percent, increase in card income was primarily due to both new account growth in both credit and debit card and increased purchase volume on existing accounts. Revenue in the mortgage banking business increased 48 percent primarily reflecting higher origination activity, increased gains from higher loan sales to the secondary market and the favorable mark-to-market adjustments on certain mortgage banking assets and related derivative instruments, partially offset by increased prepayments on mortgage loans as a result of the declining interest rate environment. Income from investment and brokerage services increased \$45 million in the Asset Management segment largely due to new asset management business and the completed acquisition of Marsico Capital Management LLC (Marsico), partially offset by lower broker activity due to decreased trade volume. The noninterest income component of trading-related revenue within Global Corporate and Investment Banking increased \$77 million, as increased revenues from trading-related activities in interest rate, fixed income and commodities contracts more than offset a decrease in equities and equity derivatives trading. Investment banking income increased \$67 million, as strong growth in fixed income origination was partially offset by weaker demand for syndications, equity underwriting and advisory services. Equity Investments had equity investment gains of \$230 million, reflecting a sharp decline of \$763 million.
- o On August 15, 2001, the Corporation announced that it was exiting its auto leasing and subprime real estate lending businesses. As a result of exiting these consumer finance businesses, the Corporation recorded pre-tax charges of \$1.7 billion (\$1.3 billion after-tax), consisting of provision for credit losses of \$395 million and business exit costs, the noninterest expense component, of \$1.3 billion.
- o Including the exit charge, the provision for credit losses was \$4.3 billion. Excluding the exit charge, the provision for credit losses was \$3.9 billion, an increase of \$1.4 billion from 2000. Excluding exit-related charge-offs of \$635 million, net charge-offs were \$3.6 billion, or 0.99 percent of average loans and leases, an increase of 38 basis points from 2000. This increase in net charge-offs of \$1.2 billion from 2000 was primarily due to credit quality deterioration in the commercial-domestic portfolio and an increase

in bankcard charge-offs. As a matter of corporate practice, we do not discuss specific client relationships; however, due to the publicity and interest surrounding Enron Corporation, the Corporation is making an exception. Net charge-offs in 2001 included \$210 million related to Enron Corporation. Excluding exit-related charges, the Corporation recorded additional provision expense in excess of charge-offs of \$283 million due to deterioration in credit quality and the overall uncertainty in the economy.

- o Nonperforming assets were \$4.9 billion, or 1.49 percent of loans, leases and foreclosed properties at December 31, 2001, a \$549 million decrease from December 31, 2000. The decrease was primarily a result of the transfer of \$1.2 billion of nonperforming subprime real estate loans to loans held for sale as well as nonperforming loan sales, partially offset by increases in the commercial - domestic loan portfolio that resulted from credit deterioration as companies were affected by the weakening economic environment. The allowance for credit losses totaled \$6.9 billion or 2.09 percent of total loans and leases at December 31, 2001, a 35 basis point increase from 1.74 percent of total loans and leases at December 31, 2000.
- o Noninterest expense excluding business exit costs in 2001 and restructuring charges in 2000 was \$19.4 billion, a \$1.3 billion increase, primarily driven by higher personnel, litigation, professional fees, data processing and marketing expenses. Higher personnel expense was driven by a \$150 million severance charge in the fourth quarter of 2001 related to ongoing efficiency improvement programs, higher revenue-related incentive compensation and increased salaries expense. Higher professional fees reflected the increase in initiatives related to the Corporation's strategy to improve customer satisfaction, the launch of a company-wide Six Sigma quality and productivity program and implementation of a new integrated business planning process. The Corporation recorded \$334 million in litigation expense in the fourth quarter of 2001 related to small settlements and an addition to the legal reserve to cover increased exposure to existing litigation. Subsequent to December 31, 2001, the Corporation announced that it had reached an agreement in principle to settle various shareholder lawsuits for payments totaling \$490 million. The proposed settlement will be paid from existing litigation reserves and insurance and will not have an impact on the Corporation's financial results. For additional information on litigation, see Note Twelve of the consolidated financial statements.
- o A tax benefit of \$418 million, generated as a result of the Corporation's realignment of certain problem loan management activities into a wholly-owned subsidiary, Banc of America Strategic Solutions, Inc. (SSI), resulted in a 17 percent effective tax rate for the fourth quarter of 2001. The assets and liabilities of SSI are fully consolidated with those of the Corporation.

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Table 1 Five-Year Summary of Selected Financial Data

<TABLE>

<CAPTION>

(Dollars in millions, except per share information)	2001	2000	1999	1998	1997
<S>	<C>	<C>	<C>	<C>	<C>
As Reported					
Income statement					
Net interest income	\$ 20,290	\$ 18,349	\$ 18,127	\$ 18,298	\$ 18,432
Noninterest income	14,348	14,582	14,179	12,189	11,756
Total revenue	34,638	32,931	32,306	30,487	30,188
Provision for credit losses	4,287	2,535	1,820	2,920	1,904
Gains on sales of securities	475	25	240	1,017	271
Business exit costs	1,305	-	-	-	-
Merger and restructuring charges	-	550	525	1,795	374
Other noninterest expense	19,404	18,083	17,986	18,741	17,625
Income before income taxes	10,117	11,788	12,215	8,048	10,556
Income tax expense	3,325	4,271	4,333	2,883	4,014
Net income	6,792	7,517	7,882	5,165	6,542
--					
Performance ratios					
Return on average assets	1.05%	1.12%	1.28%	0.88%	1.20%
Return on average common shareholders' equity	13.96	15.96	16.93	11.56	15.26
Total equity to total assets (at year end)	7.80	7.42	7.02	7.44	7.81
Total average equity to total average assets	7.49	7.02	7.55	7.67	8.02
Dividend payout ratio	53.44	45.02	40.54	50.18	32.09
--					
Per common share data					
Earnings	\$ 4.26	\$ 4.56	\$ 4.56	\$ 2.97	\$ 3.71
Diluted earnings	4.18	4.52	4.48	2.90	3.61

Cash dividends paid	2.28	2.06	1.85	1.59	1.37
Book value	31.07	29.47	26.44	26.60	25.49

--					
Cash basis financial data/(1)/					
Earnings	\$ 7,670	\$ 8,381	\$ 8,770	\$ 6,067	\$ 7,397
Earnings per common share	4.81	5.09	5.08	3.49	4.20
Diluted earnings per common share	4.72	5.03	4.98	3.41	4.09
Return on average assets	1.18%	1.25%	1.42%	1.04%	1.36%
Return on average common shareholders' equity	15.77	17.80	18.85	13.64	17.55

--					
Operating Basis/(2)/					
Income statement					
Net interest income	\$ 20,290	\$ 18,349	\$ 18,127	\$ 18,298	\$ 18,432
Net interest income (taxable-equivalent basis)	20,633	18,671	18,342	18,461	18,589
Noninterest income	14,348	14,582	14,179	12,189	11,756
Total revenue	34,638	32,931	32,306	30,487	30,188
Total revenue (taxable-equivalent basis)	34,981	33,253	32,521	30,650	30,345
Provision for credit losses	3,892	2,535	1,820	2,920	1,904
Gains on sales of securities	475	25	240	1,017	271
Other noninterest expense	19,404	18,083	17,986	18,741	17,625
Income before income taxes	11,817	12,338	12,740	9,843	10,930
Income tax expense	3,775	4,475	4,500	3,353	4,124
Net income	8,042	7,863	8,240	6,490	6,806
Average diluted common shares issued and outstanding (in thousands)	1,625,654	1,664,929	1,760,058	1,775,760	1,782,172

--					
Performance ratios					
Return on average assets	1.24%	1.17%	1.34%	1.11%	1.25%
Return on average common shareholders' equity	16.53	16.70	17.70	14.54	15.88
Efficiency ratio	55.47	54.38	55.30	61.15	58.08
Net interest yield	3.68	3.20	3.45	3.69	4.00
Dividend payout ratio	45.13	43.04	38.77	39.90	30.83
Shareholder value added	\$ 3,087	\$ 3,081	\$ 3,544	\$ 2,056	\$ 2,603

--					
Per common share data					
Earnings	\$ 5.04	\$ 4.77	\$ 4.77	\$ 3.73	\$ 3.86
Diluted earnings	4.95	4.72	4.68	3.64	3.76

--					
Cash basis financial data/(1)/					
Earnings	\$ 8,920	\$ 8,727	\$ 9,128	\$ 7,392	\$ 7,661
Earnings per common share	5.59	5.30	5.28	4.25	4.36
Diluted earnings per common share	5.49	5.24	5.19	4.15	4.24
Return on average assets	1.37%	1.30%	1.48%	1.26%	1.41%
Return on average common shareholders' equity	18.34	18.54	19.62	16.62	18.18
Efficiency ratio	52.96	51.78	52.57	58.20	55.27

--					
Average balance sheet					
Total loans and leases	\$ 365,447	\$392,622	\$ 362,783	\$ 347,840	\$ 343,151
Total assets	649,547	671,573	616,838	584,487	543,796
Total deposits	362,653	353,294	341,748	345,485	336,883
Long-term debt	64,638	65,338	52,619	45,098	41,984
Trust preferred securities	4,984	4,955	4,955	4,871	4,353
Common shareholders' equity	48,609	47,057	46,527	44,467	42,151
Total shareholders' equity	48,678	47,132	46,601	44,829	43,610

--					
Risk-based capital ratios (at year end)/(3)/					
Tier 1 capital	8.30%	7.50%	7.35%	7.06%	6.50%
Total capital	12.67	11.04	10.88	10.94	10.89
Leverage ratio	6.56	6.12	6.26	6.22	5.57

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Market price per share of common stock					
Closing	\$ 62.95	\$ 45.88	\$ 50.19	\$ 60.13	\$ 60.81
High	65.54	61.00	76.38	88.44	71.69
Low	45.00	36.31	47.63	44.00	48.00

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</TABLE>

/(1)/ Cash basis calculations exclude goodwill and other intangible amortization expense.

/(2)/ Operating basis excludes provision for credit losses of \$395 million and noninterest expense of \$1,305 million related to the exit of certain consumer finance businesses in 2001 and merger and restructuring charges in 2000, 1999, 1998 and 1997.

/(3)/ Ratios for 1997 have not been restated to reflect the impact of the

Summary of Significant Accounting Policies

The Corporation's accounting policies are fundamental to understanding management's discussion and analysis of results of operations and financial condition. Many of the Corporation's accounting policies require significant judgment regarding valuation of assets and liabilities and/or significant interpretation of the specific accounting guidance. The Corporation's significant accounting policies are discussed in detail in Note One of the consolidated financial statements. The following is a summary of the more judgmental and complex accounting policies of the Corporation.

Many of the Corporation's assets and liabilities are recorded using various valuation techniques that require significant judgment as to recoverability. The collectability of loans is reflected through the Corporation's estimate of the allowance for credit losses. The Corporation performs periodic and systematic detailed reviews of its lending portfolio to assess overall collectibility. In addition, certain assets and liabilities are reflected at their estimated fair value in the consolidated financial statements. Such amounts are based on either quoted market prices or estimated values derived by the Corporation utilizing dealer quotes, market comparisons or internally generated modelling techniques. The Corporation's internal models generally involve present value of cash flow techniques. The various valuation techniques are discussed in greater detail elsewhere in management's discussion and analysis and the notes to the consolidated financial statements.

There are other complex accounting standards that require the Corporation to employ significant judgment in interpreting and applying certain of the principles prescribed by those standards. These judgments include, but are not limited to, the determination of whether a financial instrument or other contract meets the definition of a derivative in accordance with Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133), and the applicable hedge deferral criteria, the accounting for the transfer of financial assets and extinguishments of liabilities in accordance with Statement of Financial Accounting Standards No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" (SFAS 140), and the determination of when certain special purpose vehicles should be consolidated in the Corporation's balance sheet and statement of income. For a more complete discussion of these policies, see Notes One, Five and Eight of the consolidated financial statements.

The remainder of management's discussion and analysis of the Corporation's results of operations and financial position should be read in conjunction with the consolidated financial statements and related notes presented on pages 78 through 119.

Business Segment Operations

The Corporation provides a diversified range of banking and nonbanking financial services and products through its various subsidiaries. The Corporation manages its operations through four business segments: Consumer and Commercial Banking, Asset Management, Global Corporate and Investment Banking and Equity Investments. Certain operating segments have been aggregated into a single business segment. In the first quarter of 2001, the thirty-year mortgage portfolio was moved from Consumer and Commercial Banking to the Corporate Other segment. In the third quarter of 2001, certain consumer finance businesses being liquidated were transferred from Consumer and Commercial Banking to Corporate Other. A customer-centered strategic focus is changing the way the Corporation is managing its business. In addition to existing financial reporting, the Corporation has begun preparing customer segment-based financial operating information.

The business segments summarized in Table Two are primarily managed with a focus on various performance measures including total revenue, net income, shareholder value added (SVA), return on average equity and efficiency. Some of these performance measures are also presented on a cash basis which excludes the impact of goodwill and other intangible amortization expense. Total revenue includes net interest income on a taxable-equivalent basis and noninterest income. The net interest income of the business segments reflects the results of a funds transfer pricing process which matches assets and liabilities with similar interest rate sensitivity and maturity characteristics and reflects the allocation of net interest income related to the Corporation's overall asset and liability management activities on a proportionate basis. SVA is a performance measure that is aligned with the Corporation's growth strategy orientation and strengthens the Corporation's focus on generating long-term growth and shareholder value. SVA is defined as cash basis operating earnings less a charge for the use of capital. The capital charge is calculated by multiplying 12 percent (management's estimate of the shareholder's minimum required rate of

return on capital invested) by average total common shareholders' equity (at the Corporation level) and by average allocated equity (at the business segment level). Equity is allocated to each business segment based on an assessment of its inherent risk.

See Note Nineteen of the consolidated financial statements for additional business segment information, reconciliations to consolidated amounts and information on Corporate Other. Additional information on noninterest income can be found in the "Noninterest Income" section beginning on page 46. Certain prior period amounts have been reclassified between segments and their components (presented after Table Two) to conform to the current period presentation.

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<TABLE>

<CAPTION>

Table 2 Business Segment Summary

		For the Year Ended December 31							
		Consumer and Commercial Banking/(1)/		Asset Management/(1)/		Global Corporate and Investment Banking/(1)/		Equity Investments/(1)/	
(Dollars in millions)		2001	2000	2001	2000	2001	2000	2001	2000
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Net interest income/(2)/		\$ 13,364	\$ 12,620	\$ 741	\$ 666	\$ 4,592	\$ 3,725	\$ (151)	\$ (139)
Noninterest income/(3)/		8,008	7,356	1,733	1,801	4,639	4,444	183	1,007
-----		-----	-----	-----	-----	-----	-----	-----	-----
Total revenue		21,372	19,976	2,474	2,467	9,231	8,169	32	868
Provision for credit losses		1,802	1,111	121	47	1,275	751	8	4
Net income		4,842	4,551	521	589	1,879	1,759	(94)	461
Cash basis earnings		5,479	5,200	578	619	2,022	1,897	(84)	472
Shareholder value added		3,165	2,830	312	421	644	336	(363)	241
Net interest yield		5.06%	4.93%	2.91%	2.80%	2.40%	1.97%	n/m	n/m
Return on average equity		25.1	23.0	23.6	35.7	16.4	13.5	(4.0)%	24.0%
Cash basis return on equity		28.4	26.3	26.1	37.5	17.6	14.6	(3.6)	24.6
Efficiency ratio		54.7	56.7	62.2	59.3	55.9	59.1	n/m	12.9
Cash basis efficiency ratio		51.7	53.5	59.9	58.0	54.3	57.4	n/m	11.7
Average:									
Total loans and leases		\$ 181,900	\$ 173,870	\$ 24,381	\$ 22,729	\$ 80,739	\$ 94,391	\$ 476	\$ 436
Total deposits		266,049	256,805	11,897	11,338	66,983	68,364	13	14
Total assets		290,388	282,014	26,767	24,724	230,755	227,417	6,509	5,453
Year end:									
Total loans and leases		\$ 185,429	\$ 179,014	\$ 24,692	\$ 24,273	\$ 66,556	\$ 93,510	\$ 433	\$ 497
Total deposits		280,965	264,196	12,208	12,337	66,532	68,138	-	35
Total assets		304,874	287,013	26,810	27,140	194,146	206,820	6,230	6,691
-----		-----	-----	-----	-----	-----	-----	-----	-----

</TABLE>

n/m = not meaningful

/(1)/ There were no material intersegment revenues among the segments.

/(2)/ Net interest income is presented on a taxable-equivalent basis.

/(3)/ Noninterest income included the \$83 million SFAS 133 transition adjustment net loss which was included in trading account profits in 2001. The components of the transition adjustment by segment were a gain of \$4 million for Consumer and Commercial Banking, a gain of \$19 million for Global Corporate and Investment Banking and a loss of \$106 million for Corporate Other (not included in the table above).

Consumer and Commercial Banking

Consumer and Commercial Banking provides a wide array of products and services to individuals, small businesses and middle market companies through multiple delivery channels.

The results for 2001 reflect the Corporation's continued focus on card services as a growth area. End of period managed consumer card outstandings increased 19 percent from 2000, primarily driven by the leveraging of the Corporation's franchise to open new accounts with existing customers, the results of card marketing programs and efforts aimed at increasing customer satisfaction. In 2001, merchant processing volume increased 12 percent, and total card services purchase volume increased 12 percent, primarily driven by an 18 percent increase in debit card purchase volume. The increase in debit card purchase volume was a result of increased customer penetration and activation rates, partially offset by a drop in purchase volume growth rates following the events of September 11, 2001.

In the second quarter of 2001, the Corporation's commercial real estate banking business was moved from Global Corporate and Investment Banking to Consumer and Commercial Banking. The credit and client management process and

customer base of the business are better aligned with those of Consumer and Commercial Banking.

Consumer and Commercial Banking

(Dollars in millions)	2001	2000
	-----	-----
Net interest income	\$ 13,364	\$ 12,620
Noninterest income	8,008	7,356
- - - - -	-----	-----
Total revenue	21,372	19,976
Provision for credit losses	1,802	1,111
Cash basis earnings	5,479	5,200
Shareholder value added	3,165	2,830
Cash basis efficiency ratio	51.7%	53.5%
- - - - -	-----	-----

- o Total revenue increased \$1.4 billion, or seven percent, in 2001 compared to 2000.
- o Net interest income increased \$744 million, or six percent, due to a favorable shift in loan mix, overall loan and deposit growth and the Corporation's overall asset and liability management. This increase was partially offset by the impact of the money market deposit pricing initiative as the Corporation offered more competitive money market savings rates.
- o Noninterest income increased \$652 million, or nine percent, driven by nine percent increases in card income and service charges and strong mortgage banking revenue.

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- o Cash basis earnings in 2001 rose \$279 million, or five percent, due to the increases in net interest income and noninterest income discussed above, partially offset by an increase in the provision for credit losses and a three percent increase in noninterest expense.
 - o The provision for credit losses increased \$691 million, or 62 percent, reflecting higher charge-offs in the commercial and bankcard loan portfolios.
- o Shareholder value added increased \$335 million over the prior year as a result of the increase in cash basis earnings and lower capital as a result of reductions in commercial loan levels.

The major components of Consumer and Commercial Banking are Banking Regions, Consumer Products and Commercial Banking.

Banking Regions

Banking Regions serves consumer households in 21 states and the District of Columbia and overseas through its network of 4,251 banking centers, 13,113 ATMs, telephone and Internet channels on www.bankofamerica.com. Banking Regions provides a wide array of products and services, including deposit products such as checking, money market savings accounts, time deposits and IRAs, debit card products and credit products such as home equity, mortgage and personal auto loans. Banking Regions also includes small business banking providing treasury management, credit services, community investment, check card, e-commerce and brokerage services to nearly two million small business relationships across the franchise.

Banking Regions (Dollars in millions)	2001	2000
	-----	-----
Net interest income	\$ 8,561	\$ 8,587
Noninterest income	3,866	3,547
- - - - -	-----	-----
Total revenue	12,427	12,134
Provision for credit losses	281	268
Cash basis earnings	3,108	3,056
Shareholder value added	1,767	1,693
Cash basis efficiency ratio	58.5%	58.1%
- - - - -	-----	-----

- o Total revenue in 2001 increased \$293 million, or two percent, as an increase in noninterest income was partially offset by a slight decrease in net interest income.
 - o Loan growth, primarily in residential mortgages and home equity lending, and deposit growth had a positive effect on net interest income but were offset by the impact of the money market deposit pricing initiative.

- o Noninterest income increased \$319 million, or nine percent, primarily due to an increase in consumer service charges of \$170 million, or seven percent, resulting from higher business volumes, and a \$117 million, or 23 percent, increase in debit card income, driven by a higher number of active debit cards from increased penetration and activation rates and an increase in purchase volume.
- o Cash basis earnings increased \$52 million, or two percent, in 2001, primarily attributable to the increase in revenue discussed above offset by a three percent increase in noninterest expense.

Consumer Products

Consumer Products provides specialized services such as the origination and servicing of residential mortgage loans, issuance and servicing of credit cards, direct banking via telephone and Internet, lending and investing to develop low- and moderate-income communities, student lending and certain insurance services. Consumer Products also provides retail finance and floorplan programs to marine, RV and auto dealerships.

Consumer Products

(Dollars in millions)	2001	2000
	-----	-----
Net interest income	\$ 2,211	\$ 1,382
Noninterest income	3,109	2,822
-----	-----	-----
Total revenue	5,320	4,204
Provision for credit losses	915	527
Cash basis earnings	1,447	1,077
Shareholder value added	1,012	649
Cash basis efficiency ratio	40.1%	47.7%
-----	-----	-----

- o Total revenue in 2001 increased \$1.1 billion, or 27 percent, due to increases in both net interest income and noninterest income.
- o Net interest income increased \$829 million, or 60 percent, primarily due to an increase in bankcard receivables from portfolio growth and maturity of credit card securitizations as well as lower funding costs.
- o Noninterest income increased \$287 million, or 10 percent, primarily due to strong mortgage banking revenue and increased credit card income. Mortgage banking revenue increased \$246 million, or 48 percent, due to higher origination activity and increased gains from higher loan sales to the secondary market. Mortgage banking revenue also included the favorable net mark-to-market adjustments, included in trading account

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profits, on certain mortgage banking assets and the related derivative instruments. These increases were partially offset by increased prepayments on mortgage loans as a result of the declining interest rate environment. Credit card income grew \$75 million, or four percent, due to new consumer card account growth and an increase in purchase volume, partially offset by a decline in servicing income from maturity of credit card securitizations.

- o The \$370 million, or 34 percent, increase in cash basis earnings in 2001 was due to the increases in net interest income and noninterest income discussed above. These increases were partially offset by an increase in the provision for credit losses and higher expenses. Expense growth was primarily driven by card marketing and mortgage production volume activities.
- o The provision for credit losses increased 74 percent to \$915 million primarily due to higher net charge-offs in the bankcard loan portfolio. The increase in bankcard charge-offs was driven by portfolio growth, an increase in personal bankruptcy filings and a weaker economic environment.

Commercial Banking

Commercial Banking provides commercial lending and treasury management services to middle market companies with annual revenue between \$10 million and \$500 million. These services are available through relationship manager teams as well as through alternative channels such as the telephone via the commercial service center and the Internet by accessing Bank of America Direct.

Commercial Banking

(Dollars in millions)	2001	2000
-----------------------	------	------

Net interest income	\$ 2,592	\$ 2,651
Noninterest income	1,033	987

Total revenue	3,625	3,638
Provision for credit losses	606	316
Cash basis earnings	924	1,067
Shareholder value added	386	488
Cash basis efficiency ratio	45.6%	44.7%

- o Noninterest income increased five percent and was offset by a two percent decline in net interest income. Total revenue in 2001 remained flat at \$3.6 billion.
- o The \$46 million increase in noninterest income was primarily attributable to higher corporate service charges as customers opted to pay service charges rather than carry excess deposit balances in the lower rate environment, offset by the liquidation of certain commercial finance businesses.
- o Net interest income declined \$59 million, primarily due to a reduction in commercial loans and the liquidation of certain commercial finance businesses.
- o The \$143 million, or 13 percent, decline in cash basis earnings was primarily driven by an increase in the provision for credit losses, partially offset by a tax benefit of \$53 million in the fourth quarter of 2001 related to the funding of SSI.
- o The provision for credit losses increased \$290 million to \$606 million as a result of credit deterioration in the commercial loan portfolio.
- o Shareholder value added decreased \$102 million as the decline in cash basis earnings was partially offset by lower capital as a result of reductions in commercial loan levels.

Asset Management

Asset Management includes the Private Bank, Banc of America Capital Management and the Individual Investor Group. The Private Bank's goal is to assist individuals and families in building and preserving their wealth by providing investment, fiduciary and comprehensive credit expertise to high-net-worth clients. Banc of America Capital Management is an asset-gathering and asset management organization serving the needs of institutional clients, high-net-worth individuals and retail customers. Banc of America Capital Management manages money and distribution channels, manufactures investment products, offers institutional separate accounts and wrap programs, and provides advice to clients through asset allocation expertise and software. The Individual Investor Group, which is comprised of Private Client Services and Banc of America Investment Services, Inc., provides investment, securities and financial planning services to affluent and high-net-worth individuals. Private Client Services focuses on high-net-worth individuals. Banc of America Investment Services, Inc. includes both the full-service network of investment professionals and an extensive on-line investor service.

One of the Corporation's strategies is to focus on and grow the asset management business. Recent initiatives include new investment platforms that broaden the Corporation's capabilities to maximize market opportunity for its clients. The Corporation continues to enhance the financial planning tools used to assist clients with their financial goals.

Effective January 2, 2001, the Corporation acquired the remaining 50 percent of Marsico for a total investment of \$1.1 billion. The Corporation acquired the first 50 percent in 1999. Marsico is a Denver-based investment management firm specializing in large capitalization growth stocks.

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Client assets at December 31, 2001 and 2000 were:

Client Assets (Dollars in billions)	2001	2000

Assets under management	\$ 314.2	\$ 278.1
Client brokerage assets	99.4	99.5
Assets in custody	46.9	48.5

Total client assets	\$ 460.5	\$ 426.1

Assets under management typically generate fees based on a percentage of

their value. Assets of the Nations Funds family of mutual funds reached \$148 billion at December 31, 2001, primarily driven by an increase in money market funds in the declining equity market environment. Growth in assets under management of \$36 billion, or 13 percent, was primarily driven by the growth in money market funds as well as the addition of the remaining Marsico Funds. Client brokerage assets, a source of commission revenue, were flat at approximately \$100 billion compared to the prior year. Assets in custody, which generate custodial fees, declined slightly.

Asset Management

(Dollars in millions)	2001	2000
	-----	-----
Net interest income	\$ 741	\$ 666
Noninterest income	1,733	1,801
- - - - -	-----	-----
Total revenue	2,474	2,467
Provision for credit losses	121	47
Cash basis earnings	578	619
Shareholder value added	312	421
Cash basis efficiency ratio	59.9%	58.0%
- - - - -	-----	-----

- o Total revenue remained flat at \$2.5 billion in 2001, as the increase in net interest income was offset by a decline in noninterest income.
- o Net interest income increased \$75 million, or 11 percent, due to the Corporation's overall asset and liability management and growth in the commercial and residential mortgage loan portfolios.
- o Noninterest income decreased \$68 million, or four percent, as a decline in other income was partially offset by an increase in investment and brokerage services income. The increase in investment and brokerage services income was due to new asset management business and the completed acquisition of Marsico, partially offset by lower broker activity due to decreased trade volume.
- o Cash basis earnings decreased \$41 million, or seven percent, in 2001, primarily due to a \$74 million increase in provision expense largely related to one loan that was charged off in the second quarter of 2001 and increased noninterest expense.
- o Noninterest expense increased \$78 million, or five percent, reflecting investments in new private banking offices, the acquisition of Marsico, and personnel supporting revenue growth initiatives, partially offset by one-time business divestiture expenditures in 2000.
- o Shareholder value added declined \$109 million due to the decline in cash basis earnings and the increased capital associated with the acquisition of Marsico.

Global Corporate and Investment Banking

Global Corporate and Investment Banking provides a broad array of financial services such as investment banking, capital markets, trade finance, treasury management, lending, leasing and financial advisory services to domestic and international corporations, financial institutions and government entities. Clients are supported through offices in 34 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, merger and acquisition advisory, debt and equity underwriting and trading, cash management, derivatives, foreign exchange, leasing, leveraged finance, project finance, structured finance and trade services.

Global Corporate and Investment Banking

(Dollars in millions)	2001	2000
	-----	-----
Net interest income	\$ 4,592	\$ 3,725
Noninterest income	4,639	4,444
- - - - -	-----	-----
Total revenue	9,231	8,169
Provision for credit losses	1,275	751
Cash basis earnings	2,022	1,897
Shareholder value added	644	336
Cash basis efficiency ratio	54.3%	57.4%
- - - - -	-----	-----

- o In 2001, total revenue increased \$1.1 billion, or 13 percent, primarily due to \$620 million, or 22 percent, growth in trading-related revenue.
- o Net interest income increased \$867 million, or 23 percent, as a result of higher trading-related activities and the Corporation's

overall asset and liability management, partially offset by lower commercial loan levels.

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- o Noninterest income increased \$195 million, or four percent, as increases in investment and brokerage services, corporate service charges, trading account profits and investment banking income were partially offset by a decline in other income.
- o Cash basis earnings increased \$125 million, or seven percent, in 2001 as revenue growth was partially offset by higher credit-related costs and noninterest expense.
 - o The provision for credit losses increased \$524 million to \$1.3 billion due to credit quality deterioration in the commercial-domestic loan portfolio of Global Credit Products.
 - o A \$331 million, or seven percent, increase in noninterest expense was primarily due to higher market-related incentives and other expenses in line with revenue growth.
- o Shareholder value added increased \$308 million as a result of the increase in cash basis earnings as well as lower capital due to reductions in loan levels.

Global Corporate and Investment Banking offers clients a comprehensive range of global capabilities through three components: Global Investment Banking, Global Credit Products and Global Treasury Services.

Global Investment Banking

Global Investment Banking includes the Corporation's investment banking activities and risk management products. Through a separate subsidiary, Banc of America Securities LLC, Global Investment Banking underwrites and makes markets in equity securities, high-grade and high-yield corporate debt securities, commercial paper, and mortgage-backed and asset-backed securities. Banc of America Securities LLC also provides correspondent clearing services for other securities broker/dealers and prime-brokerage services. Debt and equity securities research, loan syndications, mergers and acquisitions advisory services and private placements are also provided through Banc of America Securities LLC.

In addition, Global Investment Banking provides risk management solutions for our global customer base using interest rate, equity, credit and commodity derivatives, foreign exchange, fixed income and mortgage-related products. In support of these activities, the businesses will take positions in these products and capitalize on market-making activities. The Global Investment Banking business also takes an active role in the trading of fixed income securities in all of the regions in which Global Corporate and Investment Banking transacts business and is a primary dealer in the U.S. as well as in several international locations.

Global Investment Banking

(Dollars in millions)	2001	2000
	-----	-----
Net interest income	\$ 1,693	\$ 1,125
Noninterest income	3,153	3,007
- - - - -	-----	-----
Total revenue	4,846	4,132
Provision for credit losses	26	43
Cash basis earnings	932	778
Shareholder value added	512	374
Cash basis efficiency ratio	69.9%	72.6%
- - - - -	-----	-----

- o Total revenue grew \$714 million, or 17 percent, in 2001 primarily due to higher trading-related revenue.
 - o Net interest income grew \$568 million, or 51 percent, as a result of higher trading-related activities.
 - o Higher investment and brokerage services income and investment banking income more than offset a decrease in other income, resulting in noninterest income growth of five percent. Investment banking income increased \$67 million as strong fixed income originations were partially offset by weaker demand in syndications, equity underwriting and advisory services.
- o Cash basis earnings increased \$154 million, or 20 percent, in 2001, as revenue growth was partially offset by an increase in noninterest expense.

- o The \$390 million, or 13 percent, increase in noninterest expense was primarily due to higher market-related incentives and other expenses in line with revenue growth.

Global Credit Products

Global Credit Products provides credit and lending services and includes the corporate industry-focused portfolio, leasing and project finance.

Global Credit Products

(Dollars in millions)	2001	2000
	-----	-----
Net interest income	\$ 2,181	\$ 1,993
Noninterest income	664	678
- - - - -	-----	-----
Total revenue	2,845	2,671
Provision for credit losses	1,265	764
Cash basis earnings	766	887
Shareholder value added	(127)	(208)
Cash basis efficiency ratio	20.6%	23.5%
- - - - -	-----	-----

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- o Total revenue increased \$174 million, or seven percent, in 2001 compared to 2000.
 - o Net interest income increased \$188 million, or nine percent, compared to the prior year as lower funding costs offset the impact of lower commercial loan levels.
 - o Noninterest income declined \$14 million, or two percent, primarily due to declines in the leasing portfolio, partially offset by an increase in trading account profits.
- o Cash basis earnings declined \$121 million, or 14 percent, primarily due to an increase in the provision for credit losses, partially offset by the increase in revenue and a tax benefit of \$93 million in the fourth quarter of 2001 related to the funding of SSI.
 - o The provision for credit losses increased \$501 million, or 66 percent, driven by credit quality deterioration in the commercial-domestic loan portfolio. Net charge-offs included \$210 million in charge-offs related to Enron Corporation.
- o Shareholder value added increased \$81 million as the decline in cash basis earnings was offset by lower capital, reflecting the continued efforts to reduce corporate loan levels and exit less profitable relationships.

Global Treasury Services

Global Treasury Services provides the technology, strategies and integrated solutions to help financial institutions, government agencies and public and private companies manage their operations and cash flows on a local, regional, national and global level.

Global Treasury Services

(Dollars in millions)	2001	2000
	-----	-----
Net interest income	\$ 718	\$ 607
Noninterest income	822	759
- - - - -	-----	-----
Total revenue	1,540	1,366
Provision for credit losses	(16)	(56)
Cash basis earnings	324	232
Shareholder value added	259	170
Cash basis efficiency ratio	67.4%	77.6%
- - - - -	-----	-----

- o Revenue increased \$174 million, or 13 percent, with increases in both net interest income and noninterest income in 2001.
 - o Net interest income increased \$111 million, or 18 percent, primarily due to deposit growth and lower funding costs.
 - o Noninterest income increased \$63 million, or eight percent, due to an increase in corporate service charges as customers chose to pay service charges rather than maintain excess deposit balances in the lower rate environment.

- o Cash basis earnings increased \$92 million, or 40 percent, in 2001 driven primarily by the growth in revenue.

Equity Investments

Equity Investments includes Principal Investing, which is comprised of a diversified portfolio of investments in companies at all stages of the business cycle, from start up to buyout. Investments are made on both a direct and indirect basis in the U.S. and overseas. Direct investing activity focuses on playing an active role in the strategic and financial direction of the portfolio company as well as providing broad business experience and access to the Corporation's global resources. Indirect investments represent passive limited partnership stakes in funds managed by experienced third party private equity investors who act as general partners. Equity Investments also includes the Corporation's strategic technology and alliances investment portfolio.

Equity Investments (Dollars in millions)	2001	2000
Net interest income	\$ (151)	\$ (139)
Noninterest income	183	1,007
- - - - -	- - - - -	- - - - -
Total revenue	32	868
Provision for credit losses	8	4
Cash basis earnings	(84)	472
Shareholder value added	(363)	241
Cash basis efficiency ratio	n/m	11.7%
- - - - -	- - - - -	- - - - -

n/m = not meaningful

- o In 2001, both revenue and cash basis earnings decreased substantially primarily due to lower equity investment gains.
- o Equity investment gains decreased \$763 million to \$230 million, with \$50 million in Principal Investing and \$180 million in the strategic investments portfolio. Principal Investing recorded cash gains of \$425 million, offset by impairment charges of \$335 million, of which \$245 million occurred in the fourth quarter of 2001, and fair value adjustment losses of \$40 million. Equity investment gains in the strategic investments portfolio included \$140 million in the first quarter of 2001 related to the sale of an interest in the Star Systems ATM network.
- o Net interest income consists primarily of the funding cost associated with the carrying value of investments.

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- o Shareholder value added declined \$604 million reflecting the decline in cash basis earnings and an increase in capital driven by an increase in the level of equity investments and unused commitments.

Results of Operations

Net Interest Income

An analysis of the Corporation's net interest income on a taxable-equivalent basis and average balance sheet for the last three years and most recent five quarters is presented in Tables Four and Twenty-Six, respectively. The changes in net interest income from year to year are analyzed in Table Five.

As reported, net interest income on a taxable-equivalent basis increased \$2.0 billion to \$20.6 billion in 2001 compared to 2000. Management also reviews "core net interest income," which adjusts reported net interest income for the impact of trading-related activities, securitizations, asset sales and divestitures, excluding balance sheet portfolios used to manage interest rate risk. For purposes of internal analysis, management combines trading-related net interest income with trading account profits, as discussed in the "Noninterest Income" section on page 46, as trading strategies are typically evaluated based on total revenue. Noninterest income, rather than net interest income, is recorded for assets that have been securitized as the Corporation takes on the role of servicer and records servicing income, and gains and losses on securitizations, where appropriate.

Table Three below provides a reconciliation of net interest income on a taxable-equivalent basis presented in Table Four to core net interest income for the year ended December 31:

<TABLE>

<CAPTION>

Table 3 Net Interest Income
(Dollars in millions)

2001	2000	Change
-----	-----	-----

Net interest income			
<S>	<C>	<C>	<C>
As reported/(1)/	\$ 20,633	\$ 18,671	10.5%
Less: Trading-related net interest income	(1,566)	(1,023)	
Add: Impact of securitizations, asset sales and divestitures	65	7	
-----	-----	-----	-----
Core net interest income	\$ 19,132	\$ 17,655	8.4%
-----	-----	-----	-----
Average earning assets			
As reported	\$ 560,316	\$ 583,467	(4.0)%
Less: Trading-related earning assets	(125,263)	(113,551)	
Add: Earning assets securitized, sold and divested	3,616	641	
-----	-----	-----	-----
Core average earning assets	\$ 438,669	\$ 470,557	(6.8)%
-----	-----	-----	-----
Net interest yield on earning assets/(1)/ (2)/			
As reported	3.68%	3.20%	48bp
Add: Impact of trading-related activities	0.69	0.55	14
Impact of securitizations, asset sales and divestitures	(0.01)	-	(1)
-----	-----	-----	-----
Core net interest yield on earning assets	4.36%	3.75%	61bp
-----	-----	-----	-----

</TABLE>

/(1)/ Net interest income is presented on a taxable-equivalent basis.

/(2)/ bp denotes basis points; 100 bp equals 1%.

Core net interest income on a taxable-equivalent basis was \$19.1 billion in 2001 compared to \$17.7 billion in 2000, an increase of \$1.5 billion. The increase in core net interest income was driven by changes in interest rates and the effect of portfolio repositioning, higher levels of core funding and a favorable change in managed loan mix, partially offset by the impact of the money market deposit pricing initiative and the decrease in auto lease financing contributions. The higher levels of core funding reflected a \$14.9 billion increase in average customer-based deposits and a \$1.5 billion increase in average shareholders' equity.

Core average earning assets were \$438.7 billion in 2001, a decrease of \$31.9 billion, compared to \$470.6 billion in 2000, primarily reflecting reduced securities levels and average managed commercial loan balances partially offset by growth in average managed consumer loan levels. Falling interest rates in 2001 allowed the Corporation to shed lower yielding assets and reposition its balance sheet to take advantage of a steepened yield curve. Average managed consumer loans increased eight percent led by growth in residential mortgages, bankcard receivables and home equity lines. Average managed commercial loans decreased eight percent, reflecting continuing efforts to reduce corporate loan levels and exit less profitable relationships. Loan growth is dependent on economic conditions and the management of borrower, industry, product and geographic concentrations.

The core net interest yield increased 61 basis points to 4.36 percent in 2001 compared to 3.75 percent in 2000, mainly due to the effects of changes in interest rates and portfolio repositioning, higher levels of core funding and a favorable change in managed loan mix.

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Table 4 Average Balances and Interest Rates - Taxable-Equivalent Basis

<TABLE>

<CAPTION>

	2001		
(Dollars in millions)	Average Balance	Interest Income/Expense	Yield/Rate
	-----	-----	----
Earning assets			
<S>	<C>	<C>	<C>
Time deposits placed and other short-term investments	\$ 6,723	\$ 318	4.73%
Federal funds sold and securities purchased under agreements to resell	35,202	1,414	4.02
Trading account assets	66,418	3,653	5.50
Securities/(1)/	60,372	3,761	6.23
Loans and leases/(2)/:			
Commercial - domestic	133,569	9,879	7.40
Commercial - foreign	26,492	1,567	5.90
Commercial real estate - domestic	24,607	1,700	6.91
Commercial real estate - foreign	348	20	6.08
-----	-----	-----	-----
Total commercial	185,016	13,166	7.12

Residential mortgage	81,472	5,920	7.27
Home equity lines	22,013	1,625	7.38
Direct/Indirect consumer	39,528	3,025	7.65
Consumer finance	18,555	1,683	9.07
Bankcard	16,641	1,879	11.29
Foreign consumer	2,222	127	5.80
Total consumer	180,431	14,259	7.90
Total loans and leases	365,447	27,425	7.50
Other earning assets	26,154	2,065	7.90
Total earning assets/(3)/	560,316	38,636	6.90
Cash and cash equivalents	22,542		
Other assets, less allowance for credit losses	66,689		
Total assets	\$ 649,547		
Interest-bearing liabilities Domestic interest-bearing deposits:			
Savings	\$ 20,208	213	1.05
NOW and money market deposit accounts	114,657	2,498	2.18
Consumer CDs and IRAs	74,458	3,853	5.17
Negotiable CDs, public funds and other time deposits	5,848	290	4.96
Total domestic interest-bearing deposits			
Foreign interest-bearing deposits/(4)/:			
Banks located in foreign countries	23,397	1,053	4.49
Governments and official institutions	3,615	152	4.21
Time, savings and other	22,940	827	3.62
Total foreign interest-bearing deposits	49,952	2,032	4.07
Total interest-bearing deposits	265,123	8,886	3.35
Federal funds purchased, securities sold under agreements to repurchase and other short-term borrowings	92,476	4,167	4.51
Trading account liabilities	29,995	1,155	3.85
Long-term debt/(5)/	69,622	3,795	5.45
Total interest-bearing liabilities/(6)/	457,216	18,003	3.94
Noninterest-bearing sources:			
Noninterest-bearing deposits	97,529		
Other liabilities	46,124		
Shareholders' equity	48,678		
Total liabilities and shareholders' equity	\$ 649,547		
Net interest spread			2.96
Impact of noninterest-bearing sources			.72
Net interest income/yield on earning assets		\$ 20,633	3.68%

</TABLE>

/(1)/ The average balance and yield on securities are based on the average of historical amortized cost balances.

/(2)/ Nonperforming loans are included in the respective average loan balances. Income on such nonperforming loans is recognized on a cash basis.

/(3)/ Interest income includes taxable-equivalent basis adjustments of \$343, \$322 and \$215 in 2001, 2000 and 1999, respectively. Interest income also includes the impact of risk management interest rate contracts, which increased (decreased) interest income on the underlying assets \$978, \$(48) and \$306 in 2001, 2000 and 1999, respectively. These amounts were substantially offset by corresponding decreases or increases in the income earned on the underlying assets. For further information on interest rate contracts, see "Asset and Liability Management Activities" beginning on page 67.

/(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 liabilities \$63, \$(36) and \$116 in 2001, 2000, and 1999, respectively. These amounts were substantially offset by corresponding decreases or increases in the interest paid on the underlying liabilities. For further information on interest rate contracts, see "Asset and Liability Management Activities" beginning on page 67.

<TABLE>
<CAPTION>

2000			1999		
Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
<S>	<C>	<C>	<C>	<C>	<C>
\$ 4,863	\$ 336	6.91%	\$ 5,268	\$ 295	5.59%
42,021	2,354	5.60	32,252	1,666	5.17
48,938	2,751	5.62	39,206	2,102	5.36
84,211	5,111	6.07	80,127	4,811	6.00
148,168	12,025	8.12	138,339	10,112	7.31
29,316	2,114	7.21	29,374	1,897	6.46
25,878	2,299	8.88	25,533	2,115	8.28
304	27	8.87	294	25	8.76
203,666	16,465	8.08	193,540	14,149	7.31
91,091	6,754	7.41	78,948	5,667	7.18
19,492	1,748	8.97	16,152	1,268	7.85
41,476	3,446	8.31	42,274	3,469	8.21
24,395	2,160	8.85	18,752	1,670	8.91
10,279	1,241	12.07	9,778	1,134	11.59
2,223	195	8.77	3,339	316	9.45
188,956	15,544	8.23	169,243	13,524	7.99
392,622	32,009	8.15	362,783	27,673	7.63
10,812	926	8.57	11,875	881	7.41
583,467	43,487	7.45	531,511	37,428	7.04
24,766			25,766		
63,340			59,561		
\$ 671,573			\$ 616,838		
\$ 23,452	314	1.34	\$ 23,655	300	1.27
99,927	2,941	2.94	98,649	2,374	2.41
77,409	4,205	5.43	74,010	3,534	4.78
7,626	481	6.31	6,646	361	5.44
208,414	7,941	3.81	202,960	6,569	3.24
18,788	1,130	6.01	16,301	802	4.92
8,922	513	5.75	7,884	400	5.08
26,024	1,423	5.47	25,949	1,231	4.74
53,734	3,066	5.71	50,134	2,433	4.85
262,148	11,007	4.20	253,094	9,002	3.56
131,492	7,957	6.05	116,150	5,826	5.02
23,843	892	3.74	15,458	658	4.26
70,293	4,960	7.06	57,574	3,600	6.25
487,776	24,816	5.09	442,276	19,086	4.32
91,146			88,654		
45,519			39,307		
47,132			46,601		
\$ 671,573			\$ 616,838		
		2.36			2.72
		.84			.73
\$ 18,671	3.20%		\$ 18,342	3.45%	

</TABLE>

Table 5 Analysis of Changes in Net Interest Income - Taxable-Equivalent Basis

<TABLE>
<CAPTION>

	From 2000 to 2001			From 1999 to 2000	
	Due to Change in/(1)/		Net	Due to Change in/(1)/	
Net (Dollars in millions) Change	Volume	Rate	Change	Volume	Rate
-----	-----	-----	-----	-----	-----
Increase (decrease) in interest income					
<S>	<C>	<C>	<C>	<C>	<C>
<C>					
Time deposits placed and other short-term investments	\$ 129	\$ (147)	\$ (18)	\$ (23)	\$ 64
\$ 41					
Federal funds sold and securities purchased under	(383)	(557)	(940)	506	182
688					
agreements to resell					
Trading account assets	982	(80)	902	521	128
649					
Securities	(1,446)	96	(1,350)	242	58
300					
Loans and leases:					
Commercial - domestic	(1,179)	(967)	(2,146)	719	1,914
1,913					
Commercial - foreign	(204)	(343)	(547)	(3)	220
217					
Commercial real estate - domestic	(114)	(485)	(599)	28	156
184					
Commercial real estate - foreign	4	(11)	(7)	2	-
2					
-----	-----	-----	-----	-----	-----
Total commercial			(3,299)		
2,316					
-----	-----	-----	-----	-----	-----
Residential mortgage	(717)	(117)	(834)	873	214
1,087					
Home equity lines	227	(350)	(123)	262	218
480					
Direct/Indirect consumer	(161)	(260)	(421)	(64)	41
(23)					
Consumer finance	(518)	41	(477)	504	(14)
490					
Bankcard	768	(130)	638	57	50
107					
Foreign consumer	-	(68)	(68)	(106)	(15)
(121)					
-----	-----	-----	-----	-----	-----
Total consumer			(1,285)		
2,020					
-----	-----	-----	-----	-----	-----
Total loans and leases			(4,584)		
4,336					
-----	-----	-----	-----	-----	-----
Other earning assets	1,315	(176)	1,139	(80)	125
45					
-----	-----	-----	-----	-----	-----
Total interest income			(4,851)		
6,059					
-----	-----	-----	-----	-----	-----
Increase (decrease) in interest expense Domestic					
interest-bearing deposits:					
Savings	(43)	(58)	(101)	(2)	16
14					
NOW and money market deposit accounts	430	(873)	(443)	34	533
567					
Consumer CDs and IRAs	(162)	(190)	(352)	166	505
671					
Negotiable CDs, public funds and other time					
deposits	(112)	(79)	(191)	54	66
120					
-----	-----	-----	-----	-----	-----
Total domestic interest-bearing deposits			(1,087)		
1,372					
-----	-----	-----	-----	-----	-----

Foreign interest-bearing deposits:					
Banks located in foreign countries	276	(353)	(77)	122	206
328					
Governments and official institutions	(305)	(56)	(361)	53	60
113					
Time, savings and other	(168)	(428)	(596)	3	189
192					

Total foreign interest-bearing deposits			(1,034)		
633					

Total interest-bearing deposits			(2,121)		
2,005					

Federal funds purchased, securities sold under					
agreements to repurchase and other short-term					
borrowings	(2,362)	(1,428)	(3,790)	775	1,356
2,131					
Trading account liabilities	230	33	263	358	(124)
234					
Long-term debt	(45)	(1,120)	(1,165)	793	567
1,360					

Total interest expense			(6,813)		
5,730					

Net increase in net interest income			\$1,962		
\$ 329					

</TABLE>

/(1)/ The changes for each category of interest income and expense are divided between the portion of change attributable to the variance in volume or rate for that category. The change in rate/volume variance has been allocated to the rate variance.

Noninterest Income

As presented in Table Six, noninterest income decreased \$234 million to \$14.3 billion in 2001 from the comparable 2000 period. The decrease in noninterest income reflects the increases in service charges, card income, investment and brokerage services, mortgage banking income and investment banking income being offset by a sharp decline in equity investment gains as well as declines in other income and trading account profits.

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Table 6 Noninterest Income

<TABLE>

<CAPTION>

<S>

	<C>	<C>	<C>	<C>
			Increase/ (Decrease)	
(Dollars in millions)	2001	2000	Amount	Percent
Consumer service charges	\$ 2,866	\$ 2,654	\$ 212	8.0%
Corporate service charges	2,078	1,889	189	10.0

Total service charges	4,944	4,543	401	8.8

Consumer investment and brokerage services	1,546	1,466	80	5.5
Corporate investment and brokerage services	566	463	103	22.2

Total investment and brokerage services	2,112	1,929	183	9.5

Mortgage banking income	593	512	81	15.8
Investment banking income	1,579	1,512	67	4.4
Equity investment gains	291	1,054	(763)	(72.4)
Card income	2,421	2,229	192	8.6
Trading account profits/(1)/	1,842	1,923	(81)	(4.2)
Other income	566	880	(314)	(35.7)

Total	\$14,348	\$14,582	\$ (234)	(1.6)%

</TABLE>

/1/ Trading account profits in 2001 included the \$83 million SFAS 133

transition adjustment net loss. The components of the transition adjustment by segment were a gain of \$4 million for Consumer and Commercial Banking, a gain of \$19 million for Global Corporate and Investment Banking and a loss of \$106 million for Corporate Other.

The following section discusses the noninterest income results of the Corporation's four business segments. For additional business segment information, see "Business Segment Operations" beginning on page 36.

Consumer and Commercial Banking

- o Noninterest income for Consumer and Commercial Banking increased \$652 million to \$8.0 billion in 2001 from the comparable 2000 period, driven by increased service charges, higher card income and strong mortgage banking revenue.
- o Service charges include deposit account service charges, non-deposit service charges and fees and bankers' acceptances and letters of credit fees. Service charges increased \$321 million to \$3.8 billion in 2001 due to an increase in both consumer and corporate service charges. Consumer service charges increased \$204 million primarily due to higher business volumes. Corporate service charges increased \$117 million as corporate customers chose to pay higher fees rather than maintain excess deposit balances in the lower rate environment.
- o Card income includes interchange income, credit and debit card fees and merchant discount fees. Card income increased \$192 million to \$2.4 billion primarily due to new account growth in both credit and debit card and increased purchase volume on existing accounts. Growth in income for the core portfolio is being generated through traditional marketing channels, expanding relationships with existing customers and leveraging the banking center network. Card income includes activity from the securitized portfolio of \$193 million and \$209 million in 2001 and 2000, respectively. This amount represents residual income which consists of revenues from the securitized credit card portfolio offset by charge-offs and interest expense paid to the bondholders.
- o Mortgage banking revenue increased \$246 million to \$758 million in 2001 and was comprised of mortgage banking income of \$593 million and trading account profits of \$165 million. The amount recorded in trading account profits represents the net mark-to-market adjustments on certain mortgage banking assets and the related derivative instruments. The increase in mortgage banking revenue in 2001 primarily reflected higher origination activity, increased gains on loan sales to the secondary market and favorable net mark-to-market adjustments included in trading account profits. These increases were partially offset by increased prepayments on mortgage loans as a result of the declining interest rate environment. The average managed portfolio of mortgage loans serviced increased \$6.1 billion to \$334.8 billion in 2001 compared to the same period in 2000. Total production of first mortgage loans originated through the Corporation increased \$30.6 billion to \$82.4 billion in 2001, reflecting a significant increase in refinancings as a result of declining interest rates. First mortgage loan origination volume was composed of approximately \$49.6 billion of retail loans and \$32.8 billion of correspondent and wholesale loans in 2001. Retail first mortgage origination volume increased to 60 percent of total volume in 2001 from 42 percent in 2000. The Corporation made a strategic decision to exit the correspondent loan origination channel during the second quarter of 2001. The Corporation's decision to exit the correspondent business was based upon its overall strategy to focus on businesses with greater potential to deepen and expand customer relationships and with higher potential returns.

Asset Management

- o Noninterest income for Asset Management decreased \$68 million to \$1.7 billion in 2001 compared to the same period in 2000. The decrease was primarily attributable to a decline in other income, partially offset by increased income from investment and brokerage services.
- o Income from investment and brokerage services includes personal and institutional asset management fees and brokerage income. Income from investment and brokerage services increased \$45 million to \$1.6 billion in 2001 compared to the same period in 2000. This increase was largely due to new asset management business and the completed acquisition of Marsico being offset by lower broker activity due to decreased trade volume.

- o Noninterest income for Global Corporate and Investment Banking increased \$195 million to \$4.6 billion in 2001 compared to the same period in 2000. The increase was primarily due to increases in investment and brokerage services, corporate service charges, trading account profits and investment banking income, partially offset by a decline in other income.
- o Corporate service charges increased \$72 million to \$1.1 billion in 2001, primarily driven by corporate customers opting to pay service charges rather than maintain excess deposit balances in the lower rate environment.
- o Trading account profits, as reported in the Consolidated Statement of Income, does not include the net interest income recognized on interest-earning and interest-bearing trading positions or the related funding charge or benefit. Trading account profits as well as trading-related net interest income ("trading-related revenue") are presented in the following table as they are both considered in evaluating the overall profitability of the Corporation's trading positions.

Trading-related revenue increased \$620 million to \$3.4 billion in 2001, due to a \$543 million increase in the net interest margin and a \$77 million increase in trading account profits. Increases in the fixed income, interest rate and commodities contract categories were partially offset by a decrease in equities and equity derivatives contracts. Fixed income showed the largest increase, up \$483 million, or 129 percent, primarily attributable to an increase in market liquidity which resulted from a lower interest rate environment, as well as tightening of credit spreads. Revenue from interest rate contracts increased \$198 million to \$893 million reflecting a more volatile rate environment as well as an increase in customer flow as customers sought to lock in lower rates. Commodities contracts increased \$102 million to \$172 million, attributable to market volatility and increased customer flow. Foreign exchange revenue increased \$5 million to \$541 million. Income from equities and equity derivatives contracts decreased \$168 million to \$920 million, due to a slowdown in customer activity in the market. Trading account profits in 2001 included a \$19 million transition adjustment gain resulting from the adoption of SFAS 133.

Trading-related Revenue in Global Corporate and Investment Banking

(Dollars in millions)	2001	2000
	-----	-----
Trading account profits	\$ 1,818	\$ 1,741
Net interest income	1,566	1,023
- - - - -	-----	-----
Total trading-related revenue	\$ 3,384	\$ 2,764
- - - - -	-----	-----
Trading-related revenue by product		
Foreign exchange contracts	\$ 541	\$ 536
Interest rate contracts	893	695
Fixed income	858	375
Equities and equity derivatives	920	1,088
Commodities	172	70
- - - - -	-----	-----
Total trading-related revenue	\$ 3,384	\$ 2,764
- - - - -	-----	-----

- o Investment banking income increased \$67 million to \$1.6 billion in 2001. Increases in securities underwriting and other investment banking income were offset by declines in syndications and advisory fees. Securities underwriting fees increased \$177 million to \$797 million from strong growth in high grade and high yield origination which was offset by lower equity underwriting. Syndication fees decreased \$119 million to \$402 million in 2001 as a result of fewer deals in the marketplace. A sluggish market for advisory services drove a decline in fees of \$22 million to \$276 million in 2001. Investment banking income by major activity follows:

Investment Banking Income (Dollars in millions)	2001	2000
	-----	-----
Securities underwriting	\$ 797	\$ 620
Syndications	402	521
Advisory services	276	298
Other	104	73
- - - - -	-----	-----
Total	\$ 1,579	\$ 1,512
- - - - -	-----	-----

Equity Investments

- o Noninterest income for Equity Investments decreased \$824 million to \$183 million in 2001 compared to the same period in 2000. This decrease resulted from a sharp decline in equity investment gains driven by weaker equity

markets.

- o Equity investment gains decreased \$763 million to \$230 million, with \$50 million in Principal Investing and \$180 million in the strategic investments portfolio. Principal Investing recorded cash gains of \$425 million, offset by impairment charges of \$335 million, of which \$245 million occurred in the fourth quarter of 2001, and fair value adjustment losses of \$40 million. Equity investment gains in the strategic investments portfolio included a gain of \$140 million in the first quarter of 2001 related to the sale of an interest in the Star Systems ATM network.

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Provision for Credit Losses

The provision for credit losses totaled \$3.9 billion for the year ended December 31, 2001 compared to \$2.5 billion in 2000, excluding the impact of charges related to the exit of the subprime real estate lending business. The increase in the provision for credit losses from last year was primarily due to an increase in net charge-offs, which included \$210 million in charge-offs in the fourth quarter of 2001 related to Enron Corporation. Additional provision expense was also recorded in 2001 to increase the allowance for credit losses due to deterioration in credit quality and the overall uncertainty in the economy. Excluding the impact of subprime real estate exit-related charges, the provision for credit losses for 2001 was \$283 million in excess of net charge-offs. Total net charge-offs, excluding the impact of exit-related charges, were \$3.6 billion for the year ended December 31, 2001 compared to \$2.4 billion in 2000. This increase was due to higher charge-offs in the commercial - domestic portfolio due to a deterioration in credit quality stemming from the weak economic environment. Bankcard charge-offs also increased due to growth in the portfolio, an increase in personal bankruptcy filings and a weaker economic environment.

An exit-related provision for credit losses of \$395 million, combined with an existing allowance for credit losses of \$240 million, was used to write down the subprime real estate loan portfolio to estimated market value in the third quarter of 2001. This resulted in charge-offs of \$635 million in the consumer finance loan portfolio. Including the exit impact, the provision for credit losses totaled \$4.3 billion and total net charge-offs were \$4.2 billion for the year ended December 31, 2001.

For additional information on the allowance for credit losses, certain credit quality ratios and credit quality information on specific loan categories, see the "Credit Risk Management and Credit Portfolio Review" section beginning on page 54.

Noninterest Expense

As presented in Table Seven, the Corporation's noninterest expense increased \$2.1 billion to \$20.7 billion in 2001. This increase in noninterest expense was driven by business exit costs, higher other general operating expense, personnel, professional fees, data processing and marketing, reflecting investments in growth businesses such as e-commerce, Asset Management and card and payment businesses.

Table 7 Noninterest Expense

<TABLE>

<CAPTION>

(Dollars in millions)	2001		2000		Increase/ (Decrease)	
	Amount	Percent/ (1)/	Amount	Percent/ (1)/	Amount	Percent
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Personnel	\$ 9,829	28.1%	\$ 9,400	28.2%	\$ 429	4.6%
Occupancy	1,774	5.1	1,682	5.0	92	5.5
Equipment	1,115	3.2	1,173	3.5	(58)	(4.9)
Marketing	682	1.9	621	1.9	61	9.8
Professional fees	564	1.6	452	1.4	112	24.8
Amortization of intangibles	878	2.5	864	2.6	14	1.6
Data processing	776	2.2	667	2.0	109	16.3
Telecommunications	484	1.4	527	1.6	(43)	(8.2)
Other general operating	2,687	7.7	2,114	6.4	573	27.1
General administrative and other	615	1.8	583	1.8	32	5.5
Business exit costs	1,305	3.7	-	-	1,305	n/m
Restructuring charges	-	-	550	1.7	(550)	n/m
Total	\$ 20,709	59.2%	\$ 18,633	56.0%	\$ 2,076	11.1%

</TABLE>

/(1)/ Percent of net interest income on a taxable-equivalent basis and noninterest income.

- o Personnel expense increased \$429 million to \$9.8 billion in 2001, primarily due to a severance charge of \$150 million in the fourth quarter of 2001 related to ongoing efficiency improvement programs, higher revenue-related incentive compensation and increased salaries expense. The Corporation had approximately 143,000 full-time equivalent employees at both December 31, 2001 and 2000.
- o Marketing expense increased \$61 million to \$682 million for 2001, primarily due to the Corporation's national brand-building campaign and higher card marketing in Consumer and Commercial Banking.
- o Professional fees increased \$112 million to \$564 million for 2001, primarily reflecting higher consulting and other professional fees due to an increase in initiatives related to the Corporation's strategy to improve customer satisfaction, the launch of a company-wide Six Sigma quality and productivity program and implementation of a new integrated business planning process.
- o Data processing expense increased \$109 million to \$776 million for 2001, primarily due to higher outsourced processing expense as a result of the outsourcing of personnel services and higher item processing and check clearing expenses.
- o Other general operating expense increased \$573 million to \$2.7 billion in 2001, reflecting \$334 million in litigation expenses in the fourth quarter of 2001 related to small settlements and an addition to the legal reserve to cover increased exposure to existing litigation, foreclosed properties expense in Corporate Other and other miscellaneous expenses throughout the Corporation.

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- o On August 15, 2001, the Corporation announced that it was exiting its auto leasing and subprime real estate lending businesses. As a result of this strategic decision, the Corporation recorded pre-tax business exit costs in the third quarter of 2001 of \$1.3 billion in noninterest expense. Business exit costs consisted of goodwill write-offs of \$685 million, auto lease residual charges of \$400 million, real estate servicing asset charges of \$145 million and other transaction costs of \$75 million.
- o As part of its productivity and investment initiatives announced on July 28, 2000, the Corporation recorded a pre-tax charge of \$550 million in the third quarter of 2000. Of the \$550 million restructuring charge, approximately \$475 million was used to cover severance and related costs and approximately \$75 million was used for other costs related to process change and channel consolidation. At December 31, 2001, the reserve had been substantially utilized.

Income Taxes

The Corporation's income tax expense for 2001 was \$3.3 billion for an effective tax rate of 32.9 percent and for 2000 was \$4.3 billion for an effective tax rate of 36.2 percent. The decrease in the effective tax rate for 2001 was due primarily to a fourth quarter tax benefit of \$418 million. The tax benefit, which resulted in a 17 percent effective tax rate for the fourth quarter of 2001, was generated as a result of the Corporation's realignment of certain problem loan management activities into a wholly-owned subsidiary. This tax benefit was partially offset by the portion of goodwill write-off included in business exit costs recorded during 2001 that is not deductible for federal or state income tax purposes. Note Seventeen of the consolidated financial statements includes a reconciliation of expected federal income tax expense computed using the federal statutory rate of 35 percent to actual income tax expense.

Balance Sheet Review

The Corporation utilizes an integrated approach in managing its balance sheet. The following summary discusses various aspects of both on-and off-balance sheet positions as of December 31, 2001 and 2000 and for the years then ended.

Cash and Cash Equivalents

At December 31, 2001, cash and cash equivalents were \$26.8 billion, a decrease of \$676 million from December 31, 2000. During 2001, net cash used in operating activities was \$12.8 billion, net cash provided by investing activities was \$37.6 billion and net cash used in financing activities was \$25.3 billion. For

further information on cash flows, see the Consolidated Statement of Cash Flows of the consolidated financial statements.

Securities

The securities portfolio serves a primary role in the Corporation's balance sheet management activities. The decision to purchase or sell securities is based upon the current assessment of economic and financial conditions, including the interest rate environment, liquidity requirements and on- and off-balance sheet positions.

The average securities portfolio in 2001 decreased \$23.8 billion to \$60.4 billion due to significant reductions in the portfolio in early 2001. As a percentage of total uses of funds, the average securities portfolio decreased by four percent to nine percent in 2001.

The securities portfolio at December 31, 2001 consisted of available-for-sale securities totaling \$84.5 billion compared to \$64.7 billion at December 31, 2000. The increase in available-for-sale securities was concentrated in the mortgage-backed securities portfolio and was primarily a result of loans securitized during the year and subsequently held in the portfolio. The reduction in the U.S. Treasury securities and agency debentures in the available-for-sale portfolio was driven by portfolio repositioning during the year. The estimated average duration of the available-for-sale securities portfolio was 3.34 years at December 31, 2001 compared to 4.13 years at December 31, 2000.

The valuation allowance for available-for-sale and marketable equity securities is included in shareholders' equity. At December 31, 2001, the valuation allowance consisted of net unrealized losses of \$480 million, net of related income taxes of \$311 million. At December 31, 2000, the valuation allowance reflected net unrealized losses of \$560 million, net of related income taxes of \$330 million.

Held-to-maturity securities totaled \$1.0 billion at December 31, 2001 compared to \$1.2 billion at December 31, 2000. At December 31, 2001 and 2000, the market value of the Corporation's held-to-maturity securities reflected pre-tax net unrealized losses of \$40 million and \$54 million, respectively.

Gains on sales of securities were \$475 million in 2001 compared to \$25 million in 2000. The majority of the gains were realized in the fourth quarter of 2001 as the Corporation reduced its risk of slower prepayments in the securities portfolio through sales of mortgage-backed securities in anticipation of rising interest rates. See Note Three of the consolidated financial statements for further details on securities.

Loans and Leases

As presented in Table Four, average loans and leases, the Corporation's primary use of funds, decreased \$27.2 billion to \$365.4 billion in 2001. This decline was primarily due to a decrease in consumer finance loans as the Corporation exited the subprime real estate lending business and a decline in commercial loans as the Corporation continued efforts to reduce corporate loan levels and exit less profitable relationships. The Corporation also reviews loans on a managed basis, which adjusts for securitizations, sales and divestitures. Average managed loans and leases decreased \$1.2 billion to \$378.7 billion in 2001. This decrease was primarily due to lower average managed commercial loan levels, partially offset by growth in average managed consumer loans. See Note Eight of the consolidated financial statements for additional information on managed loans.

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Average managed commercial loans decreased \$15.3 billion to \$187.2 billion in 2001. The commercial-domestic portfolio decreased \$12.2 billion to \$135.8 billion, reflecting aggressive paydowns precipitated by falling interest rates and continuing efforts to exit less profitable relationships. The commercial-foreign portfolio declined \$2.4 billion to \$26.5 billion primarily due to paydowns on customer balances.

Average managed consumer loans increased eight percent in 2001, reflecting increases throughout the consumer loan portfolios. Average managed residential mortgages increased \$4.6 billion to \$84.0 billion due to strong growth in branch-originated products. Average managed bankcard loans increased \$4.4 billion to \$24.6 billion due to an increase in new business volume and slower balance paydowns. Average managed home equity lines increased \$2.5 billion to \$22.0 billion, due to the impact of new marketing programs implemented in mid 2000. Average managed consumer finance loans increased \$2.3 billion to \$18.6 billion, and average managed direct/indirect consumer loans increased \$308 million to \$40.1 billion.

A significant source of liquidity for the Corporation is the repayments and

maturities of loans. Table Eight presents the contractual maturity distribution and interest sensitivity of selected loan categories at December 31, 2001, and indicates that approximately 44 percent of the selected loans had maturities of one year or less. The securitization and sale of certain loans and the use of loans as collateral in asset-backed financing arrangements are also sources of liquidity.

Table 8 Selected Loan Maturity Data/(1)/

<TABLE>

<CAPTION>

(Dollars in millions)	December 31, 2001			
	Due in 1 year or less	Due after 1 year through 5 years	Due after 5 years	Total
<S>	<C>	<C>	<C>	<C>
Commercial - domestic	\$ 42,536	\$ 47,058	\$ 21,382	\$ 110,976
Commercial real estate - domestic	2,888	5,905	3,374	12,167
Construction real estate - domestic	5,748	3,963	393	10,104
Foreign/(2)/	16,389	3,538	1,408	21,335
-	-	-	-	-
Total selected loans	\$ 67,561	\$ 60,464	\$ 26,557	\$ 154,582
-	-	-	-	-
Percent of total	43.7%	39.1%	17.2%	100.0%
Cumulative percent of total	43.7	82.8	100.0	
Sensitivity of loans to changes in interest rates for loans due after one year:				
Fixed interest rates		\$ 8,821	\$ 12,648	\$ 21,469
Floating or adjustable interest rates		51,643	13,909	65,552
-----		-----	-----	-----
Total		\$ 60,464	\$ 26,557	\$ 87,021
-----		-----	-----	-----

</TABLE>

/(1)/ Loan maturities are based on the remaining maturities under contractual terms.

/(2)/ Loan maturities include consumer and commercial foreign loans.

Deposits

Table Four provides information on the average amounts of deposits and the rates paid by deposit category. Through the Corporation's diverse retail banking network, deposits remain a primary source of funds for the Corporation. Average deposits increased \$9.4 billion to \$362.7 billion in 2001 due to a \$6.8 billion increase in average domestic interest-bearing deposits and a \$6.4 billion increase in average total noninterest-bearing deposits, partially offset by a \$3.8 billion decrease in average foreign interest-bearing deposits. Average core deposits, which exclude negotiable CDs, public funds, other domestic time deposits, and foreign interest-bearing deposits, increased \$14.9 billion to \$306.9 billion in 2001. The increase in average core deposits was primarily driven by an increase in money market savings accounts and noninterest-bearing deposits, partially offset by a decline in CDs and savings accounts. The increase in money market savings accounts was driven by the Corporation's deposit pricing initiative to offer more competitive money market savings rates. As a percentage of total sources of funds, average core deposits increased by four percent to 47 percent in 2001. At December 31, 2001, core deposits exceeded loans and leases. See Note Nine of the consolidated financial statements for further details on deposits.

Short-Term Borrowings

The Corporation uses short-term borrowings as a funding source and in its management of interest rate risk. Table Nine presents the categories of short-term borrowings.

During 2001, total average short-term borrowings decreased \$39.0 billion to \$92.5 billion from \$131.5 billion in 2000. This decline was primarily due to decreases in repurchase agreements, short-term notes payable and commercial paper driven by lower funding needs.

Table 9 Short-Term Borrowings

<TABLE>

<CAPTION>

	2001		2000		1999
-----	-----		-----		-----
(Dollars in millions)	Amount	Rate	Amount	Rate	Amount
Rate	-----	-----	-----	-----	-----

<S>	<C>	<C>	<C>	<C>	<C>
<C>					
Federal funds purchased					
At December 31	\$ 5,487	1.45%	\$ 4,612	5.92%	\$ 4,806
3.04%					
Average during year	6,267	3.99	4,506	6.44	5,835
5.03					
Maximum month-end balance during year	8,718	-	7,149	-	8,311
-					
Securities sold under agreements to repurchase					
At December 31	42,240	1.25	44,799	6.26	69,755
4.12					
Average during year	54,826	4.01	79,217	5.93	73,242
4.89					
Maximum month-end balance during year	70,674	-	90,062	-	83,046
-					
Commercial paper					
At December 31	1,558	1.99	6,955	6.54	7,331
5.83					
Average during year	4,156	4.91	9,645	6.41	7,610
5.17					
Maximum month-end balance during year	7,410	-	10,762	-	8,379
-					
Other short-term borrowings					
At December 31	20,659	2.13	35,243	5.97	40,340
5.18					
Average during year	27,227	5.56	38,124	6.18	29,463
5.30					
Maximum month-end balance during year	39,391	-	45,271	-	40,340
-					

</TABLE>

Long-Term Debt and Trust Preferred Securities

Long-term debt decreased \$5.0 billion to \$62.5 billion at December 31, 2001, from \$67.5 billion at December 31, 2000. The overall decline in long-term debt reflected a decline in average assets, but was partially offset by additional issuances to maintain liquidity, repay maturing debt and fund share repurchases. During 2001, the Corporation issued, domestically and internationally, \$14.9 billion in long-term senior and subordinated debt, an \$8.6 billion decrease from \$23.5 billion during 2000. The Corporation issued \$575 million of trust preferred securities in 2001. There were no trust preferred securities issued in 2000. See Notes Ten and Eleven of the consolidated financial statements for further details on long-term debt and trust preferred securities, respectively.

Subsequent to December 31, 2001, the Corporation issued \$1.7 billion of long-term senior and subordinated debt, with maturities ranging from 2007 to 2027.

Bank of America Corporation, as successor to NationsBank Corporation, announced the redemption of its 7.84 percent Trust Originated Preferred Securities issued by NB Capital Trust I and its 7.75 percent Trust Originated Preferred Securities issued by BankAmerica Capital I. The redemption date is March 15, 2002 with a redemption price of \$25 per security plus accrued and unpaid distributions, if any, up to but excluding the redemption date of March 15, 2002.

Subsequent to December 31, 2001, BAC Capital Trust II, a wholly-owned grantor trust of Bank of America Corporation, issued \$900 million in capital securities. The annual dividend rate is 7 percent and is paid quarterly on February 1, May 1, August 1 and November 1 of each year, commencing May 1, 2002.

The debt ratings of the Corporation and Bank of America, N.A at December 31, 2001 are reflected in the following table:

	Bank of America Corporation			Bank of America,
N.A.	-----			-----
-----	Commercial	Senior	Subordinated	Short-Term
	Paper	Debt	Debt	
Long-Term	-----	-----	-----	-----

--

<S>	<C>	<C>	<C>	<C>	<C>
Moody's Investors Service	P-1	Aa2	Aa3	P-1	
Aal					
Standard & Poor's Corporation	A-1	A+	A	A-1+	
AA-					
Fitch, Inc.	F-1+	AA-	A+	F-1+	
AA					
-----	-----	-----	-----	-----	

</TABLE>

Debt and Lease Obligations

The Corporation has contractual obligations to make future payments on debt and lease agreements. Long-term debt, capital leases and trust preferred securities are reflected on the balance sheet, whereas, operating lease obligations for office space and equipment are not recorded on the balance sheet. These types of obligations are more fully discussed in Notes Ten and Eleven of the consolidated financial statements. Total debt and lease obligations at December 31, 2001 included:

(Dollars in millions)	Due in 1 year or less	Due after 1 year through 3 years	Due after 3 years through 5 years	Due after 5 years
Total				
-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
<C>				
Debt and lease obligations				
Long-term debt and capital	\$ 11,592	\$ 18,781	\$ 14,875	\$ 17,248
\$ 62,496				
leases/(1)/				
Trust preferred securities/(1)/	-	-	-	5,530
5,530				
Operating lease obligations	1,174	1,994	1,413	2,528
7,109				
-----	-----	-----	-----	-----
Total debt and lease obligations	\$ 12,766	\$ 20,775	\$ 16,288	\$ 25,306
\$ 75,135				
-----	-----	-----	-----	-----

</TABLE>

/(1)/ Includes principal payments only.

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Credit Extension Commitments

Many of the Corporation's lending relationships, including those with commercial and consumer customers, contain both funded and unfunded elements. The unfunded component of these commitments is not recorded on the Corporation's balance sheet. These commitments are more fully discussed in Note Twelve of the consolidated financial statements. The table below summarizes the total unfunded credit extension, or off-balance sheet, commitment amounts by expiration date.

(Dollars in millions)	Expires in 1 year or less	Expires after 1 year through 3 years	Expires after 3 years through 5 years	Expires after 5 years
Total				
-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
<C>				
Credit extension commitments				
Credit card commitments	\$ 73,644	\$ -	\$ -	\$ -
\$ 73,644				
Other loan commitments/(1)/	97,570	50,891	37,359	35,709

221,529					
Standby letters of credit and financial	28,268	8,790	829	2,487	
40,374					
guarantees					
Commercial letters of credit	3,243	518	49	147	
3,957					
-----	-----	-----	-----	-----	-----
Total credit extension commitments	\$ 202,725	\$ 60,199	\$ 38,237	\$ 38,343	\$
339,504					
-----	-----	-----	-----	-----	-----

</TABLE>

/(1)/ Other loan commitments include equity commitments of approximately \$2.7 billion primarily related to obligations to fund existing venture capital equity investments.

Off-Balance Sheet Financing Entity Commitments

In the normal course of business, the Corporation also supports its customers' financing needs through facilitating their access to the commercial paper markets. These markets provide an attractive, lower cost financing alternative for the Corporation's customers. These customers sell assets, such as high-grade trade or other receivables or leases, to a commercial paper financing entity, which in turn issues high-grade short-term commercial paper that is collateralized by such assets. The Corporation facilitates these transactions and bills and collects fees from the financing entity for the services it provides including administration, trust services and marketing the commercial paper. In addition, the Corporation receives fees for providing liquidity and standby letters of credit or similar loss protection commitments to the financing entities. The Corporation manages its credit risk on these commitments by subjecting them to normal underwriting and risk management processes. At December 31, 2001 and 2000, the Corporation had off-balance sheet liquidity commitments and standby letters of credit and other financial guarantees to these financing entities of \$36.1 billion and \$27.6 billion, respectively. Substantially all of these liquidity commitments and standby letters of credit and other financial guarantees mature within one year. These amounts are included in total credit extension commitments in the table above. Net revenues earned from fees associated with these financing entities were approximately \$223 million and \$200 million in 2001 and 2000, respectively.

In addition, to preserve its own liquidity and control its capital position, the Corporation from time to time will seek alternative funding sources. To accomplish this, the Corporation will sell or fund assets using an off-balance sheet financing entity, which in turn, issues collateralized commercial paper or structured notes to third-party market participants. The Corporation may provide liquidity and standby letters of credit or similar loss protection commitments to the financing entity, or it may enter into a derivative with the entity whereby the Corporation assumes certain market risk. Similar to that discussed above, the Corporation receives fees for the services it provides to the financing entity, and it manages any market risk on commitments or derivatives through normal underwriting and risk management processes. Derivative activity related to these financing entities is included in Note Five of the consolidated financial statements. At December 31, 2001 and 2000, the Corporation had off-balance sheet liquidity commitments and standby letters of credit and other financial guarantees to these financing entities of \$3.9 billion and \$2.9 billion, respectively. Substantially all of these liquidity commitments and standby letters of credit and other financial guarantees mature within one year. These amounts are included in total credit extension commitments in the table above. Net revenues earned from fees associated with these financing entities were \$49 million and \$51 million in 2001 and 2000, respectively.

Because the Corporation provides liquidity and credit support to these financing entities, the Corporation's credit ratings and changes thereto will affect the borrowing cost and liquidity of these entities. In addition, significant changes in counterparty asset valuation and credit standing may also affect the liquidity of the commercial paper issuance. Further, disruption in the commercial paper markets may result in the Corporation having to fund under these commitments and letters of credit discussed above. These risks, along with all other credit and liquidity risks, are managed by the Corporation within its policies and practices. See Note One of the consolidated financial statements for an additional discussion of off-balance sheet financing entities.

Capital Resources and Capital Management

Shareholders' equity at December 31, 2001 was \$48.5 billion compared to \$47.6 billion at December 31, 2000, an increase of \$892 million. The increase was primarily due to \$3.2 billion of net earnings (net income less dividends), \$1.1 billion of net gains on derivatives and \$1.1 billion in common stock issued under employee plans, partially offset by the repurchase of common stock for approximately \$4.7 billion. The Tier 1 Capital Ratio rose 80 basis points from December 31, 2000 to 8.30 percent. At December 31, 2001, the Corporation was classified as well-capitalized.

On December 11, 2001, the Corporation's Board of Directors (the Board) authorized a new stock repurchase program of up to 130 million shares of the Corporation's common stock at an aggregate cost of up to \$10.0 billion. No shares had been repurchased under the 2001 program at December 31, 2001. The remaining buyback authority for common stock under the 2000 repurchase program totaled \$2.1 billion, or two million shares. During 2001, the Corporation repurchased approximately 82 million shares of its common stock in open market repurchases at an average per-share price of \$57.58,

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which reduced shareholders' equity by \$4.7 billion and increased earnings per share by approximately \$0.08 for the year ended December 31, 2001. Management anticipates it will continue to repurchase shares at least equal to shares issued under its various stock option plans. See Note Thirteen of the consolidated financial statements for additional disclosures related to the repurchase program.

On October 24, 2001, the Board approved a \$0.04 per share, or seven percent, increase in the quarterly common dividend. This increase brings the common dividend to \$0.60 per share for the fourth quarter of 2001 and \$2.28 per share for the year ended December 31, 2001.

The regulatory capital ratios of the Corporation and Bank of America, N.A., along with a description of the components of risk-based capital, capital adequacy requirements and prompt corrective action provisions, are included in Note Fourteen of the consolidated financial statements.

Risk Management Overview

The Corporation's goal in managing risk is to produce appropriate risk-adjusted returns, reduce the wide volatility in earnings and increase shareholder value. The Corporation believes it has a governance structure and risk management approach in place in order to reach that goal. Processes are designed to align the Corporation's measures for business success with the measures for return, growth and risk. Further, these processes enable the Corporation to better communicate with its associates the corporate appetite for risk, manage sources of earnings' volatility and manage appropriate capital levels.

The Corporation manages risk by adherence to the following key principles:

- o Emphasize that individual decision-making and accountability are the cornerstone.
- o Include risk assessments in all business units.
- o Appropriate limits, policies, procedures and measures are in place.
- o Independently test, verify and evaluate controls.
- o Identify and minimize the sources of earnings' volatility.
- o Use SVA as a key financial measure to evaluate businesses and to direct capital.

Each of these key principles contributes to a more risk/return focused culture. Importantly, the Corporation believes SVA leads to better risk/return decisioning and to a lower risk profile. Reinforcing the cost of capital among the Corporation's business segments creates critical assessments of the Corporation's uses of capital. The cost of capital for each business is based on an assessment of its specific credit, market and operational risk.

The goal of the governance structure is to enable management to actively balance risk and return.

- o The Chief Financial Officer has oversight responsibility for the soundness of the Corporation's capitalization and earnings.
- o The Chief Risk Officer has enterprise-wide oversight of market, credit and operational risks.
- o The business unit leaders have responsibility for meeting corporate performance objectives within the boundaries of their allocated risk position.

The Corporation manages day-to-day risk-taking through three senior executive committees. The Risk and Capital Committee determines the corporate objectives for each performance measure, allocates capital, sets aggregate risk levels and plans the use of capital. It also coordinates two committees responsible for market and credit risk. The Asset and Liability Committee reviews aggregate balance sheet exposures, including trading positions, recommends balance sheet capital allocations and recommends changes in the market risk profile. The Credit Risk Committee reviews business asset quality, portfolio management results and industry concentrations and limits.

The Board of Directors addresses risk in three ways. The Finance Committee oversees both market and credit risk through reports from the Asset and Liability Committee and the Credit Risk Committee. The Asset Quality Committee

of the Board also reviews credit risk, and the Audit Committee of the Board reviews the scope and coverage of the external audit and internal audit activities.

Senior management and the Board of Directors oversight builds on the cornerstone of the Corporation's corporate governance: individual decision-making and accountability. The Corporation's corporate governance is designed so that individuals at all levels are delegated appropriate authority, take appropriate action and are accountable for actions taken. Wherever practical, decision-making authority is delegated as close to the customer as possible.

The following sections, Credit Risk Management and Credit Portfolio Review, Market Risk Management and Liquidity Risk Management, provide specific information on the Corporation's processes and current risk assessment in each area as of December 31, 2001 and 2000.

Credit Risk Management and Credit Portfolio Review

In conducting business activities, the Corporation is exposed to the risk that borrowers or counterparties may default on their obligations to the Corporation. This exposure exists in both on-and off-balance sheet relationships. Credit risk arises through the extension of loans and leases, certain securities, off-balance sheet letters of credit and financial guarantees, unfunded loan commitments and through counterparty exposure on trading and capital markets transactions. To manage both on-and off-balance sheet credit risk, the Risk Management group, which reports to the Chief Risk Officer, establishes policies and procedures and communicates, implements and monitors the application of these throughout the Corporation.

The Corporation uses statistical techniques and modeling to estimate both expected losses and unexpected losses for each segment of the portfolio. The expected loss drives the periodic credit cost charged to earnings for management reporting purposes, and the unexpected loss estimate drives the capital allocation to each business unit. Both the expected loss and unexpected loss are incorporated into each business unit's SVA measurement. As a result, the overall credit risk profile of each business unit is an important factor in assessing its performance.

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The Corporation's overall objective in managing credit risk is to minimize the adverse impact of any single event or set of occurrences. To achieve this objective, the Risk Management group works with lending officers, trading personnel and various other line personnel in areas that conduct activities involving credit risk to maintain a credit risk profile that is diverse in terms of product type, industry concentration, geographic distribution and borrower or counterparty concentration.

The Corporation manages credit exposure to individual borrowers and counterparties on an aggregate basis including loans and leases, securities, letters of credit, bankers' acceptances, derivatives and unfunded commitments. The creditworthiness of individual borrowers or counterparties is determined by experienced personnel, and limits are established for the total credit exposure to any one borrower or counterparty. Credit limits are subject to varying levels of approval by senior line personnel and credit risk management.

The approving credit officer assigns borrowers or counterparties an initial risk rating which is based primarily on an analysis of each borrower's financial capacity in conjunction with industry and economic trends. Risk ratings are subject to review and validation by the independent credit review group. Approvals are made based upon the perceived level of inherent credit risk specific to the transaction and the counterparty and are reviewed for appropriateness by senior line and credit risk personnel. Credits are monitored by line and credit risk management personnel for deterioration in a borrower's or counterparty's financial condition which would impact the ability of the borrower or counterparty to perform under the contract. Risk ratings are adjusted as necessary, and the Corporation seeks to reduce exposure in such situations where appropriate.

The Corporation also has a goal of managing exposure to a single borrower, industry, product-type, country or other concentration through syndications of credits, credit derivatives, participations, loan sales and securitizations. Through the Global Corporate and Investment Banking segment, the Corporation is a major participant in the syndications market. In a syndicated facility, each participating lender funds only its portion of the syndicated facility, therefore limiting its exposure to the borrower. The Corporation's strategy remains one of origination for distribution. Additionally, the SVA discipline discourages the retention of loan assets that do not generate a positive return above the cost of risk-adjusted capital.

For consumer and small business lending, credit scoring systems are

utilized to determine the relative risk of new underwritings and provide standards for extensions of credit. Consumer portfolio credit risk is monitored primarily using statistical models and reviews of actual payment experience in an attempt to predict portfolio behavior.

In some credit situations, the Corporation obtains collateral to support credit extensions and commitments. Generally, such collateral is in the form of real and/or personal property, cash on deposit or other liquid instruments. In certain circumstances, the Corporation obtains real property as security for some loans that are made on the general creditworthiness of the borrower and whose proceeds were not used for real estate-related purposes.

An independent Credit Review group provides executive management, the Board of Directors and the Credit Risk Committee with an evaluation of portfolio quality and the effectiveness of the credit management process. The group conducts ongoing reviews of credit activities and portfolios through transactional and process reviews, re-examining on a regular basis risk assessments for credit exposures and overall compliance with policy.

Loans and Leases Portfolio Review

The Corporation's credit exposure is focused in its loans and leases portfolio, which totaled \$329.2 billion and \$392.2 billion at December 31, 2001 and 2000, respectively. In addition, there are off-balance sheet commitments to fund loans, which totaled \$295.2 billion and \$315.2 billion at December 31, 2001 and 2000, respectively. 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. Table Ten presents the loans and leases by category. Additional information on the Corporation's industry, real estate and foreign exposures can be found in the Concentrations of Credit Risk section beginning on page 61.

As a result of the exit of the auto leasing and subprime real estate lending businesses, the Corporation immediately ceased originations of auto leases and subprime real estate loans. The Corporation intends to allow its auto lease portfolio to run off over its remaining term of three to four years. The Corporation began to execute its exit strategy for the subprime real estate loan portfolio through securitizations and sales in the fourth quarter of 2001. Additional information on the exit of these consumer finance businesses can be found in Notes Two and Six of the consolidated financial statements.

Table 10 Loans and Leases

<TABLE>

<CAPTION>

		December 31							
		2001		2000		1999		1998	

Foreign consumer 3,098 .9	2,092 .6	2,308 .6	2,244 .6	3,602 1.0

Total consumer 160,706 47.0	165,255 50.2	188,651 48.1	174,883 47.2	161,198 45.1

Total loans and leases \$342,140 100.0%	\$329,153 100.0%	\$392,193 100.0%	\$370,662 100.0%	\$357,328 100.0%

</TABLE>

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Commercial Portfolio

At December 31, 2001 and 2000, total commercial loans outstanding totaled \$163.9 billion and \$203.5 billion, respectively. Domestic commercial loans, including commercial real estate, accounted for 86 percent and 85 percent of total commercial loans at December 31, 2001 and 2000, respectively.

Commercial-domestic loans outstanding totaled \$118.2 billion and \$146.0 billion at December 31, 2001 and 2000, respectively. The Corporation had commercial-domestic loan net charge-offs of \$1.9 billion for 2001, compared to \$1.3 billion for 2000. Net charge-offs increased primarily due to deterioration in credit quality stemming from the weak economic environment, the sale of distressed loans in 2001 and fourth quarter charge-offs of \$210 million related to Enron Corporation. In addition to the Enron loan charge-offs, the Corporation also wrote off \$21 million in Enron securities related to a collateralized loan obligation. Nonperforming commercial-domestic loans were \$3.1 billion, or 2.64 percent of commercial-domestic loans, at December 31, 2001, compared to \$2.8 billion, or 1.90 percent, at December 31, 2000. The increase in nonperforming loans was primarily driven by the weakening economic environment which impacted various industries and business segments, partially offset by sales of nonperforming loans. In addition, the remaining Enron loan balance of \$226 million, of which \$42 million was unsecured, was classified as nonperforming subsequent to the charge-off in the fourth quarter. Commercial-domestic loans past due 90 days or more and still accruing interest were \$175 million at December 31, 2001, compared to \$141 million at December 31, 2000.

Commercial-foreign loans outstanding totaled \$23.0 billion and \$31.1 billion at December 31, 2001 and 2000, respectively. The Corporation had commercial-foreign loan net charge-offs for 2001 of \$208 million, compared to \$86 million for 2000. Nonperforming commercial-foreign loans were \$461 million, or 2.00 percent of commercial-foreign loans, at December 31, 2001, compared to \$486 million, or 1.56 percent, at December 31, 2000. Commercial-foreign loans past due 90 days or more and still accruing interest were \$6 million at December 31, 2001 compared to \$37 million at December 31, 2000. For additional information, see the International Exposure discussion beginning on page 63.

Commercial real estate-domestic loans totaled \$22.3 billion and \$26.2 billion at December 31, 2001 and 2000, respectively. Net charge-offs were \$39 million and \$13 million for 2001 and 2000, respectively. Nonperforming commercial real estate-domestic loans were \$240 million, or 1.08 percent of commercial real estate-domestic loans, at December 31, 2001, compared to \$236 million, or 0.90 percent, at December 31, 2000. At December 31, 2001, commercial real estate-domestic loans past due 90 days or more and still accruing interest were \$40 million compared to \$16 million at December 31, 2000. Table Seventeen displays commercial real estate loans by geographic region and property type, including the portion of such loans which are nonperforming and other real estate credit exposures.

Table Eighteen presents aggregate commercial loan and lease exposures by certain significant industries.

Consumer Portfolio

At December 31, 2001 and 2000, total consumer loans outstanding totaled \$165.3 billion and \$188.7 billion, respectively. Approximately 65 percent and 70 percent of these loans were secured by first and second mortgages on residential real estate at December 31, 2001 and 2000, respectively.

In 1999, the Federal Financial Institutions Examination Council (FFIEC) issued the Uniform Classification and Account Management Policy (the Policy) which provides guidance for and promotes consistency among banks on the charge-off treatment of delinquent and bankruptcy-related consumer loans. The Corporation implemented the Policy in the fourth quarter of 2000, which resulted in accelerated charge-offs of \$104 million across several product types in the consumer loan portfolio.

Residential mortgage loans decreased to \$78.2 billion at December 31, 2001

compared to \$84.4 billion at December 31, 2000 as growth in retail mortgage originations was more than offset by the impact of securitizations of \$52.9 billion. Net charge-offs on residential mortgage loans were \$26 million for 2001. Nonperforming residential mortgage loans increased \$5 million to \$556 million at December 31, 2001.

Home equity lines increased to \$22.1 billion at December 31, 2001 compared to \$21.6 billion at December 31, 2000. Net charge-offs on home equity lines were \$19 million and \$20 million for 2001 and 2000, respectively. Nonperforming home equity lines increased to \$80 million at December 31, 2001 compared to \$32 million at December 31, 2000.

Consumer finance loans outstanding totaled \$5.3 billion and \$25.8 billion at December 31, 2001 and 2000, respectively. Consumer finance nonperforming loans decreased to \$9 million at December 31, 2001 compared to \$1.1 billion at December 31, 2000. These decreases were due to the transfer of approximately \$21.4 billion of subprime real estate loans, of which \$1.2 billion was nonperforming, to loans held for sale as a result of the exit of the subprime real estate lending business in the third quarter of 2001. The Corporation had consumer finance net charge-offs of \$929 million for 2001 compared to \$266 million for 2000. The increase in net charge-offs primarily reflected exit-related charge-offs of \$635 million that were used to write down the subprime real estate loan portfolio to estimated market value in the third quarter of 2001 and a weakened economic environment.

Bankcard receivables increased to \$19.9 billion at December 31, 2001 compared to \$14.1 billion at December 31, 2000. This increase was due to new account growth and increased purchase volume on existing accounts. Net charge-offs on bankcard receivables for 2001 were \$672 million compared to \$338 million for 2000. Managed bankcard net charge-offs increased \$230 million to \$1.2 billion, while the managed net charge-off ratio increased 10 basis points to 4.76 percent for 2001. The increase in net charge-offs was primarily a result of growth in the portfolio outstandings, an increase in personal bankruptcy filings and a weaker economic environment. Bankcard loans past due 90 days or more and still accruing interest were \$332 million at December 31, 2001 compared to \$191 million at December 31, 2000.

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Other consumer loans, which include direct and indirect consumer and foreign consumer loans, were \$39.7 and \$42.8 billion at December 31, 2001 and 2000, respectively. Direct and indirect consumer loan net charge-offs were \$349 million for 2001 compared to \$324 million for 2000. Foreign consumer loan net charge-offs were \$5 million and \$3 million for 2001 and 2000, respectively.

Excluding bankcard, total consumer loans past due 90 days or more and still accruing interest were \$127 million at December 31, 2001, compared to \$110 million at December 31, 2000.

Nonperforming Assets

As presented in Table Eleven, nonperforming assets decreased to \$4.9 billion at December 31, 2001 from \$5.5 billion at December 31, 2000. Nonperforming loans decreased to \$4.5 billion at December 31, 2001 from \$5.2 billion at December 31, 2000. The decrease in nonperforming loans was primarily due to the transfer of \$1.2 billion of nonperforming subprime real estate loans from the loans and leases portfolio to loans held for sale included in other assets related to the decision to exit the subprime real estate lending business in 2001 and due to sales of nonperforming commercial - domestic and residential mortgage loans in 2001. These decreases were partially offset by nonperforming net inflows in the commercial - domestic, residential mortgage and home equity lines portfolios. Credit deterioration in loans continued as companies and individuals were affected by the weakening economic environment. Foreclosed properties increased to \$402 million at December 31, 2001 compared to \$249 million at December 31, 2000. This increase was driven by the exit of the subprime real estate lending business in the third quarter of 2001.

<TABLE>

<CAPTION>

Table 11 Nonperforming Assets/(1)/

<S> (Dollars in millions)	At December 31				
	<C> 2001	<C> 2000	<C> 1999	<C> 1998	<C> 1997
Nonperforming loans					
Commercial - domestic	\$ 3,123	\$ 2,777	\$ 1,163	\$ 812	\$ 563
Commercial - foreign	461	486	486	314	155
Commercial real estate - domestic	240	236	191	299	342
Commercial real estate - foreign	3	3	3	4	2
Total commercial	3,827	3,502	1,843	1,429	1,062

Residential mortgage	556	551	529	722	744
Home equity lines	80	32	46	50	52
Direct/Indirect consumer	27	19	19	21	43
Consumer finance/(2)/	9	1,095	598	246	210
Foreign consumer	7	9	7	14	-
Total consumer	679	1,706	1,199	1,053	1,049
Total nonperforming loans	4,506	5,208	3,042	2,482	2,111
Foreclosed properties	402	249	163	282	309
Total nonperforming assets	\$ 4,908	\$ 5,457	\$ 3,205	\$ 2,764	\$ 2,420
Nonperforming assets as a percentage of:					
Total assets	.79%	.85%	.51%	.45%	.42%
Loans, leases and foreclosed properties	1.49	1.39	.86	.77	.71
Nonperforming loans as a percentage of loans and leases	1.37	1.33	.82	.69	.62
(Dollars in millions)	2001	2000	1999	1998	1997
Income that would have been recorded in accordance with original terms	\$ 593	\$ 666	\$ 419	\$ 367	\$ 349
Less income actually recorded	(256)	(237)	(123)	(130)	(130)
Loss of income	\$ 337	\$ 429	\$ 296	\$ 237	\$ 219
Cost of carrying foreclosed properties	\$ 15	\$ 12	\$ 13	\$ 16	\$ 26

</TABLE>

/(1)/ Balance does not include \$1.0 billion and \$124 million of loans held for sale, included in other assets at December 31, 2001 and 2000, respectively, which would have been classified as non-performing had they been included in loans. The Corporation had approximately \$48 million and \$390 million of troubled debt restructured loans at December 31, 2001 and 2000, respectively, which were accruing interest and were not included in nonperforming assets.

/(2)/ In 2001, \$1.2 billion of nonperforming loans were transferred to loans held for sale as a result of the exit of the subprime real estate lending business.

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Table Twelve presents the additions to and reductions in nonperforming assets in the commercial and consumer portfolios during the most recent five quarters.

<TABLE>

<CAPTION>

Table 12 Nonperforming Assets Activity

	<C> Fourth Quarter	<C> Third Quarter	<C> Second Quarter	<C> First Quarter	<C> Fourth Quarter
(Dollars in millions)	2001	2001	2001	2001	2000
Balance, beginning of period	\$ 4,523	\$ 6,195	\$ 5,897	\$ 5,457	\$ 4,403
Commercial					
Additions to nonperforming assets:					
New nonaccrual loans and foreclosed properties	1,345	761	1,376	1,315	1,954
Advances on loans	106	32	33	26	28
Total commercial additions	1,451	793	1,409	1,341	1,982
Reductions in nonperforming assets:					
Paydowns, payoffs and sales	(300)	(635)	(732)	(398)	(288)
Returns to performing status	(82)	(86)	(19)	(126)	(73)
Charge-offs/(1)/	(784)	(513)	(525)	(467)	(774)
Total commercial reductions	(1,166)	(1,234)	(1,276)	(991)	(1,135)
Total commercial net additions to (reductions in) nonperforming assets	285	(441)	133	350	847
Consumer					
Additions to nonperforming assets:					
New nonaccrual loans and foreclosed properties	374	694	836	819	834

Total consumer additions	374	694	836	819	834
Reductions in nonperforming assets:					
Paydowns, payoffs and sales	(174)	(413)	(159)	(135)	(95)
Returns to performing status	(181)	(256)	(440)	(483)	(391)
Charge-offs/(1)/	(22)	(69)	(69)	(101)	(135)
Transfers (to) from assets held for sale/(2)/(3)/	103	(1,187)	(3)	(10)	(6)
Total consumer reductions	(274)	(1,925)	(671)	(729)	(627)
Total consumer net additions to (reductions in) nonperforming assets	100	(1,231)	165	90	207
Total net additions to (reductions in) nonperforming assets	385	(1,672)	298	440	1,054
Balance, end of period	\$ 4,908	\$ 4,523	\$ 6,195	\$ 5,897	\$ 5,457

</TABLE>

/(1)/ Certain loan products, including commercial bankcard, consumer bankcard and other unsecured loans, are not classified as nonperforming; therefore, the charge-offs on these loans are not included above.

/(2)/ Includes assets held for sale that were foreclosed and transferred to foreclosed properties.

/(3)/ Primarily related to the exit of the subprime real estate lending business in the third quarter of 2001.

In order to respond when deterioration of a credit occurs, internal loan workout units are devoted to providing specialized expertise and full-time management and/or collection of certain nonperforming assets as well as certain performing loans. Management believes focused collection strategies and a proactive approach to managing overall problem assets expedites the disposition, collection and renegotiation of nonperforming and other lower-quality assets. During 2001, the Corporation realigned its operations that manage certain distressed assets through the funding of Banc of America Strategic Solutions, Inc. (SSI), a wholly-owned subsidiary. The purpose of this subsidiary is to provide a more effective means of problem asset resolution and to coordinate exit strategies, including bulk sales, collateralized debt obligations and other resolutions of domestic commercial distressed assets. The assets and liabilities transferred to SSI were consolidated with the Corporation at December 31, 2001. During 2001, the Corporation sold approximately \$2.1 billion of nonperforming and poorly performing commercial and consumer loans. Net charge-offs of approximately \$400 million were recorded related to these sales. The Corporation expects to continue to aggressively manage credit risk and to exit problem credits where practical.

The Corporation's investment in specific loans that were considered to be impaired was \$3.9 billion at both December 31, 2001 and 2000. Commercial - domestic impaired loans increased \$247 million to \$3.1 billion at December 31, 2001 compared to December 31, 2000. Commercial -foreign impaired loans decreased \$20 million to \$501 million. Commercial real estate - domestic impaired loans decreased \$172 million to \$240 million.

Loans Past Due 90 Days or More and Still Accruing Interest

Table Thirteen presents total loans past due 90 days or more and still accruing interest. At December 31, 2001, loans past due 90 days or more and still accruing interest were \$680 million compared to \$495 million at December 31, 2000.

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<TABLE>

<CAPTION>

Table 13 Loans Past Due 90 Days or More and Still Accruing Interest

	At December 31, 2001		At December 31, 2000	
	<C>		<C>	
(Dollars in millions)	Amount	Percent/(1)/	Amount	
Commercial - domestic	\$ 175	.15%	\$ 141	.10%
Commercial - foreign	6	.02	37	.12
Commercial real estate - domestic	40	.18	16	.06
Total commercial	221	.13	194	.10
Residential mortgage	14	.02	17	.02
Direct/Indirect consumer	89	.24	89	.22
Consumer finance	24	.45	4	.02

Bankcard	332	1.67	191	1.36
-----	-----	-----	-----	-----
Total consumer	459	.28	301	.16
-----	-----	-----	-----	-----
Total	\$ 680	.21%	\$ 495	.13%
-----	-----	-----	-----	-----

</TABLE>

/(1)/ Represents amounts past due 90 days or more and still accruing interest as a percentage of loans and leases for each loan category.

Allowance for Credit Losses

The Corporation performs periodic and systematic detailed reviews of its lending portfolios to identify inherent risks and to assess the overall collectibility of those portfolios. The allowance on certain homogeneous loan portfolios, which generally consist of consumer loans, is based on aggregated portfolio segment evaluations generally by loan type. Loss forecast models are utilized for these segments which consider a variety of factors including, but not limited to historical loss experience, anticipated defaults or foreclosures based on portfolio trends, delinquencies and credit scores, and expected loss factors by loan type. The remaining portfolios are reviewed on an individual loan basis. Loans subject to individual reviews are analyzed and segregated by risk according to the Corporation's internal risk rating scale. These risk classifications, in conjunction with an analysis of historical loss experience, current economic conditions and performance trends within specific portfolio segments, and any other pertinent information (including individual valuations on nonperforming loans in accordance with Statement of Financial Accounting Standards No. 114, "Accounting by Creditors for Impairment of a Loan") result in the estimation of specific allowances for credit losses. The Corporation has procedures in place to monitor differences between estimated and actual incurred credit losses. These procedures include detailed periodic assessments by senior management of both individual loans and credit portfolios and the models used to estimate incurred credit losses in those portfolios.

Portions of the allowance for credit losses are assigned to cover the estimated probable incurred credit losses in each loan and lease category based on the results of the Corporation's detail review process described above. The assigned portion continues to be weighted toward the commercial loan portfolio, which reflected a higher level of nonperforming loans and the potential for higher individual losses. The remaining or unassigned portion of the allowance for credit losses, determined separately from the procedures outlined above, addresses certain industry and geographic concentrations, including global economic conditions. This procedure helps to minimize the risk related to the margin of imprecision inherent in the estimation of the assigned allowances for credit losses. Due to the subjectivity involved in the determination of the unassigned portion of the allowance for credit losses, the relationship of the unassigned component to the total allowance for credit losses may fluctuate from period to period. Management evaluates the adequacy of the allowance for credit losses based on the combined total of the assigned and unassigned components.

Additions to the allowance for credit losses are made by charges to the provision for credit losses. Credit exposures deemed to be uncollectible are charged against the allowance for credit losses. Recoveries of previously charged off amounts are credited to the allowance for credit losses.

Excluding the impact of charges related to the exit of the subprime real estate lending business, the provision for credit losses totaled \$3.9 billion for the year ended December 31, 2001 compared to \$2.5 billion in 2000. The increase in the provision for credit losses from last year was primarily due to an increase in net charge-offs, which included \$210 million in charge-offs related to Enron. Additional provision expense was also recorded in 2001 to increase the allowance for credit losses due to deterioration in credit quality and the overall uncertainty in the economy. Excluding the impact of exit-related charges, the provision for credit losses for 2001 was \$283 million in excess of net charge-offs. Total net charge-offs, excluding the impact of exit-related charges, were \$3.6 billion for the year ended December 31, 2001 compared to \$2.4 billion in 2000. This increase was due to higher charge-offs in the commercial-domestic portfolio and deterioration in credit quality stemming from the weak economic environment. Bankcard charge-offs also increased due to growth in the portfolio, an increase in personal bankruptcy filings and a weaker economic environment.

An exit-related provision for credit losses of \$395 million, combined with an existing allowance for credit losses of \$240 million, was used to write down the subprime real estate loan portfolio to estimated market value in the third quarter of 2001. This resulted in charge-offs of \$635 million in the consumer finance loan portfolio. Including the exit impact, the provision for credit losses totaled \$4.3 billion and total net charge-offs were \$4.2 billion for the year ended December 31, 2001.

The nature of the process by which the Corporation determines the appropriate allowance for credit losses requires the exercise of considerable judgment. After review of all relevant matters affecting loan collectibility, management believes that the allowance for credit losses is appropriate given its analysis of estimated incurred credit losses at December 31, 2001. Table

Fourteen presents the activity in the allowance for credit losses for the most recent five years.

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<TABLE>

<CAPTION>

Table 14 Allowance For Credit Losses

(Dollars in millions)	2001	2000	1999	1998	1997
--					
<S>	<C>	<C>	<C>	<C>	<C>
Balance, January 1	\$ 6,838	\$ 6,828	\$ 7,122	\$ 6,778	\$ 6,316
--					
Loans and leases charged off					
Commercial - domestic	(2,120)	(1,412)	(820)	(714)	(328)
Commercial - foreign	(249)	(117)	(161)	(262)	(54)
Commercial real estate - domestic	(46)	(31)	(19)	(21)	(59)
Commercial real estate - foreign	-	(1)	(1)	-	-

Total commercial	(2,415)	(1,561)	(1,001)	(997)	(441)

Residential mortgage	(39)	(36)	(35)	(33)	(50)
Home equity lines	(32)	(29)	(24)	(27)	
(36)					
Direct/Indirect consumer	(522)	(502)	(545)	(562)	(582)
Consumer finance/(1)/	(1,006)	(420)	(387)	(561)	(426)
Bankcard	(753)	(392)	(571)	(857)	
(1,043)					
Other consumer domestic	(71)	(51)	1	-	
(12)					
Foreign consumer	(6)	(4)	(20)	(13)	
(13)					

Total consumer	(2,429)	(1,434)	(1,581)	(2,053)	(2,162)

Total loans and leases charged off	(4,844)	(2,995)	(2,582)	(3,050)	(2,603)

Recoveries of loans and leases previously charged off					
Commercial - domestic	171	125	109	97	226
Commercial - foreign	41	31	17	20	25
Commercial real estate - domestic	7	18	25	21	59
Commercial real estate - foreign	-	3	-	-	-

Total commercial	219	177	151	138	310

Residential mortgage	13	9	7	4	5
Home equity lines	13	9	12	10	9
Direct/Indirect consumer	173	178	175	157	146
Consumer finance	77	154	158	178	155
Bankcard	81	54	76	93	124
Other consumer - domestic	23	13	-	-	-
Foreign consumer	1	1	3	3	2

Total consumer	381	418	431	445	441

Total recoveries of loans and leases previously charged off	600	595	582	583	751

Net charge-offs	(4,244)	(2,400)	(2,000)	(2,467)	(1,852)

Provision for credit losses/(2)/	4,287	2,535	1,820	2,920	1,904
Other, net	(6)	(125)	(114)	(109)	410

Balance, December 31	\$ 6,875	\$ 6,838	\$ 6,828	\$ 7,122	\$ 6,778

Loans and leases outstanding at December 31	\$329,153	\$392,193	\$370,662	\$357,328	\$342,140
Allowance for credit losses as a percentage of loans and leases					

outstanding at December 31	2.09%	1.74%	1.84%	1.99%	1.98%
Average loans and leases outstanding during the year	\$365,447	\$392,622	\$362,783	\$347,840	\$343,151
Net charge-offs as a percentage of average outstanding loans and leases during the year	1.16%	.61%	.55%	.71%	.54%
Allowance for credit losses as a percentage of nonperforming loans at December 31	152.58	131.30	224.48	287.01	321.03
Ratio of the allowance for credit losses at December 31 to net charge-offs	1.62	2.85	3.41	2.89	3.66

--

</TABLE>

/(1)/ Includes \$635 million related to the exit of the subprime real estate lending business in 2001.

/(2)/ Includes \$395 million related to the exit of the subprime real estate lending business in 2001.

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Table 15 Net Charge-offs

<TABLE>

<CAPTION>

December 31									

	2001		2000		1999		1998		
1997	-----		-----		-----		-----		
(Dollars in millions)	Amount	Percent/(1)/	Amount	Percent/(1)/	Amount	Percent/(1)/	Amount	Percent/(1)/	
Amount Percent/(1)/	-----	-----	-----	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<C>									
Commercial - domestic	\$1,949	1.46%	\$1,287	.87%	\$ 711	.51%	\$ 617	.47%	\$
102 .09%									
Commercial - foreign	208	.78	86	.29	144	.49	242	.78	
29 .10									
Commercial real estate -	39	.16	13	.05	(6)	n/m	-	-	
-									
domestic									
Commercial real estate -	-	-	(2)	n/m	1	.39	-	-	
-									
foreign									
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total commercial	2,196	1.19	1,384	.68	850	.44	859	.45	
131 .07									
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Residential mortgage	26	.03	27	.03	28	.04	29	.04	
45 .06									
Home equity lines	19	.09	20	.10	12	.07	17	.11	
27 .18									
Direct/Indirect consumer	349	.88	324	.78	370	.88	405	1.01	
436 1.11									
Consumer finance/(2)/	929	5.01	266	1.09	229	1.22	383	2.67	
271 1.96									
Bankcard	672	4.04	338	3.29	495	5.08	764	6.03	
919 5.90									
Other consumer - domestic	48	n/m	38	n/m	(1)	n/m	-	-	
12 n/m									
Foreign consumer	5	.22	3	.13	17	.52	10	.31	
11 .32									
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total consumer	2,048	1.14	1,016	.54	1,150	.68	1,608	1.02	
1,721 1.03									
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Total net charge-offs	\$4,244	1.16%	\$2,400	.61%	\$2,000	.55%	\$2,467	.71%	
\$1,852 .54%									
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Managed bankcard net									
charge-offs and ratios (3)	\$1,174	4.76%	\$ 944	4.66%	\$1,077	5.57%	\$1,284	6.27%	
\$1,254 6.19%									
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

</TABLE>

n/m = not meaningful

/(1)/ Percentage amounts are calculated as net charge-offs divided by average

outstanding loans and leases or managed loans for each loan category.
 /(2)/ Includes \$635 million related to the exit of the subprime real estate
 lending business in 2001.
 /(3)/ Includes both on-balance sheet and securitized loans.

Table 16 Allocation of the Allowance for Credit Losses

December 31									
(Dollars in millions) Percent	2001		2000		1999		1998		1997
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount
Commercial - domestic 23.4%	\$1,974	28.7%	\$1,993	29.1%	\$1,875	27.4%	\$1,540	21.6%	\$1,580
Commercial - foreign 14.9	766	11.1	796	11.6	930	13.6	1,327	18.6	1,013
Commercial real estate 12.5	924	13.5	989	14.5	927	13.6	925	13.0	847
- - domestic Commercial real estate	8	.1	7	.1	11	.2	-	-	-
- - foreign									
Total commercial 50.8	3,672	53.4	3,785	55.3	3,743	54.8	3,792	53.2	3,440
Residential mortgage 2.7	145	2.1	151	2.2	160	2.3	137	1.9	181
Home equity lines 1.2	83	1.2	77	1.1	60	.9	46	.6	84
Direct/Indirect consumer 9.0	411	6.0	384	5.6	416	6.1	527	7.5	608
Consumer finance 11.6	389	5.7	658	9.7	651	9.5	658	9.2	785
Bankcard 11.7	821	11.9	549	8.0	348	5.1	501	7.0	790
Foreign consumer .3	10	.1	11	.2	11	.2	26	.4	23
Total consumer 36.5	1,859	27.0	1,830	26.8	1,646	24.1	1,895	26.6	2,471
Unassigned 12.7	1,344	19.6	1,223	17.9	1,439	21.1	1,435	20.2	867
Total 100.0%	\$6,875	100.0%	\$6,838	100.0%	\$6,828	100.0%	\$7,122	100.0%	\$6,778

The Corporation expects charge-offs in 2002 to meet or exceed annualized fourth quarter 2001 net charge-offs of \$3.9 billion, excluding Enron charge-offs of \$210 million. An increase in consumer charge-offs, mainly bankcard, is expected to drive the increase for the year while commercial charge-offs are also expected to remain at high levels. Provision expense is expected to track net charge-offs in 2002. Nonperforming assets are expected to rise at least through the first half of 2002, although levels will fluctuate depending on the level of asset sales and charge-offs.

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 as outlined in Tables Seventeen, Eighteen, Nineteen and Twenty.

The Corporation maintains a diverse commercial loan portfolio, representing 50 percent of total loans and leases at December 31, 2001. The largest concentration is in commercial real estate, which represents seven percent of total loans and leases at December 31, 2001. The exposures presented in Table Seventeen represent credit extensions for real estate-related purposes to

borrowers or counterparties who are primarily in the real estate development or investment business and for which the ultimate repayment of the credit is dependent on the sale, lease, rental or refinancing of the real estate. The exposures included in the table do not include credit extensions which were made on the general creditworthiness of the borrower, for which real estate was obtained as security and for which the ultimate repayment of the credit is not dependent on the sale, lease, rental or refinancing of the real estate. Accordingly, the exposures presented do not include commercial loans secured by owner-occupied real estate, except where the borrower is a real estate developer.

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<TABLE>
<CAPTION>

Table 17 Commercial Real Estate Loans, Foreclosed Properties and Other Real Estate Credit Exposure

December 31, 2001

	Loans		Foreclosed	Other
	Outstanding	Nonperforming	Properties/(1)/	Credit
(Dollars in millions)				Exposure/(2)/
<S>	<C>	<C>	<C>	<C>
By Geographic Region/(3)/				
California	\$ 5,225	\$ 48	\$ 1	\$ 1,064
Southwest	3,239	24	1	952
Florida	2,399	29	-	509
Northwest	2,363	14	1	169
Geographically diversified	1,950	-	-	381
Midwest	1,688	21	22	802
Carolinas	1,472	6	-	342
Mid-Atlantic	1,430	23	-	429
Midsouth	1,276	5	-	367
Northeast	750	51	-	558
Other states	478	19	43	199
Non-US	384	3	-	5
Total	\$ 22,654	\$ 243	\$ 68	\$ 5,777
By Property Type				
Office buildings	\$ 4,567	\$ 14	\$ -	\$ 667
Apartments	3,797	21	-	1,551
Residential	3,157	28	-	188
Shopping centers/retail	2,754	15	15	1,306
Industrial/warehouse	2,011	23	15	246
Land and land development	1,501	1	6	193
Hotels/motels	1,186	27	14	277
Multiple use	694	1	-	64
Unsecured	433	-	-	454
Miscellaneous commercial	289	6	-	34
Other	1,881	104	18	792
Non-US	384	3	-	5
Total	\$ 22,654	\$ 243	\$ 68	\$ 5,777

</TABLE>

/(1)/ Foreclosed properties include commercial real estate loans only.
/(2)/ Other credit exposures include letters of credit and loans held for sale.
/(3)/ Distribution based on geographic location of collateral.

Table Eighteen presents the ten largest industries included in the commercial loan and lease portfolio at December 31, 2001 and the respective balances at December 31, 2000. Total commercial loans outstanding, excluding commercial real estate loans, comprised 43 percent and 45 percent of total loans and leases at December 31, 2001 and 2000, respectively. No commercial industry concentration is greater than 3.1 percent of total loans and leases.

Table 18 Significant Industry Loans and Leases/(1)/

<TABLE>
<CAPTION>

	December 31, 2001		December 31, 2000	
	Outstanding	Percent of Total Loans and Leases	Outstanding	Percent of Total Loans and Leases
(Dollars in millions)				
<S>	<C>	<C>	<C>	<C>

Transportation	\$ 10,350	3.1%	\$ 11,704	3.0%
Business services	7,569	2.3	8,883	2.3
Media	6,704	2.0	9,322	2.4
Equipment and general manufacturing	6,648	2.0	8,982	2.3
Agribusiness	6,390	1.9	7,672	2.0
Healthcare(2)	5,444	1.7	8,110	2.1
Autos	5,290	1.6	6,741	1.7
Telecommunications	4,882	1.5	6,801	1.7
Retail	4,450	1.4	7,049	1.8
Education and government	4,198	1.3	3,671	0.9
Other	79,319	24.1	98,171	25.0

Total	\$ 141,244	42.9%	\$ 177,106	45.2%

</TABLE>

/(1)/ Includes only non-real estate commercial loans and leases.

/(2)/ During 2001, the Corporation revised its healthcare industry definition to include pharmaceuticals. The December 31, 2000 outstanding balance and percentage have been restated to reflect this change.

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International Exposure

Through its credit and market risk management activities, the Corporation has been devoting particular attention to those countries that have been negatively impacted by global economic pressure in all three regions where the Corporation has exposure: Asia, Europe and Latin America.

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 Nineteen sets forth selected regional foreign exposure at December 31, 2001 and is based on the FFIEC's instructions for periodic reporting of foreign exposure. The countries selected represent those that are considered as having higher credit and foreign exchange risk. At December 31, 2001, the Corporation's total exposure to these select countries was \$21.9 billion, a decrease of \$8.4 billion from December 31, 2000, primarily due to reductions in exposure to Japan and to most other countries in Asia, Europe and Latin America.

During 2001, Argentina began to experience significant economic turmoil and deterioration. In response to this and as part of the Corporation's ongoing, normal risk management process, the Corporation has reduced its credit exposure to Argentina. At December 31, 2001, the Corporation had \$745 million of credit and other exposure in Argentina. Of this amount, \$478 million represented traditional credit exposure (loans, letters of credit, etc.) predominantly to Argentine subsidiaries of foreign multinational companies. The Argentine government has defaulted on its bonds. At December 31, 2001, the Corporation's credit exposure related to Argentine government bonds was approximately \$60 million. The Corporation continues to assess its credit exposure to Argentina.

Table 19 Selected Regional Foreign Exposure

Table 15 Selected Regional Foreign Exposure								
<CAPTION>								
Total	Increase/	Derivatives						
Binding	(Decrease)			(Net		Total	Gross	
Exposure	from	Loans		Positive	Securities/	Cross-	Local	
		and Loan	Other	Mark-to-	Other	border	Country	December
31, December 31,	31,							
(Dollars in millions)		Commitments	Financing/(1)/	(Market)	Investments	Exposure/(2)/	(Exposure/(3)/	
2001	2000							

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

Region/Country								
Asia								
China		\$ 79	\$ 41	\$ 16	\$ 58	\$ 194	\$ 81	\$
275	\$ (45)							
Hong Kong		169	128	45	112	454	3,801	
4,255	(309)							
India		621	73	58	42	794	986	
1,780	(429)							
Indonesia		234	-	16	17	267	8	
275	(120)							
Japan		715	51	784	1,334	2,884	361	
3,245	(3,849)							

Korea (South)	274	518	21	39	852	358	
1,210 (1,010)							
Malaysia	36	4	1	20	61	285	
346 (176)							
Pakistan	13	6	-	-	19	-	
19							
Philippines	169	19	11	43	242	90	
332 (59)							
Singapore	191	9	48	16	264	1,134	
1,398 (76)							
Taiwan	265	64	33	-	362	551	
913 (216)							
Thailand	39	12	28	24	103	285	
388 (19)							
Other	2	18	-	-	20	100	
120 (12)							
-----	-----	-----	-----	-----	-----	-----	---
Total	\$2,807	\$ 943	\$1,061	\$1,705	\$ 6,516	\$8,040	
\$14,556 \$(6,319)							
-----	-----	-----	-----	-----	-----	-----	----
Central and Eastern Europe							
Russian Federation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$
- \$(2)							
Turkey	82	23	1	21	127	-	
127 (205)							
Other	43	16	17	186	262	4	
266 22							
-----	-----	-----	-----	-----	-----	-----	---
Total	\$ 125	\$ 39	\$ 18	\$ 207	\$ 389	\$ 4	\$
393 \$(185)							
-----	-----	-----	-----	-----	-----	-----	----
Latin America							
Argentina	\$ 361	\$ 84	\$ 53	\$ 43	\$ 541	\$ 204	\$
745 \$(329)							
Brazil	710	312	147	229	1,398	1,076	
2,474 210							
Chile	202	12	15	5	234	15	
249 (731)							
Colombia	113	8	12	6	139	-	
139 (147)							
Mexico	1,038	367	107	993	2,505	158	
2,663 (773)							
Venezuela	123	9	7	207	346	-	
346 (133)							
Other	160	61	8	99	328	-	
328 (34)							
-----	-----	-----	-----	-----	-----	-----	---
Total	\$2,707	\$ 853	\$ 349	\$1,582	\$ 5,491	\$1,453	\$
6,944 \$(1,937)							
-----	-----	-----	-----	-----	-----	-----	----
Total	\$5,639	\$1,835	\$1,428	\$3,494	\$12,396	\$9,497	\$
21,893 \$(8,441)							
-----	-----	-----	-----	-----	-----	-----	----

</TABLE>

/(1)/ Includes acceptances, standby letters of credit, commercial letters of credit, and formal guarantees.

/(2)/ Cross-border exposure includes amounts payable to the Corporation by residents of countries other than the one in which the credit is booked, regardless of the currency in which the claim is denominated, consistent with FFIEC reporting rules.

/(3)/ Gross local country exposure includes amounts payable to the Corporation by residents of countries in which the credit is booked, regardless of the currency in which the claim is denominated. Management does not net local funding or liabilities against local exposures as allowed by the FFIEC.

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At December 31, 2001, the Corporation had cross border exposure in excess of one percent of total assets in the two countries detailed in Table Twenty. The exposure in the United Kingdom and Germany reflects the Corporation's efforts to

diversify its portfolio in the industrialized countries where its clients operate. In light of the increased risks perceived in Japan, the Corporation has reduced its exposure to less than 0.5 percent of its total assets.

Table 20 Exposure Exceeding One Percent of Total Assets/(1)/(2)/

<TABLE>
<CAPTION>

(Dollars in millions)	December 31	Public Sector	Banks	Private Sector	Total Exposure	Exposure as a Percentage of Total Assets
<S>	<C>	<C>	<C>	<C>	<C>	<C>
United Kingdom	2001	\$ 139	\$ 2,807	\$ 8,889	\$ 11,835	1.90%
	2000	355	1,962	6,167	8,484	1.32
- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
-						
Germany	2001	2,118	2,571	2,251	6,940	1.12
	2000	2,188	2,249	2,062	6,499	1.01
- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
-						
Japan	2001	1,319	676	889	2,884	0.46
	2000	4,925	599	883	6,407	1.00
- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
-						

</TABLE>

/(1)/ Exposure includes cross-border claims by the Corporation's foreign offices as follows: loans, accrued interest receivable, acceptances, time deposits placed, trading account assets, available-for-sale (at fair value) and held-to-maturity (at cost) securities, other interest-earning investments and other monetary assets. Amounts also include derivative-dealer assets, unused commitments, standby letters of credit, commercial letters of credit and formal guarantees.

/(2)/ Sector definitions are based on the FFIEC instructions for preparing the Country Exposure Report.

Market Risk Management

Overview

The Corporation is exposed to market risk as a consequence of the normal course of conducting its business activities. Examples of these business activities include market making, underwriting, proprietary trading, and asset/liability management in interest rate, foreign exchange, equity, commodity and credit markets, along with any associated derivative products. Market risk is the potential of loss arising from adverse changes in market rates, prices and liquidity. 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 or future financial commitments or that the Corporation may be more reliant on alternative funding sources such as long-term debt.

Trading Portfolio

The Board delegates responsibility for the day-to-day management of market risk to the Finance Committee. The Finance Committee has structured a system of independent checks, balances and reporting in order to ensure that the Board's disposition toward market risk is not compromised.

The objective of the Corporation's Risk Management group (Risk Management) is to provide senior management with independent, timely assessments of the bottom line impacts of all market risks facing the Corporation and to monitor those impacts against trading limits. Risk Management monitors the changing aggregate position of the Corporation and projects the profit and loss levels that would result from both normal and extreme market moves. In addition, Risk Management is responsible for ensuring that appropriate policies and procedures that conform to the Board's risk preferences are in place and enforced. These policies and procedures encompass the limit process, risk reporting, new product review and model review.

Trading account profits represent the net amount earned from the Corporation's trading positions, which include trading account assets and liabilities as well as derivative positions and mortgage banking assets. These transactions include positions to meet customer demand as well as for the Corporation's own trading account. Trading positions are taken in a diverse range of financial instruments and markets. The profitability of these trading positions is largely dependent on the volume and type of transactions, the level of risk assumed, and the volatility of price and rate movements.

[GRAPHIC]

Daily Market Risk-Related Revenue (Dollars in millions)	Number of Days
Less than \$(10)	11
\$(10) to \$0	18
\$0 to \$10	47
\$10 to \$20	84
\$20 to \$30	61
\$30 to \$40	18
\$40 to \$50	7
Greater than \$50	4

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Market risk-related revenue includes trading account profits and trading-related net interest income, which encompass both proprietary trading and customer-related activities. During 2001, the Corporation has continued its efforts to build on its client franchise and reduce the proportion of proprietary trading revenue to total revenue. The results of these efforts can be seen in the histogram above. In 2001, the Corporation recorded positive daily market risk-related revenue for 221 of 250 trading days. Furthermore, of the 29 days that showed negative revenue, only 11 days were greater than \$10 million.

Value at Risk

Value at Risk (VAR) is the key measure of market risk for the Corporation. VAR represents the maximum amount that the Corporation has placed at risk of loss, with a 99 percent degree of confidence, in the course of its risk taking activities. Its purpose is to describe the amount of capital required to absorb potential losses from adverse market movements. Given the 99 percent confidence interval captured by VAR, market risk-related revenue or losses would be expected to exceed VAR measures approximately once every 100 trading days, or two to three times each year. The VAR model does not measure the degree of the excess gain or loss, rather it produces a confidence level that gains or losses will be within predicted ranges. Since the third quarter of 2000, the Corporation has been migrating its trading books to a historical simulation approach. This approach utilizes historical market conditions over the last three years to derive estimates of trading risk and provides for the natural aggregation of trading risks across different groups. The effects of correlation and diversification are embedded in these calculations. The completion of the migration is expected to take place during the first half of 2002. While the transition is taking place, the square root of the sum of squares method is used to aggregate risk.

VAR 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 trading risk management process considers the impact of unanticipated risk exposure and updates assumptions to reduce loss exposure.

As the following graph shows, in 2001, actual market risk-related revenue exceeded VAR measures three days out of 250 total trading days. During the same period, actual market risk-related losses exceeded VAR measures one day out of 250 total trading days. This occurred immediately following the events of September 11, 2001 due to extreme market conditions.

Trading Risk and Return
Daily VAR and Market Risk-Related Revenue
[GRAPHIC]

Line graph representation of Daily Market Risk-Related Revenue and VAR for the twelve months ended December 31, 2001. During the period, the daily market risk-related revenue ranged from \$(58) million to \$66 million. During the same period, VAR ranged from \$36 million to \$70 million.

The following table summarizes the VAR in the Corporation's trading portfolios for the years ended December 31, 2001 and 2000:

Table 21 Trading Activities Market Risk

<TABLE>
<CAPTION>

Fixed Income	13.9	17.3	8.8	13.0	15.8	10.3	10.7	16.9	6.6	6.2
8.0 3.0										
Real estate/mortgage(3)	24.7	39.0	15.2	32.9	41.5	23.2	41.2	55.5	28.6	33.7
43.4 8.8										
Total trading portfolio	46.0	57.0	35.8	53.1	63.3	45.4	61.3	69.9	55.2	50.0
59.6 42.4										

</TABLE>

/(1)/ The average VAR for the total portfolio is less than the sum of the VARs of the individual portfolios due to risk offsets arising from the diversification of the portfolio.

/(2)/ The high and low for the total portfolio may not equal the sum of the individual components as the highs or lows of the individual portfolios may have occurred on different trading days.

/(3)/ The real estate/mortgage business is included in the fixed income category in the Trading-Related Revenue table in Note Four of the consolidated financial statements.

Stress Testing

In order to determine the sensitivity of the Corporation's capital to the impact of historically large market moves with low probability, stress scenarios are run against the trading portfolios. This stress testing should verify that, even under extreme market moves, the Corporation will preserve its capital. The scenarios for each product are large standard deviation movements in the relevant markets that are based on significant historical or hypothetical events. These results are calculated daily and reported as part of the regular reporting process.

In addition, specific stress scenarios are run regularly which represent extreme hypothetical, but plausible, events that would be of concern given the Corporation's current portfolio. The results of these specific scenarios are presented to the Corporation's Trading Risk Committee as part of its regular meetings. Examples of these specific stress scenarios include calculating the effects on the overall portfolio of an extreme Federal Reserve Board tightening or easing of interest rates, a severe credit deterioration in the U.S., and a recession in Japan and the corresponding ripple effects globally.

Non-Exchange Traded Commodity Contracts at Fair Value

The use of non-exchange traded or over the counter commodity contracts provides the Corporation with the ability to adapt to the varied requirements of a wide customer base while efficiently mitigating its market risk. Non-exchange traded commodity contracts are stated at fair value, which is generally based on dealer price estimates. These contracts are primarily oil and gas commodities contracts.

The table below summarizes the changes in the fair value for non-exchange traded commodity contracts for 2001:

<TABLE>

<CAPTION>

<S>

(Dollars in millions)

	<C> Asset Positions	<C> Liability Positions
Net fair value of contracts outstanding at January 1, 2001	\$ 2,133	\$ 1,881
Effects of legally enforceable master netting agreements	8,916	8,916
Gross fair value of contracts outstanding at January 1, 2001	11,049	10,797
Contracts realized or otherwise settled	(8,542)	(8,544)
Fair value of new contracts	3,032	2,699
Other changes in fair value	(1,586)	(1,317)
Gross fair value of contracts outstanding at December 31, 2001	3,953	3,635
Effects of legally enforceable master netting agreements	(2,625)	(2,625)
Net fair value of contracts outstanding at December 31, 2001	\$ 1,328	\$ 1,010

</TABLE>

The Corporation controls and manages its commodity risk through the use of VAR limits. See Tables Twenty-One and Twenty-Two for further details. The following table indicates the maturities of non-exchange traded commodity contracts at December 31, 2001:

<TABLE>

<CAPTION>
<S>

(Dollars in millions)

	<C> Asset Positions	<C> Liability Positions
Maturity less than 1 year	\$ 3,118	\$ 2,866
Maturity 1-3 years	304	172
Maturity 4-5 years	179	136
Maturity in excess of 5 years	352	461

Gross fair value of contracts	\$ 3,953	\$ 3,635
Effects of legally enforceable master netting agreements	(2,625)	(2,625)

Net fair value of contracts	\$ 1,328	\$ 1,010

</TABLE>

Asset and Liability Management Activities

Non-Trading Portfolio

The Corporation's Asset and Liability Management (ALM) process, managed through the Asset and Liability Committee of the Finance Committee, is used to manage interest rate risk through structuring balance sheet portfolios and identifying and linking derivative positions to specific hedged assets and liabilities. Interest rate risk represents the only material market risk exposure to the Corporation's non-trading financial instruments.

To effectively measure and manage interest rate risk, the Corporation uses sophisticated computer simulations that 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 ALM derivative instruments. These simulations incorporate 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 are run under various interest rate scenarios to determine the impact on net income and capital. From these scenarios, interest rate risk is quantified and appropriate strategies are developed and implemented. The overall interest rate risk position and strategies are reviewed on an ongoing basis by senior management. Additionally, duration and market value sensitivity measures are selectively utilized where they provide added value to the overall interest rate risk management process.

The Corporation specifically reviews the impact on net interest income of parallel and non-parallel shifts in the yield curve over different time horizons. At December 31, 2001, the Federal Funds rate was 1.75 percent and our outlook did not anticipate additional easing from the Fed, with continued uncertainty surrounding the timing and extent of future tightenings. As a result, the interest rate risk position of the Corporation was relatively neutral to parallel shifts upward in the yield curve as the impact on net interest income of a 100 basis point parallel shift, up over either two months (rapid) or twelve months (gradual) would be slightly favorable, but less than one percent. While further material declines in interest rates are unlikely, the impact on net interest income of a 100 basis point parallel shift down would be negative three percent.

Table Twenty-Three summarizes the expected maturities, unrealized gains and losses and weighted average effective yields and rates associated with certain of the Corporation's significant non-trading 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 Twenty-Three 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 rates. 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 are 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 Eighteen of the consolidated financial statements. The fair values and expected maturities for ALM derivative instruments used for balance sheet management purposes are presented in Table Twenty-Four.

<C>

After
(Dollars in millions)
2006

2006

</TABLE>

/(5)/ When measuring and managing market risk associated with domestic deposits, such as savings and demand deposits, the Corporation considers that there is value in its long-term relationships with depositors. The unrealized loss on deposits in this table does not consider the value of these long-term relationships; therefore, only certificates of deposits reflect an unrealized gain or loss.

- /(6)/ Excludes foreign time deposits.
- /(7)/ Expected maturities of long-term debt and trust preferred securities reflect the Corporation's ability to redeem such debt prior to contractual maturities.
- /(8)/ Excludes obligations under capital leases.

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Interest Rate and Foreign Exchange Contracts

Risk management interest rate contracts and foreign exchange contracts are utilized in the Corporation's ALM process. The Corporation maintains an overall interest rate risk management strategy that incorporates the use of interest rate contracts to minimize significant unplanned fluctuations in earnings that are caused by interest rate volatility. The Corporation's goal is to manage interest rate sensitivity so that movements in interest rates do not adversely affect net interest income. As a result of interest rate fluctuations, hedged fixed-rate assets and liabilities appreciate or depreciate in market value. Gains or losses on the derivative instruments that are linked to the hedged fixed-rate assets and liabilities are expected to substantially offset this unrealized appreciation or depreciation. Interest income on hedged variable-rate assets, primarily variable rate commercial loans, and interest expense on hedged variable rate liabilities, primarily short-term time deposits, increases or decreases as a result of interest rate fluctuations. Gains and losses on the derivative instruments that are linked to these hedged assets and liabilities are expected to substantially offset this variability in earnings. See Note Five of the consolidated financial statements for additional information on the Corporation's hedging activities.

Interest rate contracts, which are generally non-leveraged generic interest rate and basis swaps, options, futures and forwards, allow the Corporation to effectively manage its interest rate risk position. In addition, the Corporation uses foreign currency contracts to manage the foreign exchange risk associated with foreign-denominated assets and liabilities, as well as the Corporation's equity investments in foreign subsidiaries. Table Twenty-Four reflects the notional amounts, fair value, weighted average receive and pay rates, expected maturity and estimated duration of the Corporation's ALM derivatives at December 31, 2001 and 2000. Fair values are based on the last repricing and will change in the future primarily based on movements in one-, three- and six-month LIBOR rates. Management believes the fair value of the ALM interest rate and foreign exchange portfolios should be viewed in the context of the overall balance sheet, and the value of any single component of the balance sheet positions should not be viewed in isolation.

Consistent with the Corporation's strategy of managing interest rate sensitivity, the net receive fixed interest rate swap position declined by \$5.8 billion to \$43.0 billion at December 31, 2001. This reduction primarily occurred in the last half of 2001. Option products in the Corporation's ALM process may include from time to time option collars or spread strategies, which involve the buying and selling of options on the same underlying security or interest rate index. These strategies may involve caps, floors and options on index futures contracts.

The amount of unamortized net realized deferred gains associated with closed ALM swaps was \$966 million and \$25 million at December 31, 2001 and 2000, respectively. The amount of unamortized net realized deferred gains associated with closed ALM options was \$114 million and \$95 million at December 31, 2001 and 2000, respectively. The amount of unamortized net realized deferred losses associated with closed ALM futures and forward contracts was \$9 million and \$15 million at December 31, 2001 and 2000, respectively. There were no unamortized net realized deferred gains or losses associated with closed foreign exchange contracts at December 31, 2001 and 2000. Of these unamortized net realized deferred gains, \$1.0 billion was included in accumulated other comprehensive income at December 31, 2001.

<TABLE>

<CAPTION>

Table 24 Asset and Liability Management Interest Rate and Foreign Exchange Contracts

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<C>								
December 31, 2001								
		Expected Maturity						

Average								
(Dollars in millions, average	Fair							After
Estimated								
estimated duration in years)	Value	Total	2002	2003	2004	2005	2006	2006
Duration	-----	-----	-----	-----	-----	-----	-----	-----

Open interest rate contracts								
Total receive fixed swaps	\$ 784							
4.68								
Notional value		\$ 64,472	\$ 1,510	\$ 266	\$ 10,746	\$ 8,341	\$ 9,608	\$ 34,001
Weighted average receive		5.74%	7.04%	8.27%	5.31%	5.79%	5.37%	5.89%
rate								
Total pay fixed swaps	(322)							
2.26								
Notional value		\$ 21,445	\$ 11,422	\$ 4,319	\$ 122	\$ 2,664	\$ 60	\$ 2,858
Weighted average pay rate		3.97%	2.61%	4.21%	6.09%	6.77%	5.83%	6.34%
Basis swaps	-							
Notional value		\$ 15,700	\$ -	\$ -	\$ 9,000	\$ 500	\$ 4,400	\$ 1,800
Total swaps	462							
-----	-----	-----	-----	-----	-----	-----	-----	-----

Option products	105							
Notional amount		\$ 7,000	\$ -	\$ 7,000				
Futures and forward rate	-							
contracts								
Notional amount		\$ -						
-----	-----	-----	-----	-----	-----	-----	-----	-----

Total open interest rate	567							
contracts								
-----	-----	-----	-----	-----	-----	-----	-----	-----

Closed interest rate	1,071							
contracts(1)								
-----	-----	-----	-----	-----	-----	-----	-----	-----

Net interest rate	1,638							
contract position								
-----	-----	-----	-----	-----	-----	-----	-----	-----

Open foreign exchange contracts	(285)							
Notional amount		\$ 6,968	\$ 465	\$ 283	\$ 576	\$ 1,180	\$ 2,335	\$ 2,129
-----	-----	-----	-----	-----	-----	-----	-----	-----

Total ALM contracts	\$ 1,353							
-----	-----							

</TABLE>

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Table 24 Asset and Liability Management Interest Rate and Foreign Exchange Contracts (continued)

December 31, 2000

<TABLE>

<CAPTION>

		Expected Maturity						

Average								
(Dollars in millions, average	Fair							After
Estimated								

estimated duration in years) Duration	Value	Total	2001	2002	2003	2004	2005	2005
<S> <C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Open interest rate contracts								
Total receive fixed swaps 3.65	\$ 900							
Notional amount		\$ 62,485	\$ 4,001	\$ 7,011	\$ 9,787	\$ 12,835	\$ 15,853	\$ 12,998
Weighted average receive rate		6.39%	6.28%	6.71%	5.53%	6.45%	6.76%	6.41%
Total pay fixed swaps 5.66	(529)							
Notional amount		\$ 13,640	\$ 1,878	\$ 1,064	\$ 114	\$ 20	\$ 2,584	\$ 7,980
Weighted average pay rate		6.72%	5.86%	6.39%	7.14%	5.85%	7.05%	6.82%
Basis swaps	(7)							
Notional amount		\$ 14,739	\$ 576	\$ 1,669	\$ 442	\$ 7,700	\$ 4,317	\$ 35
Total swaps	364							
Option products	(157)							
Notional amount		\$ 22,477	\$ 2,087	\$ 868	\$ 1,575	\$ 7,882	\$ 4,101	\$ 5,964
Futures and forward rate contracts	(52)							
Notional amount		\$ 24,818	\$ 19,068	\$ 5,750	\$ -	\$ -	\$ -	\$ -
Total open interest rate contracts	155							
Closed interest rate contracts/(1)/	105							
Net interest rate contract position	260							
Open foreign exchange contracts	(199)							
Notional amount		\$ 9,373	\$ 1,597	\$ 2,091	\$ 253	\$ 572	\$ 2,983	\$ 1,877
Total ALM contracts	\$ 61							

</TABLE>

/(1)/ Represents the unamortized net realized deferred gains associated with closed contracts. As a result, no notional amount is reflected for expected maturity.

The Corporation adopted Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," (SFAS 133) on January 1, 2001. SFAS 133 requires that all derivative instruments be recorded on the balance sheet at their fair value. The Corporation has not significantly altered its overall interest rate risk management objective and strategy as a result of adopting SFAS 133. For further information on SFAS 133, see Note One of the consolidated financial statements.

In conducting its mortgage production activities, the Corporation is exposed to interest rate risk for the periods between the loan commitment date and the date the loan is delivered to the secondary market. To manage this risk, the Corporation enters into various financial instruments including forward delivery contracts, Euro dollar futures and option contracts. The notional amount of such contracts was \$27.8 billion at December 31, 2001 with associated net unrealized gains of \$69 million. At December 31, 2000, the notional amount of such contracts was \$9.7 billion with associated net unrealized losses of \$53 million. These contracts have an average expected maturity of less than 90 days.

The Corporation manages risk associated with the impact of changes in prepayment rates on certain mortgage banking assets using various financial instruments including purchased options and swaps. The notional amounts of such contracts at December 31, 2001 and 2000 were \$65.1 billion and \$42.1 billion, respectively. The related unrealized gain was \$301 million at December 31, 2001 and the unrealized gain was \$424 million at December 31, 2000. The 2001 amounts are included in the Derivative Assets

table in Note Five of the consolidated financial statements.

Liquidity Risk Management

The Corporation manages liquidity risk by assessing all on- and off-balance sheet funding demands and alternatives. Funding requirements are impacted by loan repayments and originations, liability settlements and issuances, off-balance sheet funding commitments (including commercial and consumer loans) and the level of asset securitizations utilized by the Corporation. The Corporation also complies with various regulatory guidelines regarding required liquidity levels and periodically monitors its liquidity position in light of the changing economic environment and customer activity. Based on these periodic assessments, the Corporation will alter, as deemed appropriate, its assets and liabilities and off-balance sheet positions. The Corporation currently maintains various shelf registrations with the Securities and Exchange Commission, whereby additional short-term and long-term debt may be issued. See Note Ten of the consolidated financial statements for additional information.

The Corporation employs various liquidity modeling techniques and metrics. Throughout 2001, the Corporation's liquidity position has improved significantly to its best position in many years. A commonly used measure of banking liquidity is the loan to deposit ratio. The Corporation's loan to core deposit ratio was 99 percent and 128 percent at December 31, 2001 and 2000, respectively. The loan to core deposit ratio at December 31, 2001 was the lowest ratio since the Corporation's merger with First Republic Bank Corporation in 1988. In addition, average short-term borrowings decreased \$39.0 billion, or 30 percent, in 2001.

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Table 25 Selected Quarterly Financial Data

<TABLE> <CAPTION>		PERFORMANCE RATIOS					
		2001 Quarters				2000	
Quarters		-----					
(Dollars in millions, except per		Fourth	Third	Second	First	Fourth	Third
Second	First	-----					
share information)		-----					
<S>		<C>	<C>	<C>	<C>	<C>	<C>
<C>	<C>						
As Reported							
Income statement							
Net interest income		\$ 5,417	\$ 5,204	\$ 5,030	\$ 4,639	\$ 4,664	\$ 4,563
4,617	\$ 4,505						\$
Noninterest income		3,398	3,429	3,741	3,780	3,328	3,675
3,514	4,065						
Total revenue		8,815	8,633	8,771	8,419	7,992	8,238
8,131	8,570						
Provision for credit losses		1,401	1,251	800	835	1,210	435
470	420						
Gains (losses) on sales of securities		393	97	(7)	(8)	2	11
6	6						
Business exit costs		-	1,305	-	-	-	-
-	-						
Restructuring charges		-	-	-	-	-	550
-	-						
Other noninterest expense		5,324	4,606	4,821	4,654	4,637	4,410
4,413	4,623						
Income before income taxes		2,483	1,568	3,143	2,922	2,147	2,854
3,254	3,533						
Income tax expense		426	727	1,120	1,052	762	1,025
1,191	1,293						
Net income		2,057	841	2,023	1,870	1,385	1,829
2,063	2,240						

Performance ratios							
Return on average assets		1.25%	.52%	1.24%	1.17%	.81%	1.06%
1.23%	1.38%						
Return on average common							
shareholders' equity		16.70	6.78	16.67	15.86	11.57	15.25
17.63	19.59						
Total equity to total assets		7.80	7.83	7.88	8.02	7.42	6.98
6.75	6.90						

(period-end)							
Total average equity to total	7.50	7.66	7.43	7.38	7.03	6.97	
7.00 7.07							
average assets							
Dividend payout ratio	45.53	106.49	44.35	48.14	65.58	44.83	
39.94 37.16							

Per common share data							
Earnings	\$ 1.31	\$.52	\$ 1.26	\$ 1.16	\$.85	\$ 1.11	\$
1.25 \$ 1.34							
Diluted earnings	1.28	.51	1.24	1.15	.85	1.10	
1.23 1.33							
Cash dividends paid	.60	.56	.56	.56	.56	.50	
.50 .50							
Book value	31.07	31.66	30.75	30.47	29.47	28.69	
27.82 27.28							

Cash basis financial data/(1)/							
Earnings	\$ 2,270	\$ 1,060	\$ 2,246	\$ 2,093	\$ 1,599	\$ 2,044	\$
2,281 \$ 2,457							
Earnings per common share	1.45	.66	1.40	1.30	.98	1.25	
1.38 1.47							
Diluted earnings per common share	1.42	.65	1.38	1.28	.98	1.23	
1.36 1.46							
Return on average assets	1.38%	.65%	1.37%	1.31%	.94%	1.18%	
1.36% 1.52%							
Return on average common							
shareholders' equity	18.43	8.55	18.52	17.75	13.36	17.01	
19.49 21.49							

Operating Basis/(2)/							
Income statement							
Net interest income	\$ 5,417	\$ 5,204	\$ 5,030	\$ 4,639	\$ 4,664	\$ 4,563	\$
4,617 \$ 4,505							
Net interest income	5,505	5,290	5,117	4,721	4,758	4,642	
4,695 4,576							
(taxable-equivalent basis)							
Noninterest income	3,398	3,429	3,741	3,780	3,328	3,675	
3,514 4,065							
Total revenue	8,815	8,633	8,771	8,419	7,992	8,238	
8,131 8,570							
Total revenue (taxable-equivalent	8,903	8,719	8,858	8,501	8,086	8,317	
8,209 8,641							
basis)							
Provision for credit losses	1,401	856	800	835	1,210	435	
470 420							
Gains (losses) on sales of	393	97	(7)	(8)	2	11	
6 6							
securities							
Other noninterest expense	5,324	4,606	4,821	4,654	4,637	4,410	
4,413 4,623							
Income before income taxes	2,483	3,268	3,143	2,922	2,147	3,404	
3,254 3,533							
Income tax expense	426	1,177	1,120	1,052	762	1,229	
1,191 1,293							
Net income	2,057	2,091	2,023	1,870	1,385	2,175	
2,063 2,240							
Average diluted common shares							
issued and outstanding (in thousands)	1,602,886	1,634,063	1,632,964	1,631,099	1,638,863	1,661,031	
1,676,089 1,688,318							

Performance ratios							
Return on average assets	1.25%	1.29%	1.24%	1.17%	.81%	1.26%	
1.23% 1.38%							
Return on average common							
shareholders' equity	16.70	16.87	16.67	15.86	11.57	18.15	
17.63 19.59							
Efficiency ratio	59.80	52.82	54.44	54.73	57.35	53.01	
53.77 53.49							
Net interest yield	3.95	3.78	3.61	3.39	3.21	3.10	
3.23 3.26							
Dividend payout ratio	45.53	42.79	44.35	48.14	65.58	37.68	
39.94 37.16							
Shareholder value added	\$ 793	\$ 824	\$ 791	\$ 679	\$ 164	\$ 953	\$
878 \$ 1,086							

Per common share data							
Earnings	\$ 1.31	\$ 1.31	\$ 1.26	\$ 1.16	\$.85	\$ 1.33	\$
1.25 \$ 1.34							
Diluted earnings	1.28	1.28	1.24	1.15	.85	1.31	

1.23	1.33							

Cash basis financial data/(1)/								
Earnings		\$ 2,270	\$ 2,310	\$ 2,246	\$ 2,093	\$ 1,599	\$ 2,390	\$
2,281	\$ 2,457							

Earnings per common share		1.45	1.44	1.40	1.30	.98	1.46	
1.38	1.47							
Diluted earnings per common share		1.42	1.41	1.38	1.28	.98	1.44	
1.36	1.46							
Return on average assets		1.38%	1.43%	1.37%	1.31%	.94%	1.39%	
1.36%	1.52%							
Return on average common								
shareholders' equity		18.43	18.64	18.52	17.75	13.36	19.94	
19.49	21.49							
Efficiency ratio		57.40	50.32	51.92	52.11	54.70	50.43	
51.12	50.98							

Average balance sheet								
Total loans and leases		\$ 333,354	\$ 357,726	\$ 383,500	\$ 387,889	\$ 399,549	\$402,763	\$
391,404	\$ 376,584							
Total assets		651,797	642,184	655,557	648,698	677,458	685,017	
672,588	651,019							
Total deposits		368,171	363,328	363,348	355,618	357,554	356,734	
353,426	345,374							
Common shareholders' equity		48,850	49,134	48,640	47,794	47,565	47,660	
47,036	45,953							
Total shareholders' equity		48,916	49,202	48,709	47,866	47,639	47,735	
47,112	46,030							

Risk-based capital ratios								
(period-end)								
Tier 1 capital		8.30%	7.95%	7.90%	7.65%	7.50%	7.32%	
7.40%	7.42%							
Total capital		12.67	12.12	12.09	11.84	11.04	10.80	
11.03	11.00							
Leverage ratio		6.56	6.59	6.50	6.41	6.12	6.06	
6.11	6.17							

Market price per share of common								
stock								
Closing		\$ 62.95	\$ 58.40	\$ 60.03	\$ 54.75	\$ 45.88	\$ 52.38	\$
43.00	\$ 52.44							
High		64.99	65.54	62.18	55.94	54.75	57.63	
61.00	55.19							
Low		52.10	50.25	48.65	45.00	36.31	43.63	
42.98	42.31							

</TABLE>								

Time deposits placed and other short-term investments 3.47%	\$ 7,255	\$ 64
Federal funds sold and securities purchased under agreements to resell 2.60	38,825	253
Trading account assets 5.43	67,535	920
Securities/(1)/ 6.10	71,454	1,090
Loans and leases/(2)/:		
Commercial - domestic 6.99	121,399	2,138
Commercial - foreign 4.63	23,789	278
Commercial real estate - domestic 5.45	23,051	316
Commercial real estate - foreign 4.49	375	4

Total commercial 6.44	168,614	2,736

Residential mortgage 7.05	78,366	1,385
Home equity lines 6.07	22,227	340
Direct/Indirect consumer 7.83	38,074	752
Consumer finance 9.55	5,324	127
Bankcard 10.58	18,656	498
Foreign consumer 4.02	2,093	21

Total consumer 7.54	164,740	3,123

Total loans and leases 6.99	333,354	5,859

Other earning assets 7.67	36,782	707

Total earning assets/(3)/ 6.37	555,205	8,893

Cash and cash equivalents	23,182	
Other assets, less allowance for credit losses	73,410	

Total assets	\$ 651,797	

Interest-bearing liabilities		
Domestic interest-bearing deposits:		
Savings 0.83	\$ 20,132	42
NOW and money market deposit accounts 1.39	121,758	426
Consumer CDs and IRAs 4.96	71,895	898
Negotiable CDs, public funds and other time deposits 3.39	5,196	44

Total domestic interest-bearing deposits 2.56	218,981	1,410

Foreign interest-bearing deposits/(4)/:		
Banks located in foreign countries 3.22	20,771	170
Governments and official institutions 2.74	2,965	20
Time, savings and other 2.06	21,858	113

Total foreign interest-bearing deposits	45,594	303
2.63		

Total interest-bearing deposits	264,575	1,713
2.57		

Federal funds purchased, securities sold under		
agreements to repurchase and other short-term borrowings	87,291	700
3.18		
Trading account liabilities	29,921	268
3.55		
Long-term debt/(5)/	68,141	707
4.15		

Total interest-bearing liabilities(6)	449,928	3,388
2.99		

Noninterest-bearing sources:		
Noninterest-bearing deposits	103,596	
Other liabilities	49,357	
Shareholders' equity	48,916	

Total liabilities and shareholders' equity	\$ 651,797	

Net interest spread		
3.38		
Impact of noninterest-bearing sources		
.57		
Net interest income/yield on earning assets		\$ 5,505
3.95%		

</TABLE>		

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[illegible]

<C>

\$ 5,881 6.96%	\$ 71	4.84%	\$ 7,085	\$ 81	4.58%	\$ 6,675	\$ 102	6.17%	\$ 5,663	\$ 99
36,133 5.79	321	3.54	33,859	405	4.79	31,903	435	5.48	37,936	551
68,258 5.68	937	5.46	67,311	944	5.62	62,491	852	5.49	53,251	758
58,930 6.05	902	6.12	55,719	909	6.53	55,221	860	6.26	79,501	1,205
129,673 8.19	2,343	7.17	139,096	2,585	7.45	144,404	2,813	7.90	147,336	3,034
25,267 7.32	353	5.54	27,449	421	6.14	29,540	515	7.06	30,408	560
24,132 9.09	395	6.50	25,293	459	7.28	25,989	530	8.27	27,220	622
366 8.44	5	5.78	352	5	6.64	300	6	7.82	264	6

179,438 8.18	3,096	6.85	192,190	3,470	7.24	200,233	3,864	7.82	205,228	4,222

80,526 7.47	1,457	7.22	84,346	1,546	7.34	82,710	1,532	7.43	92,679	1,733
22,115 9.11	394	7.06	21,958	424	7.75	21,744	467	8.71	21,117	483
39,481 8.30	753	7.56	40,117	736	7.35	40,461	784	7.86	40,390	843
16,358 8.91	359	8.77	26,843	608	9.06	25,947	589	9.08	25,592	570
17,632 12.43	493	11.11	15,755	445	11.32	14,464	443	12.41	12,295	384
2,176 8.49	28	5.28	2,291	35	6.20	2,330	43	7.54	2,248	48

178,288 8.34	3,484	7.78	191,310	3,794	7.94	187,656	3,858	8.29	194,321	4,061

357,726 8.26	6,580	7.31	383,500	7,264	7.59	387,889	7,722	8.05	399,549	8,283

30,180 9.00	597	7.89	20,154	409	8.11	17,248	352	8.28	14,828	335

557,108 7.58	9,408	6.72	567,628	10,012	7.07	561,427	10,323	7.42	590,728	11,231
20,753 64,323			23,232 64,697			23,020 64,251			23,458 63,272	

\$ 642,184		\$ 655,557			\$ 648,698			\$ 677,458		

\$ 20,076 1.42	53	1.04	\$ 20,222	57	1.14	\$ 20,406	61	1.21	\$ 22,454	80
116,638 3.09	588	2.00	113,031	676	2.40	107,015	808	3.06	101,376	788
73,465 5.62	918	4.95	74,777	969	5.20	77,772	1,068	5.57	78,298	1,105
5,085 6.68	57	4.44	6,005	81	5.37	7,137	108	6.16	7,570	127

215,264 3.98	1,616	2.98	214,035	1,783	3.34	212,330	2,045	3.91	209,698	2,100

24,097 6.43	257	4.22	24,395	294	4.82	24,358	332	5.53	26,223	424
3,533 4.14	35	3.90	3,983	45	4.53	3,993	52	5.27	5,884	61
23,847 5.62	189	3.16	23,545	241	4.13	22,506	284	5.11	24,064	339

51,477 5.84	481	3.71	51,923	580	4.49	50,857	668	5.32	56,171	824

266,741	2,097	3.12	265,958	2,363	3.57	263,187	2,713	4.18	265,869	2,924
4.38										
89,042	869	3.87	98,898	1,221	4.95	94,792	1,377	5.89	122,680	1,942
6.30										
30,913	285	3.66	30,710	312	4.07	28,407	290	4.14	27,548	285
4.13										
67,267	867	5.15	69,416	999	5.76	73,752	1,222	6.63	73,041	1,322
7.24										
453,963	4,118	3.61	464,982	4,895	4.22	460,138	5,602	4.92	489,138	6,473
5.27										
96,587			97,390			92,431			91,685	
42,432			44,476			48,263			48,996	
49,202			48,709			47,866			47,639	
\$ 642,184			\$ 655,557			\$ 648,698			\$ 677,458	
2.31	3.11			2.85			2.50			
.90	.67			.76			.89			
3.21%	\$ 5,290	3.78%	\$ 5,117	3.61%		\$ 4,721	3.39%		\$ 4,758	

</TABLE>

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2000 Compared to 1999

The following discussion and analysis provides a comparison of the Corporation's results of operations for the years ended December 31, 2000 and 1999. This discussion should be read in conjunction with the consolidated financial statements and related notes on pages 78 through 119.

Overview

Net income totaled \$7.5 billion, or \$4.52 per common share (diluted), in 2000 compared to \$7.9 billion, or \$4.48 per common share (diluted), in 1999. The return on average common shareholders' equity was 15.96 percent, a decrease of 97 basis points.

The Corporation's operating earnings, which excluded merger and restructuring charges, totaled \$7.9 billion, or \$4.72 per common share (diluted), in 2000 compared to \$8.2 billion, or \$4.68 per common share (diluted) in 1999. Excluding merger and restructuring charges, the return on average common shareholders' equity decreased 100 basis points to 16.70 percent in 2000. SVA, excluding merger and restructuring charges, decreased \$463 million to \$3.1 billion in 2000.

Business Segment Operations

Consumer and Commercial Banking

Revenue remained essentially unchanged at \$20.0 billion, as growth in noninterest income was offset by a decline in net interest income. Net interest income declined \$231 million, or two percent, to \$12.6 billion as loan growth was offset by spread compression. Strong card income growth and higher service charges were partially offset by lower mortgage banking income, resulting in a \$196 million, or three percent, increase in noninterest income. Cash basis earnings remained essentially flat at \$5.2 billion. SVA increased \$121 million, or four percent, driven by the decline in the cost of capital.

Asset Management

Revenue increased \$190 million, or eight percent, driven by increases in both net interest income and noninterest income. Net interest income increased \$56 million, or nine percent, due to strong loan growth in the commercial loan portfolio. The \$134 million, or eight percent, increase in noninterest income was primarily due to increased investment and brokerage fees driven by new asset

management business and market growth combined with productivity increases in consumer brokerage, partially offset by gains in 1999 on the disposition of certain businesses. Cash basis earnings increased \$109 million, or 21 percent, primarily driven by higher revenue. SVA increased \$110 million, or 35 percent, driven by the increase in cash basis earnings.

Global Corporate and Investment Banking

Revenue increased \$658 million, or nine percent, driven by increases in both net interest income and noninterest income. Net interest income increased \$318 million, or nine percent, as a result of higher trading-related activities and increases in the commercial-domestic loan portfolio. The \$340 million, or eight percent, increase in noninterest income was due to continued growth in equities and equity derivatives trading, equity underwriting and advisory services. Cash basis earnings decreased \$163 million, or eight percent, as the increase in revenue was more than offset by increases in the provision for credit losses and noninterest expense. The provision for credit losses increased \$538 million due to credit quality deterioration in the commercial-domestic loan portfolio. Noninterest expense increased \$357 million, or eight percent, primarily from higher revenue-related incentive compensation and costs related to the rationalization of operations in Colombia and Venezuela. SVA declined \$182 million, or 35 percent, primarily driven by the decline in cash basis earnings.

Equity Investments

Revenue increased \$174 million, or 25 percent, as the increase in noninterest income more than offset the decrease in net interest income. Net interest income, which primarily consists of the funding cost associated with the carrying value of investments, decreased \$56 million. Equity investment gains increased \$247 million to \$993 million, with \$832 million in Principal Investing and \$161 million in the strategic investments portfolio. Cash basis earnings increased \$130 million as a result of the increase in revenue. SVA increased \$71 million, as the increase in cash basis earnings was partially offset by an increase in the cost of capital.

Net Interest Income

Net interest income on a taxable-equivalent basis increased \$329 million to \$18.7 billion. Managed loan growth, particularly in consumer products, and higher levels of customer-based deposits and equity were partially offset by spread compression, the cost of share repurchases and a decrease in auto lease financing contributions.

The net interest yield decreased 25 basis points to 3.20 percent in 2000 compared to 3.45 percent in 1999, mainly due to spread compression, the cost of share repurchases and deterioration in auto lease residual values.

Noninterest Income

Noninterest income increased three percent to \$14.6 billion in 2000 compared to \$14.2 billion in 1999, primarily reflecting higher levels of trading account profits, card income, equity investment gains, service charges, investment and brokerage services and investment banking income, partially offset by declines in other income and mortgage banking income.

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Provision for Credit Losses

The provision for credit losses was \$2.5 billion in 2000 compared to \$1.8 billion in 1999. The increase in the provision for credit losses was primarily due to an increase in net charge-offs. Net charge-offs were \$2.4 billion in 2000 compared to \$2.0 billion in 1999. The increase was primarily driven by deterioration of credit quality in the commercial-domestic loan portfolio and overall portfolio growth.

Noninterest Expense

Noninterest expense remained essentially unchanged at \$18.6 billion in 2000 as increases due to inflation and business growth were offset by productivity and investment initiatives.

Income Taxes

The Corporation's income tax expense for both 2000 and 1999 was \$4.3 billion. The effective tax rates for 2000 and 1999 were 36.2 percent and 35.5 percent, respectively.

Recently Issued Accounting Pronouncements

In June 2001, the Financial Accounting Standards Board (FASB) issued Statement

of Financial Accounting Standards No. 141, "Business Combinations" (SFAS 141), and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" (SFAS 142). SFAS 141 was effective for business combinations initiated after June 30, 2001. SFAS 141 requires that all business combinations completed after its adoption be accounted for under the purchase method of accounting and establishes specific criteria for the recognition of intangible assets separately from goodwill. SFAS 142 became effective for the Corporation on January 1, 2002 and primarily addresses the accounting for goodwill and intangible assets subsequent to their acquisition. SFAS 142 requires that goodwill be recorded at the reporting unit level. Reporting units are defined as an operating segment or one level below. The Corporation has determined its reporting units and assigned goodwill to them. The Corporation has evaluated the lives of intangible assets as required by SFAS 142 and determined that no change will be made regarding lives upon adoption. SFAS 142 prohibits the amortization of goodwill but requires that it be tested for impairment at least annually at the reporting unit level. The impairment test will be performed in two phases. The first step of the goodwill impairment test, used to identify potential impairment, compares the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of the reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired; however, if the carrying amount of a reporting unit exceeds its fair value an additional procedure must be performed. That additional procedure compares the implied fair value of the reporting unit goodwill with the carrying amount of that goodwill. An impairment loss is recorded to the extent that the carrying amount of goodwill exceeds its implied fair value. Management does not anticipate that an impairment charge will be recorded as a result of the adoption of SFAS 142. Based on amortization expense recorded in 2001, the Corporation estimates that the elimination of goodwill amortization expense will increase net income by approximately \$600 million, or approximately \$0.37 per common share (diluted).

In June 2001, the FASB also issued Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations" (SFAS 143). SFAS 143 is effective for financial statements issued for fiscal years beginning after June 15, 2002. SFAS 143 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. The Corporation does not expect the adoption of this pronouncement to have a material impact on its results of operations or financial condition.

In August 2001, the FASB issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" (SFAS 144). SFAS 144 is effective for financial statements issued for fiscal years beginning after December 15, 2001. The standard addresses financial accounting and reporting for the impairment or disposal of long-lived assets. The Corporation does not expect the adoption of this pronouncement to have a material impact on its results of operations or financial condition.

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Report of Management

The management of Bank of America Corporation is responsible for the preparation, integrity and objectivity of the consolidated financial statements of the Corporation. The consolidated financial statements and notes have been prepared by the Corporation in accordance with accounting principles generally accepted in the United States of America and, in the judgment of management, present fairly the Corporation's financial position and results of operations. The financial information contained elsewhere in this report is consistent with that in the consolidated financial statements. The financial statements and other financial information in this report include amounts that are based on management's best estimates and judgments giving due consideration to materiality.

The Corporation maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Management recognizes that even a highly effective internal control system has inherent risks, including the possibility of human error and the circumvention or overriding of controls, and that the effectiveness of an internal control system can change with circumstances. However, management believes that the internal control system provides reasonable assurance that errors or irregularities that could be material to the consolidated financial statements are prevented or would be detected on a timely basis and corrected through the normal course of business. As of December 31, 2001, management believes that the internal controls are in place and operating effectively.

The Internal Audit Division of the Corporation reviews, evaluates, monitors and makes recommendations on both administrative and accounting control and acts as an integral, but independent, part of the system of internal controls.

The independent accountants were engaged to perform an independent audit of the consolidated financial statements. In determining the nature and extent of their auditing procedures, they have evaluated the Corporation's accounting policies and procedures and the effectiveness of the related internal control system. An independent audit provides an objective review of management's responsibility to report operating results and financial condition. Their report appears on page 77.

The Board of Directors discharges its responsibility for the Corporation's consolidated financial statements through its Audit Committee. The Audit Committee meets periodically with the independent accountants, internal auditors and management. Both the independent accountants and internal auditors have direct access to the Audit Committee to discuss the scope and results of their work, the adequacy of internal accounting controls and the quality of financial reporting.

[GRAPHIC]

Kenneth D. Lewis

Chairman of the Board and Chief Executive Officer

[GRAPHIC]

Vice Chairman and Chief Financial Officer

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Report of Independent Accountants

To the Board of Directors and Shareholders of Bank of America Corporation:

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income, of changes in shareholders' equity and of cash flows present fairly, in all material respects, the financial position of Bank of America Corporation and its subsidiaries at December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Corporation's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

[GRAPHIC]

Charlotte, North Carolina January 18, 2002

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Consolidated Statement of Income Bank of America Corporation and Subsidiaries

<TABLE>

<CAPTION>

<S>

	Year Ended December 31		
	<C>	<C>	<C>
	2001	2000	1999
(Dollars in millions, except per share information)			
Interest income			
Interest and fees on loans and leases	\$ 27,166	\$ 31,818	\$ 27,588
Interest and dividends on securities	3,706	5,006	4,708
Federal funds sold and securities purchased under agreements to resell	1,414	2,354	1,666
Trading account assets	3,623	2,725	2,077
Other interest income	2,384	1,262	1,174
Total interest income	38,293	43,165	37,213

Interest expense			

Deposits	8,886	11,007	9,002
Short-term borrowings	4,167	7,957	5,826
Trading account liabilities	1,155	892	658
Long-term debt	3,795	4,960	3,600

Total interest expense	18,003	24,816	19,086

Net interest income	20,290	18,349	18,127
Noninterest income			
Consumer service charges	2,866	2,654	2,550
Corporate service charges	2,078	1,889	1,790

Total service charges	4,944	4,543	4,340

Consumer investment and brokerage services	1,546	1,466	1,334
Corporate investment and brokerage services	566	463	414

Total investment and brokerage services	2,112	1,929	1,748

Mortgage banking income	593	512	648
Investment banking income	1,579	1,512	1,411
Equity investment gains	291	1,054	833
Card income	2,421	2,229	2,006
Trading account profits/(1)/	1,842	1,923	1,605
Other income	566	880	1,588

Total noninterest income	14,348	14,582	14,179

Total revenue	34,638	32,931	32,306
Provision for credit losses	4,287	2,535	1,820
Gains on sales of securities	475	25	240
Noninterest expense			
Personnel	9,829	9,400	9,308
Occupancy	1,774	1,682	1,627
Equipment	1,115	1,173	1,346
Marketing	682	621	537
Professional fees	564	452	630
Amortization of intangibles	878	864	888
Data processing	776	667	763
Telecommunications	484	527	549
Other general operating	2,687	2,114	1,820
General administrative and other	615	583	518
Business exit costs	1,305	-	-
Merger and restructuring charges	-	550	525

Total noninterest expense	20,709	18,633	18,511

Income before income taxes	10,117	11,788	12,215
Income tax expense	3,325	4,271	4,333

Net income	\$ 6,792	\$ 7,517	\$ 7,882

Net income available to common shareholders	\$ 6,787	\$ 7,511	\$ 7,876

Per share information			

Earnings per common share	\$ 4.26	\$ 4.56	\$ 4.56

Diluted earnings per common share	\$ 4.18	\$ 4.52	\$ 4.48

Dividends per common share	\$ 2.28	\$ 2.06	\$ 1.85

Average common shares issued and outstanding (in thousands)	1,594,957	1,646,398	1,726,006

</TABLE>

/(1)/ Trading account profits for 2001 included the \$83 million transition adjustment loss resulting from the adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," (SFAS 133) on January 1, 2001.

See accompanying notes to consolidated financial statements.

BANK OF AMERICA 2001 ANNUAL REPORT

----- (Dollars in millions) 0	2 0 0 1	2 0 0
----- <S>	<C>	<C>
Assets		
Cash and cash equivalents 27,513	\$ 26,837	\$
Time deposits placed and other short-term investments	5,932	5,448
Federal funds sold and securities purchased under agreements to resell (includes \$27,910 and \$24,622 pledged as collateral)	28,108	28,055
Trading account assets (includes \$22,550 and \$21,216 pledged as collateral)	47,344	43,041
Derivative assets 15,534	22,147	
Securities:		
Available-for-sale (includes \$37,422 and \$40,674 pledged as collateral)	84,450	64,651
Held-to-maturity, at cost (market value - \$1,009 and \$1,133)	1,049	1,187
-----	-----	-----
Total securities	85,499	
65,838		
-----	-----	-----
Loans and leases 392,193	329,153	
Allowance for credit losses (6,838)	(6,875)	
-----	-----	-----
Loans and leases, net of allowance for credit losses	322,278	385,355
-----	-----	-----
Premises and equipment, net 6,433	6,414	
Interest receivable 4,432	2,800	
Mortgage banking assets 3,762	3,886	
Goodwill 11,643	10,854	
Core deposits and other intangibles	1,294	1,499
Other assets 43,638	58,371	
-----	-----	-----
Total assets	\$621,764	
\$642,191		
-----	-----	-----
Liabilities		
Deposits in domestic offices:		
Noninterest-bearing 98,722	\$112,064	\$
Interest-bearing 211,978	220,703	
Deposits in foreign offices:		
Noninterest-bearing 1,923	1,870	
Interest-bearing 51,621	38,858	
-----	-----	-----
Total deposits	373,495	
364,244		
-----	-----	-----
Federal funds purchased and securities sold under agreements to repurchase	47,727	49,411
Trading account liabilities 20,947	19,452	
Derivative liabilities 22,402	14,868	
Commercial paper 6,955	1,558	
Other short-term borrowings 35,243	20,659	
Accrued expenses and other liabilities	27,459	22,859
Long-term debt 67,547	62,496	
Trust preferred securities 4,955	5,530	

Total liabilities	573,244	
594,563		
Commitments and contingencies (Notes Twelve and Fifteen)		
Shareholders' equity		
Preferred stock, \$0.01 par value; authorized - 100,000,000 shares; issued and outstanding -1,514,478 and 1,692,172 shares	65	72
Common stock, \$0.01 par value; authorized - 5,000,000,000 shares; issued and outstanding - 1,559,297,220 and 1,613,632,036 shares	5,076	8,613
Retained earnings	42,980	
39,815		
Accumulated other comprehensive income (loss)	437	
(746)		
Other	(38)	
(126)		
Total shareholders' equity	48,520	
47,628		
Total liabilities and shareholders' equity	\$621,764	\$642,191

</TABLE>

See accompanying notes to consolidated financial statements.

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Consolidated Statement of Changes in Shareholders' Equity
Bank of America Corporation and Subsidiaries

<TABLE>							
<CAPTION>							
Total	Accumulated						
Share-	Other						
holders' Comprehensive	Preferred	Common Stock		Retained	Comprehensive		
(Dollars in millions, shares in thousands)	Stock	Shares	Amount	Earnings	Income (Loss) / (1) /	Other	Equity
Income	-----						
-----	<C>	<C>	<C>	<C>	<C>	<C>	
Balance, December 31, 1998	\$ 83	1,724,484	\$14,837	\$30,998	\$ 152	\$(132)	\$45,938
Net income				7,882			
7,882	\$ 7,882						
Other comprehensive loss, net of tax:							
Net unrealized losses on available-for-sale and marketable equity securities						(2,773)	
(2,773)	(2,773)						
Net unrealized losses on foreign currency translation adjustments						(37)	
(37)	(37)						

Comprehensive income							
\$ 5,072							

Cash dividends:							
Common					(3,193)		
(3,193)							
Preferred					(6)		
(6)							
Common stock issued under employee plans		30,501	1,423			(265)	
1,158							
Common stock repurchased		(78,000)	(4,858)				

(4,858)								
Conversion of preferred stock	(6)	284	6					
Other		4	263				58	
321								
-----	-----	-----	-----	-----	-----	-----	-----	-----
Balance, December 31, 1999	\$ 77	1,677,273	\$11,671	\$35,681	\$ (2,658)	\$ (339)	\$44,432	
-----	-----	-----	-----	-----	-----	-----	-----	-----
Net income				7,517				
7,517	\$ 7,517							
Other comprehensive income, net of tax:								
Net unrealized gains on								
available-for-sale and marketable								
equity securities					1,910			
1,910	1,910							
Net unrealized gains on foreign								
currency translation adjustment					2			
2	2							

Comprehensive income								
\$ 9,429								

Cash dividends:								
Common				(3,382)				
(3,382)								
Preferred				(6)				
(6)								
Common stock issued under								
employee plans		3,781	68				226	
294								
Common stock repurchased		(67,577)	(3,256)					
(3,256)								
Conversion of preferred stock	(5)	177	5					
Other		(22)	125	5			(13)	
117								
-----	-----	-----	-----	-----	-----	-----	-----	-----
Balance, December 31, 2000	\$ 72	1,613,632	\$ 8,613	\$39,815	\$ (746)	\$ (126)		
\$47,628								
-----	-----	-----	-----	-----	-----	-----	-----	-----
Net income				6,792				
6,792	\$ 6,792							
Other comprehensive income, net of tax:								
tax:								
Net unrealized gains on								
available-for-sale and marketable								
equity securities					80			
80	80							
Net unrealized gains on foreign								
currency translation adjustments					15			
15	15							
Net gains on derivatives					1,088			
1,088	1,088							

Comprehensive income								
\$ 7,975								

Cash dividends:								
Common				(3,627)				
(3,627)								
Preferred				(5)				
(5)								
Common stock issued under								
employee plans		27,301	1,059				62	
1,121								
Common stock repurchased		(81,939)	(4,716)					
(4,716)								
Conversion of preferred stock	(7)	298	7					
Other		5	113	5			26	
144								
-----	-----	-----	-----	-----	-----	-----	-----	-----
Balance, December 31, 2001	\$ 65	1,559,297	\$ 5,076	\$42,980	\$ 437	\$ (38)		
\$48,520								
-----	-----	-----	-----	-----	-----	-----	-----	-----

</TABLE>

/(1)/ Accumulated Other Comprehensive Income (Loss) consists of the after-tax valuation allowance for available-for-sale and marketable equity

securities of \$(480), \$(560) and \$(2,470) at December 31, 2001, 2000, and 1999, respectively; foreign currency translation adjustments of \$(171), \$(186) and \$(188) at December 31, 2001, 2000, and 1999, respectively; and net gains on derivatives of \$1,088 at December 31, 2001.

See accompanying notes to consolidated financial statements.

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Consolidated Statement of Cash Flows
Bank of America Corporation and Subsidiaries

<TABLE>

<CAPTION>

<S>	Year Ended December 31		
	<C>	<C>	<C>
(Dollars in millions)	2001	2000	1999
Operating activities			
Net income	\$ 6,792	\$ 7,517	\$ 7,882
Reconciliation of net income to net cash provided by (used in) operating activities:			
Provision for credit losses	4,287	2,535	1,820
Gains on sales of securities	(475)	(25)	(240)
Business exit costs	1,305	-	-
Merger and restructuring charges	-	550	525
Depreciation and premises improvements amortization	854	920	1,029
Amortization of intangibles	878	864	888
Deferred income tax (benefit) expense	(563)	647	2,459
Net (increase) decrease in trading and hedging instruments	(19,865)	2,119	7,640
Net (increase) decrease in interest receivable	1,632	(658)	(51)
Net (increase) decrease in other assets	(10,911)	(10,055)	2,611
Net increase (decrease) in interest payable	(1,254)	575	332
Net increase (decrease) in accrued expenses and other liabilities	6,323	1,234	(13,326)
Other operating activities, net	(1,829)	(2,489)	(1,746)
Net cash provided by (used in) operating activities	(12,826)	3,734	9,823
Investing activities			
Net (increase) decrease in time deposits placed and other short-term investments	(484)	(685)	1,625
Net (increase) decrease in federal funds sold and securities purchased under agreements to resell	(53)	9,857	(10,782)
Proceeds from sales of available-for-sale securities	125,824	34,671	38,587
Proceeds from maturities of available-for-sale securities	11,722	6,396	10,003
Purchases of available-for-sale securities	(126,537)	(19,132)	(48,917)
Proceeds from maturities of held-to-maturity securities	145	380	575
Proceeds from sales and securitizations of loans and leases	10,781	15,751	15,717
Other changes in loans and leases, net	18,201	(43,070)	(32,302)
Purchases and originations of mortgage banking assets	(1,148)	(208)	(2,258)
Net purchases of premises and equipment	(835)	(642)	(465)
Proceeds from sales of foreclosed properties	353	260	350
(Acquisition) and divestiture of business activities, net	(417)	843	(1,212)
Net cash provided by (used in) investing activities	37,552	4,421	(29,079)
Financing activities			
Net increase (decrease) in deposits	9,251	17,155	(8,299)
Net increase (decrease) in federal funds purchased and securities sold under agreements to repurchase	(1,684)	(25,150)	7,018
Net increase (decrease) in commercial paper and other short-term borrowings	(19,981)	(5,376)	16,214
Proceeds from issuance of long-term debt	14,853	23,451	17,630
Retirement of long-term debt	(20,619)	(11,078)	(7,763)
Proceeds from issuance of common stock	1,121	294	1,158
Common stock repurchased	(4,716)	(3,256)	(4,858)
Cash dividends paid	(3,632)	(3,388)	(3,199)
Other financing activities, net	62	(218)	12
Net cash provided by (used in) financing activities	(25,345)	(7,566)	17,913
Effect of exchange rate changes on cash and cash equivalents	(57)	(65)	55
Net increase (decrease) in cash and cash equivalents	(676)	524	(1,288)
Cash and cash equivalents at January 1	27,513	26,989	28,277

Cash and cash equivalents at December 31	\$ 26,837	\$ 27,513	\$ 26,989
Supplemental cash flow disclosures			
Cash paid for interest	\$ 19,257	\$ 24,241	\$ 18,754
Cash paid for income taxes	3,121	2,130	1,595

Net loans and leases transferred to (from) loans held for sale amounted to \$428 and \$(247) in 2001 and 2000, respectively. There were no transfers during 1999. Loans transferred to foreclosed properties amounted to \$533, \$380 and \$305 in 2001, 2000 and 1999, respectively.

Loans and loans held for sale securitized and retained in the available-for-sale securities portfolio amounted to \$29,985, \$2,483 and \$6,682 in 2001, 2000 and 1999, respectively. There were no material noncash assets acquired or liabilities assumed in acquisitions in 2001 and 2000. The fair value of noncash assets acquired and liabilities assumed in acquisitions during 1999 was approximately \$1,557 and \$74, respectively, net of cash acquired.

See accompanying notes to consolidated financial statements.

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Notes to Consolidated Financial Statements

Bank of America Corporation and Subsidiaries

Bank of America Corporation (the Corporation) is a Delaware corporation, a bank holding company and a financial holding company. Through its banking and nonbanking subsidiaries, the Corporation provides a diverse range of financial services and products throughout the U.S. and in selected international markets. At December 31, 2001, the Corporation operated its banking activities primarily under two charters: Bank of America, N.A. and Bank of America, N.A. (USA).

Note 1 Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

The consolidated financial statements include the accounts of the Corporation and its majority-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated. Results of operations of companies purchased are included from the dates of acquisition. Certain prior period amounts have been reclassified to conform to current year classifications. Assets held in an agency or fiduciary capacity are not included in the consolidated financial statements.

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates. Significant estimates made by management are discussed in these notes as applicable.

Recently Issued Accounting Pronouncements

Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," (SFAS 133) as amended by Statement of Financial Accounting Standards No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of Effective Date of Financial Accounting Standards Board Statement No. 133," and Statement of Financial Accounting Standards No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities - an amendment of FASB Statement No. 133," was adopted by the Corporation on January 1, 2001. The impact of adopting SFAS 133 to net income was a loss of \$52 million (net of related income tax benefits of \$31 million), and a net transition gain of \$9 million (net of related income taxes of \$5 million) included in other comprehensive income on January 1, 2001. Because the transition adjustment was not material to the Corporation's overall results, the before-tax charge to earnings was included in trading account profits in noninterest income rather than shown separately as the cumulative effect of an accounting change. Further, the initial adoption of SFAS 133 resulted in the Corporation recognizing on the balance sheet \$577 million of derivative assets and \$514 million of derivative liabilities.

In September 2000, the FASB issued Statement of Financial Accounting Standards No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities - a replacement of FASB Statement No. 125" (SFAS 140). SFAS 140 was effective for transfers occurring after March 31, 2001 and for disclosures relating to securitization transactions and collateral for fiscal years ending after December 15, 2000. The adoption of SFAS 140 did not have a material impact on the Corporation's results of operations or financial

condition.

In June 2001, the FASB issued Statement of Financial Accounting Standards No. 141, "Business Combinations" (SFAS 141) and Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" (SFAS 142). SFAS 141 was effective for business combinations initiated after June 30, 2001. SFAS 141 requires that all business combinations completed after its adoption be accounted for under the purchase method of accounting and establishes specific criteria for the recognition of intangible assets separately from goodwill. SFAS 142 became effective for the Corporation on January 1, 2002 and primarily addresses the accounting for goodwill and intangible assets subsequent to their acquisition. SFAS 142 requires that goodwill be recorded at the reporting unit level. Reporting units are defined as an operating segment or one level below. The Corporation has determined its reporting units and assigned goodwill to them. The Corporation has evaluated the lives of intangible assets as required by SFAS 142 and determined that no change will be made regarding lives upon adoption. SFAS 142 prohibits the amortization of goodwill but requires that it be tested for impairment at least annually at the reporting unit level. The impairment test will be performed in two phases. The first step of the goodwill impairment test, used to identify potential impairment, compares the fair value of a reporting unit with its carrying amount, including goodwill. If the fair value of the reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired; however, if the carrying amount of a reporting unit exceeds its fair value an additional procedure must be performed. That additional procedure compares the implied fair value of the reporting unit goodwill with the carrying amount of that goodwill. An impairment loss is recorded to the extent that the carrying amount of goodwill exceeds its implied fair value. Management does not anticipate that an impairment charge will be recorded as a result of the adoption of SFAS 142. Based on amortization expense recorded in 2001, the Corporation estimates that the elimination of goodwill amortization expense will increase net income by approximately \$600 million, or approximately \$0.37 per common share (diluted).

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In June 2001, the FASB also issued Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations" (SFAS 143). SFAS 143 is effective for financial statements issued for fiscal years beginning after June 15, 2002. SFAS 143 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. The Corporation does not expect the adoption of this pronouncement to have a material impact on its results of operations or financial condition.

In August 2001, the FASB issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" (SFAS 144). SFAS 144 is effective for financial statements issued for fiscal years beginning after December 15, 2001. The standard addresses financial accounting and reporting for the impairment or disposal of long-lived assets. The Corporation does not expect the adoption of this pronouncement to have a material impact on its results of operations or financial condition.

Cash and Cash Equivalents

Cash on hand, cash items in the process of collection and amounts due from correspondent banks and the Federal Reserve Bank are included in cash and cash equivalents.

Securities Purchased under Agreements to Resell and Securities Sold under Agreements to Repurchase

Securities purchased under agreements to resell and securities sold under agreements to repurchase are treated as collateralized financing transactions and are recorded at the amounts at which the securities were acquired or sold plus accrued interest. The Corporation's policy is to obtain the use of securities purchased under agreements to resell. The market value of the underlying securities, which collateralize the related receivable on agreements to resell, is monitored, including accrued interest, and additional collateral is requested when deemed appropriate.

Collateral

The Corporation has accepted collateral that it is permitted by contract or custom to sell or repledge. At December 31, 2001, the fair value of this collateral was approximately \$30.4 billion of which \$21.5 billion was sold or repledged. At December 31, 2000, the fair value of this collateral was approximately \$25.1 billion of which \$22.7 billion was sold or repledged. The primary source of this collateral is reverse repurchase agreements. The Corporation pledges securities as collateral in transactions that are primarily repurchase agreements, public and trust deposits, treasury tax and loan and other short-term borrowings. This collateral can be sold or repledged by the counterparties to the transactions.

In addition, the Corporation obtains collateral in connection with its derivative activities. Required collateral levels vary depending on the credit risk rating and the type of counterparty. Generally, the Corporation accepts collateral in the form of cash, U.S. Treasury securities and other marketable securities.

Trading Instruments

Financial instruments utilized in trading activities are stated at fair value. Fair value is generally based on quoted market prices. If quoted market prices are not available, fair values are estimated based on dealer quotes, pricing models or quoted prices for instruments with similar characteristics. Realized and unrealized gains and losses are recognized in trading account profits.

Derivatives and Hedging Activities

All derivatives are recognized on the balance sheet at fair value, taking into consideration the effects of legally enforceable master netting agreements which allow the Corporation to settle positive and negative positions with the same counterparty on a net basis. For exchange traded contracts, fair value is based on quoted market prices. For non-exchange traded contracts, fair value is based on dealer quotes, pricing models or quoted prices for instruments with similar characteristics. The Corporation designates a derivative as held for trading or hedging purposes when it enters into a derivative contract. Derivatives designated as held for trading activities are included in the Corporation's trading portfolio with changes in fair value reflected in trading account profits.

The Corporation uses its derivatives designated for hedging activities as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. The Corporation primarily manages interest rate and foreign currency exchange rate sensitivity through the use of derivatives. Fair value hedges are used to limit the Corporation's exposure to changes in the fair value of its interest-bearing assets or liabilities that are due to interest rate volatility. Cash flow hedges are used to minimize the variability in cash flows of interest-bearing assets or liabilities or anticipated transactions caused by interest rate fluctuations. Changes in the fair value of derivatives designated for hedging activities that are highly effective as hedges are recorded in earnings or other comprehensive income, depending on whether the hedging relationship satisfies the criteria for a fair value or cash flow hedge, respectively. A highly effective hedging relationship is one in which the Corporation achieves offsetting changes in fair value or cash flows between 80 percent and 120 percent for the risk being hedged. Hedge ineffectiveness and gains and losses on the excluded component of a derivative in assessing hedge effectiveness are recorded in earnings. SFAS 133 retains certain concepts under Statement of Financial Accounting Standards No. 52, "Foreign Currency Translation," (SFAS 52) for foreign currency exchange hedging. Consistent with SFAS 52, the Corporation records changes in the fair value of derivatives used as hedges of the net investment in foreign operations as a component of other comprehensive income.

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The Corporation occasionally purchases or issues financial instruments containing embedded derivatives. The embedded derivative is separated from the host contract and carried at fair value if the economic characteristics of the derivative are not clearly and closely related to the economic characteristics of the host contract. To the extent that the Corporation cannot reliably identify and measure the embedded derivative, the entire contract is carried at fair value on the balance sheet with changes in fair value reflected in earnings.

The Corporation formally documents at inception all relationships between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking various hedge transactions. Additionally, the Corporation uses regression analysis at the hedge's inception and quarterly thereafter to assess whether the derivative used in its hedging transaction is expected to be or has been highly effective in offsetting changes in the fair value or cash flows of the hedged items. The Corporation discontinues hedge accounting when it is determined that a derivative is not expected to be or has ceased to be highly effective as a hedge, and then reflects changes in fair value in earnings.

If a derivative instrument in a fair value hedge is terminated or the hedge designation removed, the difference between a hedged item's then carrying amount and its face amount is recognized into income over the original hedge period. Similarly, if a derivative instrument in a cash flow hedge is terminated or the hedge designation removed, related amounts accumulated in other comprehensive income are reclassified into earnings in the same period during which the hedged item affects income.

Securities

Debt securities are classified based on management's intention on the date of purchase. Debt securities which management has the intent and ability to hold to maturity are classified as held-to-maturity and reported at amortized cost. Securities that are bought and held principally for the purpose of resale in the near term are classified as trading instruments and are stated at fair value with unrealized gains and losses included in trading account profits. All other debt securities are classified as available-for-sale and carried at fair value with net unrealized gains and losses included in shareholders' equity on an after-tax basis. Interest and dividends on securities, including amortization of premiums and accretion of discounts, are included in interest income. Realized gains and losses from the sales of securities are determined using the specific identification method.

Marketable equity securities, which are included in other assets, are carried at fair value. Net unrealized gains and losses are included in shareholders' equity, net of tax; income is included in noninterest income. Venture capital investments for which there are active market quotes are carried at estimated fair value, subject to liquidity discounts, sales restrictions or regulatory rules. Net unrealized gains and losses are recorded in non-interest income. Venture capital investments for which there are not active market quotes are initially valued at cost. Subsequently, these investments are adjusted to reflect changes in valuation as a result of initial public offerings or other-than-temporary declines in value.

Loans and Leases

Loans are reported at their outstanding principal balances net of any unearned income, charge-offs, unamortized deferred fees and costs on originated loans and premiums or discounts on purchased loans. Loan origination fees and certain direct origination costs are deferred and recognized as adjustments to income over the lives of the related loans. Unearned income, discounts and premiums are amortized to income using methods that approximate the interest method.

The Corporation provides equipment financing to its customers through a variety of lease arrangements. Direct financing leases are carried at the aggregate of lease payments receivable plus estimated residual value of the leased property, less unearned income. Leveraged leases, which are a form of financing lease, are carried net of nonrecourse debt. Unearned income on leveraged and direct financing leases is amortized over the lease terms by methods that approximate the interest method.

Allowance for Credit Losses

The allowance for credit losses is management's estimate of probable incurred credit losses in the lending portfolios. Additions to the allowance for credit losses are made by charges to the provision for credit losses. Credit exposures deemed to be uncollectible are charged against the allowance for credit losses. Recoveries of previously charged off amounts are credited to the allowance for credit losses.

The Corporation performs periodic and systematic detailed reviews of its lending portfolios to identify inherent risks and to assess the overall collectibility of those portfolios. The allowance on certain homogeneous loan portfolios, which generally consist of consumer loans, is based on aggregated portfolio segment evaluations generally by loan type. Loss forecast models are utilized for these segments which consider a variety of factors including, but not limited to, historical loss experience, anticipated defaults or foreclosures based on portfolio trends, delinquencies and credit scores, and expected loss factors by loan type. The remaining portfolios are reviewed on an individual loan basis. Loans subject to individual reviews are analyzed and segregated by risk according to the Corporation's internal risk rating scale. These risk classifications, in conjunction with an analysis of historical loss experience, current economic conditions and performance trends within specific portfolio segments, and any other pertinent information (including individual valuations on nonperforming loans in accordance with Statement of Financial Accounting Standards No. 114, "Accounting by Creditors for Impairment of a Loan" (SFAS 114)) result in the estimation of specific allowances for credit losses.

If necessary, an allowance for credit losses is established for individual impaired loans. A loan is considered impaired when, based on current information and events, it is probable that the Corporation will be unable to collect all amounts due, including principal and interest, according to the contractual terms of the agreement. Once a loan has been identified as individually impaired, management measures impairment in accordance with

of the collateral. If the recorded investment in impaired loans exceeds the measure of estimated fair value, a valuation allowance is established as a component of the allowance for credit losses.

Portions of the allowance for credit losses are assigned to cover the estimated probable incurred credit losses in each loan and lease category based on the results of the Corporation's detail review process described above. The assigned portion continues to be weighted toward the commercial loan portfolio, which reflects a higher level of nonperforming loans and the potential for higher individual losses. The remaining or unassigned portion of the allowance for credit losses, determined separately from the procedures outlined above, addresses certain industry and geographic concentrations, including global economic conditions. This procedure helps to minimize the risk related to the margin of imprecision inherent in the estimation of the assigned allowance for credit losses. Due to the subjectivity involved in the determination of the unassigned portion of the allowance for credit losses, the relationship of the unassigned component to the total allowance for credit losses may fluctuate from period to period. Management evaluates the adequacy of the allowance for credit losses based on the combined total of the assigned and unassigned components.

Nonperforming Loans

Commercial loans and leases that are past due 90 days or more as to principal or interest, or where reasonable doubt exists as to timely collection, including loans that are individually identified as being impaired, are generally classified as nonperforming loans unless well-secured and in the process of collection. Loans whose contractual terms have been restructured in a manner which grants a concession to a borrower experiencing financial difficulties are classified as nonperforming until the loan is performing for an adequate period of time under the restructured agreement. Interest accrued but not collected is reversed when a commercial loan is classified as nonperforming. Interest collections on commercial nonperforming loans and leases for which the ultimate collectibility of principal is uncertain are applied as principal reductions; otherwise, such collections are credited to income when received.

Credit card loans are charged off at 180 days past due or 60 days from notification of bankruptcy filing and are not classified as nonperforming. Unsecured loans and deficiencies in personal property secured loans are charged off at 120 days past due and not classified as nonperforming. Real estate secured consumer loans are classified as nonperforming at 90 days past due. The amount deemed uncollectible on real estate secured loans is charged off at 180 days past due.

Loans Held for Sale

Loans held for sale include consumer finance, residential mortgage, commercial real estate and other loans and are carried at the lower of aggregate cost or market value. Loans held for sale are included in other assets.

Foreclosed Properties

Assets are classified as foreclosed properties and included in other assets upon actual foreclosure or when physical possession of the collateral is taken regardless of whether foreclosure proceedings have taken place.

Foreclosed properties are carried at the lower of the recorded amount of the loan or lease for which the property previously served as collateral, or the fair value of the property less estimated costs to sell. Prior to foreclosure, any write-downs, if necessary, are charged to the allowance for credit losses.

Subsequent to foreclosure, gains or losses on the sale of and losses on the periodic revaluation of foreclosed properties are credited or charged to expense. Net costs of maintaining and operating foreclosed properties are expensed as incurred.

Premises and Equipment

Premises and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are recognized principally using the straight-line method over the estimated useful lives of the assets.

Mortgage Banking Assets

In the first quarter of 2001, the Corporation amended certain of its Mortgage Selling and Servicing Contracts whereby its previously reported mortgage servicing rights were bifurcated into two components: servicing assets and Excess Spread Certificates (the Certificates). The servicing component represents the contractually specified servicing fees net of the fair market value of the cost to service, and the Certificates represent a retained financial interest in certain cash flows of the underlying mortgage loans. The Certificates and the new de minimis servicing asset are classified as mortgage banking assets (MBA). The Certificates are carried at estimated fair value with the corresponding adjustment reported in trading account profits. The Corporation seeks to manage changes in value of the Certificates due to changes in prepayment rates by entering into derivative financial instruments such as

purchased options and interest rate swaps. The derivative instruments are carried at estimated fair value with the corresponding adjustment reported in trading account profits. The Corporation values the Certificates using an option-adjusted spread model which requires several key components including, but not limited to, proprietary prepayment models and term structure modeling via Monte Carlo simulation. The fair value of MBA was \$3.9 billion at December 31, 2001. Total loans serviced approximated \$320.8 billion, \$335.9 billion and \$314.3 billion at December 31, 2001, 2000, and 1999, respectively, including loans serviced on behalf of the Corporation's banking subsidiaries.

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The Corporation allocated the total cost of mortgage loans originated for sale or purchased between the cost of the loans, and when applicable, the Certificates and the mortgage servicing rights (MSR) based on the relative fair values of the loans, the Certificates and the MSR. MSR acquired separately are capitalized at cost. The Corporation capitalized \$1.1 billion, \$836 million and \$1.6 billion of MBA during 2001, 2000 and 1999, respectively. The cost of MSR was amortized in proportion to and over the estimated period that servicing revenues were recognized. Amortization was \$540 million and \$566 million during 2000 and 1999, respectively. The fair value of capitalized MSR was \$3.8 billion at December 31, 2000.

Mortgage banking income includes servicing fees, gains from selling originated mortgages, ancillary servicing income, mortgage production fees, gains and losses on sales to the secondary market, and income on the Certificates.

Goodwill and Other Intangibles

Net assets of companies acquired in purchase transactions are recorded at fair value at the date of acquisition. Identified intangibles are amortized on an accelerated or straight-line basis over the period benefited. Goodwill is amortized on a straight-line basis over a period not to exceed 25 years. The recoverability of goodwill and other intangibles is evaluated if events or circumstances indicate a possible impairment. Such evaluation is based on various analyses, including undiscounted cash flow projections. See "Recently Issued Accounting Pronouncements" on page 82 for information related to changes in accounting for goodwill and other intangibles which were effective January 1, 2002.

Off-Balance Sheet Financing Entities

In the ordinary course of business, the Corporation supports its customers financing needs by facilitating these customers' access to different funding sources, assets and risks. In addition, the Corporation utilizes certain financing arrangements to meet its balance sheet management, funding, liquidity, and market or credit risk management needs. These financing entities may be in the form of corporations, partnerships or limited liability companies, or trusts and are not consolidated in the Corporation's balance sheet. The majority of these activities are basic term or revolving securitization vehicles. These vehicles are generally funded through term-amortizing debt structures designed to be paid off based on the underlying cash flows of the assets securitized. Other, lesser used vehicles, are generally funded with short-term commercial paper and are similarly paid down through the cash flow or sale of the underlying assets. Securitization activities are further discussed in more detail in the Securitizations section below and Note Eight.

These financing entities are usually contractually limited to a narrow range of activities that facilitate the transfer of or access to various types of assets or financial instruments. In certain situations, the Corporation provides liquidity commitments and/or loss protection agreements. See Note Twelve for further discussion.

The Corporation evaluates whether these entities should be consolidated by applying various generally accepted accounting principles and interpretations that generally provide that a financing entity is not consolidated if both the control and risks and rewards of the assets in the financing entity are not retained by the Corporation. In determining whether the financing entity should be consolidated, the Corporation considers whether the entity is a qualifying special-purpose entity (QSPE) as defined in SFAS 140. For non-consolidation, SFAS 140 requires that the financing entity be legally isolated, bankruptcy remote and beyond the control of the seller, which generally applies to securitizations. For non-securitization structures, the Securities and Exchange Commission and the Emerging Issues Task Force also have issued guidance regarding consolidation of financing entities. Such guidance applies to certain transactions and requires an assessment of whether sufficient risks and rewards of ownership have passed based on assessing the voting rights, control of the entity and the existence of substantive third party equity investment.

Securitizations

The Corporation securitizes, sells and services interests in residential mortgage, consumer finance, commercial and bankcard loans. When the Corporation securitizes assets, it may retain interest-only strips, one or more subordinated tranches and, in some cases, a cash reserve account, all of which are considered retained interests in the securitized assets. Gains upon sale of the assets depend, in part, on the Corporation's allocation of the previous carrying amount of the assets to the retained interests. Previous carrying amounts are allocated in proportion to the relative fair values of the assets sold and interests retained.

Quoted market prices, if available, are used to obtain fair values. Generally, quoted market prices for retained interests are not available; therefore, the Corporation estimates fair values based upon the present value of the associated expected future cash flows. This requires management to estimate credit losses, prepayment speeds, forward yield curves, discount rates and other factors that impact the value of retained interests.

The excess cash flows expected to be received over the amortized cost of the retained interest is recognized as interest income using the effective yield method. If the fair value of the retained interest has declined below its carrying amount and there has been an adverse change in estimated cash flows (as defined), then such decline is determined to be other-than-temporary and the retained interest is written down to fair value with a corresponding adjustment to earnings.

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Income Taxes

There are two components of income tax expense: current and deferred. Current income tax expense approximates cash to be paid or refunded for taxes for the applicable period. Deferred tax assets and liabilities are recognized due to differences in the bases of assets and liabilities as measured by tax laws and their bases as reported in the financial statements. Deferred tax expense or benefit is then recognized for the change in deferred tax liabilities or assets between periods.

Recognition of deferred tax assets is based on management's belief that it is more likely than not that the tax benefit associated with certain temporary differences, tax operating loss carryforwards and tax credits will be realized. A valuation allowance is recorded for the amount of the deferred tax items for which it is more likely than not that realization will not occur.

Retirement Benefits

The Corporation has established qualified retirement plans covering substantially all full-time employees and certain part-time employees. Pension expense under these plans is charged to current operations and consists of several components of net pension cost based on various actuarial assumptions regarding future experience under the plans.

In addition, the Corporation and its subsidiaries have established unfunded supplemental benefit plans and supplemental executive retirement plans for selected officers of the Corporation and its subsidiaries that provide benefits that cannot be paid from a qualified retirement plan due to Internal Revenue Code restrictions. These plans are nonqualified under the Internal Revenue Code, and assets used to fund benefit payments are not segregated from other assets of the Corporation; therefore, in general, a participant's or beneficiary's claim to benefits under these plans is as a general creditor.

In addition, the Corporation and its subsidiaries have established several postretirement healthcare and life insurance benefit plans.

Other Comprehensive Income

The Corporation records unrealized gains and losses on available-for-sale debt securities and marketable equity securities, foreign currency translation adjustments, related hedges of net investments in foreign operations and gains and losses on cash flow hedges in other comprehensive income in shareholders' equity. Gains and losses on available-for-sale securities are reclassified to net income as the gains or losses are realized upon sale of the securities. Other-than-temporary impairment charges are reclassified to net income at the time of the charge. Translation gains or losses on foreign currency translation adjustments are reclassified to net income upon the sale or liquidation of investments in foreign operations. Gains or losses on derivatives are reclassified to net income as the hedged item affects earnings.

Earnings Per Common Share

Earnings per common share is computed by dividing net income available to common shareholders by the weighted average common shares issued and 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 issued and 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 effects of convertible preferred stock and stock options are excluded from the computation of diluted earnings per common share in periods in which the effect would be antidilutive. Dilutive potential common shares are calculated using the treasury stock method.

Foreign Currency Translation

Assets, liabilities and operations of foreign branches and subsidiaries are recorded based on the functional currency of each entity. For certain of the foreign operations, the functional currency is the local currency, in which case the assets, liabilities and operations are translated, for consolidation purposes, at current exchange rates from the local currency to the reporting currency, the U.S. dollar. The resulting gains or losses are reported as a component of accumulated other comprehensive income (loss) within shareholders' equity on an after-tax basis. When the foreign entity is not a free-standing operation or is in a hyperinflationary economy, the functional currency used to measure the financial statements of a foreign entity is the U.S. dollar. In these instances, the resulting gains and losses are included in income.

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Note 2 Exit and Restructuring Charges

Exit Charges

On August 15, 2001, the Corporation announced that it was exiting its auto leasing and subprime real estate lending businesses. As a result of this strategic decision, the Corporation recorded pre-tax exit charges in the third quarter of 2001 of \$1.7 billion (\$1.3 billion after-tax) consisting of provision for credit losses of \$395 million and noninterest expense of \$1.3 billion. Business exit costs within noninterest expense consisted of the write-off of goodwill of \$685 million, auto lease residual charges of \$400 million, real estate servicing asset charges of \$145 million and other transaction costs of \$75 million. See Note Six for additional information on the exit-related provision for credit losses.

During the fourth quarter of 2001, \$17.5 billion of subprime loans were securitized and retained in the available-for-sale securities portfolio. Approximately \$1 billion of subprime real estate loans remain in loans held for sale in other assets. The run off of the auto lease portfolio is occurring as expected. At the exit date, the auto lease portfolio was approximately 495,000 units with total residual exposure of \$6.8 billion. At December 31, 2001, approximately 401,000 units remained with a residual exposure of \$5.4 billion.

Merger and Restructuring Charges

As part of its productivity and investment initiatives announced on July 28, 2000, the Corporation recorded a pre-tax charge of \$550 million (\$346 million after-tax) in the third quarter of 2000. Of the \$550 million restructuring charge, approximately \$475 million was used to cover severance and related costs and approximately \$75 million was used for other costs related to process change and channel consolidation. At December 31, 2000 the reserve balance was \$293 million. At December 31, 2001, the restructuring reserve had been substantially utilized.

In connection with the 1998 merger of BankAmerica Corporation and Bank of America Corporation, formerly NationsBank Corporation, the Corporation recorded pre-tax merger charges of \$525 million (\$358 million after-tax) in 1999 which consisted of approximately \$219 million of severance, change in control and other employee-related costs, \$187 million of conversion and related costs including occupancy, equipment and customer communication expenses, \$128 million of exit and related costs and a \$9 million reduction of other merger costs. At December 31, 2000, the merger reserve balance was \$32 million. The merger reserve was substantially utilized at December 31, 2001.

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Note 3 Securities

The amortized cost, gross unrealized gains and losses, and fair value of

<TABLE>				
<CAPTION>				
<S>		<C>	<C>	<C>
<C>				
			Gross	Gross
Fair	Amortized	Unrealized	Unrealized	
(Dollars in millions)	Cost	Gains	Losses	
Value	----	-----	-----	

Available-for-sale securities				
2001				
U.S. Treasury securities and agency	\$ 1,271	\$ 17	\$ 8	\$
1,280				
debentures				
Mortgage-backed securities	73,546	381	826	
73,101				
Foreign sovereign securities	3,213	54	123	
3,144				
Other taxable securities	4,739	11	108	
4,642				
- - - - -	----	-----	-----	

Total taxable	82,769	463	1,065	
82,167				
Tax-exempt securities	2,324	5	46	
2,283				
- - - - -	----	-----	-----	

Total	\$85,093	\$468	\$1,111	
\$84,450				
- - - - -	----	-----	-----	

2000				
U.S. Treasury securities and agency	\$17,318	\$ 12	\$ 520	
\$16,810				
debentures				
Mortgage-backed securities	37,745	54	372	
37,427				
Foreign sovereign securities	4,252	7	108	
4,151				
Other taxable securities	4,786	6	104	
4,688				
- - - - -	----	-----	-----	

Total taxable	64,101	79	1,104	
63,076				
Tax-exempt securities	1,541	43	9	
1,575				
- - - - -	----	-----	-----	

Total	\$65,642	\$122	\$1,113	
\$64,651				
- - - - -	----	-----	-----	

1999				
U.S. Treasury securities and agency	\$30,085	\$ -	\$1,800	
\$28,285				
debentures				
Mortgage-backed securities	43,673	21	1,709	
41,985				
Foreign sovereign securities	4,607	16	256	
4,367				
Other taxable securities	4,985	-	29	
4,956				
- - - - -	----	-----	-----	

Total taxable	83,350	37	3,794	
79,593				
Tax-exempt securities	2,135	21	102	
2,054				
- - - - -	----	-----	-----	

Total	\$85,485	\$ 58	\$3,896	
\$81,647				
- - - - -	----	-----	-----	

</TABLE>				
<TABLE>				
<CAPTION>				
<S>		<C>	<C>	<C>
<C>				

<C>

Fair (Dollars in millions) Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	
----	----	-----	-----	
Held-to-maturity securities				
2001				
U.S. Treasury securities and agency	\$ 5	\$ -	\$ -	\$
5				
debentures				
Mortgage-backed securities	5	-	-	
5				
Foreign sovereign securities	797	5	54	
748				
Other taxable securities	26	1	-	
27				
- - - - -	----	-----	-----	

Total taxable	833	6	54	
785				
Tax-exempt securities	216	9	1	
224				
- - - - -	----	-----	-----	

Total	\$ 1,049	\$ 15	\$ 55	\$
1,009				
- - - - -	----	-----	-----	

2000				
U.S. Treasury securities and agency	\$ 39	\$ -	\$ -	\$
39				
debentures				
Mortgage-backed securities	66	-	-	
66				
Foreign sovereign securities	800	5	69	
736				
Other taxable securities	27	-	-	
27				
- - - - -	----	-----	-----	

Total taxable	932	5	69	
868				
Tax-exempt securities	255	11	1	
265				
- - - - -	----	-----	-----	

Total	\$ 1,187	\$ 16	\$ 70	\$
1,133				
- - - - -	----	-----	-----	

1999				
U.S. Treasury securities and agency	\$ 87	\$ -	\$ -	\$
87				
debentures				
Mortgage-backed securities	106	-	-	
106				
Foreign sovereign securities	902	-	157	
745				
Other taxable securities	26	-	2	
24				
- - - - -	----	-----	-----	

Total taxable	1,121	-	159	
962				
Tax-exempt securities	301	11	4	
308				
- - - - -	----	-----	-----	

Total	\$ 1,422	\$ 11	\$ 163	\$
1,270				
- - - - -	----	-----	-----	

</TABLE>

The expected maturity distribution and yields (computed on a taxable-equivalent basis) of the Corporation's securities portfolio at December 31, 2001 are summarized below. Actual maturities may differ from contractual maturities or expected maturities shown below since borrowers may have the right to prepay

obligations with or without prepayment penalties.

<TABLE>

<CAPTION>

		Due in 1 year or less		Due after 1 year through 5 years		Due after 5 years through 10 years		Due after 10 years	
Total									
Amount		Yield		Amount	Yield	Amount	Yield	Amount	Yield
<S>		<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<C>		<C>							
(Dollars in millions)									
Fair value of available-for-sale securities									
U.S. Treasury securities									
and agency debentures		\$ 40	5.36%	\$ 496	5.34%	\$ 21	5.90%	\$ 723	6.20%
1,280 5.83%									
Mortgage-backed securities		274	6.59	44,668	5.93	26,058	5.32	2,101	6.38
73,101 5.73									
Foreign sovereign securities		1,104	2.51	132	4.91	212	3.84	1,696	5.70
3,144 4.42									
Other taxable securities		61	6.35	2,945	4.86	63	5.75	1,573	6.30
4,642 5.38									
Total taxable		1,479	3.50	48,241	5.86	26,354	5.31	6,093	6.15
82,167 5.66									
Tax-exempt securities		46	7.40	65	7.88	600	6.80	1,572	7.38
2,283 7.24									
Total		\$ 1,525	3.62%	\$ 48,306	5.86%	\$ 26,954	5.34%	\$ 7,665	6.40%
84,450 5.70%									
Amortized cost of available-for-sale securities									
85,093		\$ 1,512		\$ 48,627		\$ 27,177		\$ 7,777	
Amortized cost of held-to-maturity securities									
U.S. Treasury securities									
and agency debentures		\$ -	-%	\$ 5	4.22%	\$ -	-%	\$ -	-%
\$ 5 0.84%									
Mortgage-backed securities		1	2.36	4	2.37	-	-	-	-
5 2.37									
Foreign sovereign securities		5	4.96	18	4.87	11	4.91	763	7.17
797 7.08									
Other taxable securities		-	-	-	-	-	-	26	6.38
26 6.38									
Total taxable		6	4.53	27	4.38	11	4.91	789	7.15
833 7.01									
Tax-exempt securities		21	9.27	89	10.02	59	8.31	47	6.48
216 8.71									
Total		\$ 27	8.22%	\$ 116	8.71%	\$ 70	7.78%	\$ 836	7.11%
1,049 7.34%									
Fair value of held-to-maturity securities									
1,009		\$ 27		\$ 119		\$ 74		\$ 789	
securities		--		---		--		---	

</TABLE>

The components of gains and losses on sales of securities for the years ended December 31, 2001, 2000 and 1999 were:

<TABLE>

<CAPTION>

(Dollars in millions)

	2001	2000	1999
<S>	<C>	<C>	<C>
Gross gains on sales of securities	\$ 1,074	\$ 123	\$ 289

Gross losses on sales of securities	599	98	49
-----	----	----	----
Net gains on sales of securities	\$ 475	\$ 25	\$ 240
-----	----	----	----

</TABLE>

Excluding securities issued by the U.S. government and its agencies and corporations, there were no investments in securities from one issuer that exceeded 10 percent of consolidated shareholders' equity at December 31, 2001 or 2000.

The income tax expense attributable to realized net gains on securities sales was \$166 million, \$9 million and \$84 million in 2001, 2000 and 1999, respectively.

Securities are pledged or assigned to secure borrowed funds, government and trust deposits and for other purposes. The carrying value of pledged securities was \$37.4 billion and \$40.7 billion at December 31, 2001 and 2000, respectively.

At December 31, 2001, the valuation allowance for available-for-sale debt securities and marketable equity securities included in shareholders' equity reflected unrealized net losses of \$480 million, net of related income taxes of \$311 million. At December 31, 2000, the valuation allowance included in shareholders' equity reflected unrealized net losses of \$560 million, net of related income taxes of \$330 million.

Note 4 Trading Activities

Trading-Related Revenue

Trading account profits represent the net amount earned from the Corporation's trading positions, which include trading account assets and liabilities as well as derivative positions and mortgage banking assets. These transactions include positions to meet customer demand as well as for the Corporation's own trading account. Trading positions are taken in a diverse range of financial instruments and markets. The profitability of these trading positions is largely dependent on the volume and type of transactions, the level of risk assumed and the volatility of price and rate movements. Trading account profits, as reported in the Consolidated Statement of Income, does not include the net interest income recognized on

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interest-earning and interest-bearing trading positions or the related funding charge or benefit. Trading account profits and trading-related net interest income ("trading-related revenue") are presented in the table below as they are both considered in evaluating the overall profitability of the Corporation's trading positions. Trading-related revenue is derived from foreign exchange spot rates, forward and cross-currency contracts, fixed income and equity securities and derivative contracts in interest rates, equities, credit and commodities. Trading account profits for the year ended December 31, 2001 included an \$83 million transition adjustment net loss recorded as a result of the implementation of SFAS 133 as discussed in Note One of the consolidated financial statements.

<TABLE>

<CAPTION>

<S>

(Dollars in millions)	<C> 2001	<C> 2000	<C> 1999
-----	-----	-----	-----
Trading account profits - as reported	\$ 1,842	\$ 1,923	\$ 1,605
Net interest income	1,566	1,023	662
-----	-----	-----	-----
Total trading-related revenue	\$ 3,408	\$ 2,946	\$ 2,267
-----	-----	-----	-----
Trading-related revenue by product			
Foreign exchange contracts	\$ 541	\$ 536	\$ 549
Interest rate contracts	753	773	716
Fixed income	1,033	392	460
Equities and equity derivatives	916	1,174	495
Commodities	165	71	47
-----	-----	-----	-----
Total trading-related revenue	\$ 3,408	\$ 2,946	\$ 2,267
-----	-----	-----	-----

</TABLE>

Trading Account Assets and Liabilities

The fair values of the components of trading account assets and liabilities at December 31, 2001 and 2000 were:

<TABLE>

<CAPTION>

<S>

<C>

<C>

(Dollars in millions)	Fair Value	
	2001	2000
Trading account assets		
U.S. Government & Agency securities	\$ 15,009	\$ 10,545
Foreign sovereign debt	6,809	10,432
Corporate & other debt securities	11,596	7,841
Equity securities	2,976	6,363
Mortgage-backed securities	3,070	1,713
Other	7,884	6,147
- - - - -	- - - - -	- - - - -
Total	\$ 47,344	\$ 43,041
- - - - -	- - - - -	- - - - -
Trading account liabilities		
U.S. Government & Agency securities	\$ 4,121	\$ 10,906
Foreign sovereign debt	3,096	1,860
Corporate & other debt securities	1,501	2,215
Equity securities	6,151	5,712
Mortgage-backed securities	12	37
Other	4,571	217
- - - - -	- - - - -	- - - - -
Total	\$ 19,452	\$ 20,947
- - - - -	- - - - -	- - - - -

</TABLE>

See Note Five below for additional information on derivative positions, including credit risk.

Note 5 Derivatives

The Corporation designates a derivative as held for trading or hedging purposes when it enters into a derivative contract. Derivatives utilized by the Corporation include swaps, financial futures and forward settlement contracts and option contracts. A swap agreement is a contract between two parties to exchange cash flows based on specified underlying notional amounts, assets and/or indices. Financial futures and forward settlement contracts are agreements to buy or sell a quantity of a financial instrument, index, currency or commodity at a predetermined future date and rate or price. An option contract is an agreement that conveys to the purchaser the right, but not the obligation, to buy or sell a quantity of a financial instrument, index, currency or commodity at a predetermined rate or price during a period or at a time in the future. Option agreements can be transacted on organized exchanges or directly between parties.

Credit Risk Associated with Derivative Activities

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 derivative credit risk, both the current exposure, which is the replacement cost of contracts on the measurement date, as well as an estimate

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of the potential change in value of contracts over their remaining lives are considered. In managing credit risk associated with its derivative activities, the Corporation deals primarily with commercial banks, broker-dealers and corporations. To minimize credit risk, the Corporation enters into legally enforceable master netting arrangements, which reduce risk by permitting the closeout and netting of transactions with the same counterparty upon occurrence of certain events. In addition, the Corporation reduces credit risk by obtaining collateral where appropriate. Required collateral levels vary depending on the credit risk rating and the type of counterparty. Generally, the Corporation accepts collateral in the form of cash, U.S. Treasury securities, and other marketable securities. Collateral of \$10.8 billion was held on derivative assets of \$22.1 billion at December 31, 2001.

The Corporation also provides credit derivatives to sophisticated customers who wish to hedge existing credit exposures or take on additional credit exposure to generate revenue. The Corporation's credit derivative positions at December 31, 2001 and 2000 primarily consisted of credit default swaps and total return swaps.

A portion of the derivative 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 considered minimal.

The following table presents the notional or contract and credit risk amounts at December 31, 2001 and 2000 of the Corporation's derivative asset positions held for trading and hedging purposes. These derivative positions are primarily executed in the over-the-counter market. The credit risk amounts presented in the following table do not consider the value of any collateral held but take into consideration the effects of legally enforceable master netting agreements.

<TABLE>

<CAPTION>

Derivative Assets/(1)/

(Dollars in millions)	December 31, 2001		December 31, 2000/(2)/	
	Contract/ Notional	Credit Risk	Contract/ Notional	Credit Risk
<S>	<C>	<C>	<C>	<C>
Interest rate contracts				
Swaps	\$ 5,267,608	\$ 9,550	\$ 3,256,992	\$ 3,236
Futures and forwards	1,663,109	67	1,227,537	57
Written options	678,242	-	664,108	-
Purchased options	704,159	2,165	601,828	145
Foreign exchange contracts				
Swaps	140,778	2,274	61,035	1,424
Spot, futures and forwards	654,026	2,496	682,665	3,215
Written options	57,963	-	35,161	-
Purchased options	55,050	496	32,639	380
Equity contracts				
Swaps	14,504	562	17,482	637
Futures and forwards	46,970	44	61,004	353
Written options	21,009	-	30,976	-
Purchased options	28,902	2,511	36,304	3,670
Commodity contracts				
Swaps	6,600	1,152	9,126	1,902
Futures and forwards	2,176	-	2,098	81
Written options	8,231	-	12,603	-
Purchased options	8,219	199	10,515	228
Credit derivatives	57,182	631	40,638	206
Net replacement cost		\$ 22,147		\$ 15,534

</TABLE>

/(1)/ Includes both long and short derivative positions.

/(2)/The amounts at December 31, 2000 do not reflect derivative positions that were off-balance sheet prior to the adoption of SFAS 133.

The average fair value of derivative assets for 2001 and 2000 was \$19.8 billion and \$17.9 billion, respectively. The average fair value of derivative liabilities for 2001 and 2000 was \$17.4 billion and \$19.8 billion, respectively.

Asset and Liability Management (ALM) Activities

Risk management interest rate contracts and foreign exchange contracts are utilized in the Corporation's ALM process. The Corporation maintains an overall interest rate risk management strategy that incorporates the use of interest rate contracts to minimize significant unplanned fluctuations in earnings that are caused by interest rate volatility. The Corporation's goal is to manage interest rate sensitivity so that movements in interest rates do not adversely affect net interest income. As a result of interest rate fluctuations, hedged fixed-rate assets and liabilities appreciate or depreciate in market value. Gains or losses on the derivative instruments that are linked to the hedged fixed-rate assets and liabilities are expected to substantially offset this unrealized appreciation or depreciation. Interest income and interest expense on hedged variable-rate assets and liabilities, respectively, increases or decreases as a result of interest rate fluctuations. Gains and losses on the derivative instruments that are linked to these hedged assets and liabilities are expected to substantially offset this variability in earnings.

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Interest rate 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, floors, swaptions and options on index futures contracts. Futures contracts used for ALM activities are primarily index futures providing for cash payments based upon the movements

of an underlying rate index.

The Corporation uses foreign currency contracts to manage the foreign exchange risk associated with certain foreign-denominated assets and liabilities, as well as the Corporation's equity investments in foreign subsidiaries. Foreign exchange contracts, which include spot, futures and forward contracts, represent agreements to exchange the currency of one country for the currency of another country at an agreed-upon price on an agreed-upon settlement date. Foreign exchange option contracts are similar to interest rate option contracts except that they are based on currencies rather than interest rates. Exposure to loss on these contracts will increase or decrease over their respective lives as currency exchange and interest rates fluctuate.

Fair Value Hedges

The Corporation uses various types of interest rate and foreign currency exchange rate derivative contracts to protect against changes in the fair value of its fixed rate assets and liabilities due to fluctuations in interest rates and exchange rates. In 2001, the Corporation recognized in the Consolidated Statement of Income a net loss of \$6 million, which represented the ineffective portion and excluded component in assessing hedge effectiveness of fair value hedges.

Cash Flow Hedges

The Corporation also uses various types of interest rate and foreign currency exchange rate derivative contracts to protect against changes in cash flows of its variable rate assets and liabilities and anticipated transactions. In 2001, the Corporation recognized in the Consolidated Statement of Income a net gain of \$0.2 million, which represented the ineffective portion and excluded component in assessing hedge effectiveness of cash flow hedges. The Corporation has determined that there are no hedging positions where it is probable that certain forecasted transactions may not occur within the originally designated time period.

For cash flow hedges, gains and losses on derivative contracts reclassified from accumulated other comprehensive income to current period earnings are included in the line item in the Consolidated Statement of Income in which the hedged item is recorded and in the same period the hedged item affects earnings. Deferred net gains on derivative instruments of approximately \$272 million included in accumulated other comprehensive income at December 31, 2001 are expected to be reclassified into earnings during the next twelve months. These net gains reclassified into earnings are expected to increase income or reduce expense on the hedged items. The maximum term over which the Corporation is hedging its exposure to the variability of future cash flows for all forecasted transactions (excluding interest payments on variable-rate debt) is thirty years with an associated notional amount of \$60 million. The weighted-average term over which the Corporation is hedging its exposure to this variability in cash flows is 4.63 years.

Hedges of Net Investments in Foreign Operations

The Corporation uses forward exchange contracts, currency swaps, and nonderivative hedging instruments to hedge its net investments in foreign operations against adverse movements in foreign currency exchange rates. In 2001, net gains of \$132 million related to these derivatives and non-derivative hedging instruments were recorded as a component of the foreign currency translation adjustment in other comprehensive income. These net gains were largely offset by losses in the Corporation's net investments in foreign operations. In 2001, the Corporation recognized in the Consolidated Statement of Income a net loss of \$10 million, which represented the excluded component in assessing effectiveness of hedges of net investments in foreign operations.

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Note 6 Loans and Leases

Loans and leases at December 31, 2001 and 2000 were:

<TABLE>

<CAPTION>

<S>

	<C> 2001		<C> 2000	
	Amount	Percent	Amount	Percent
(Dollars in millions)				
Commercial - domestic	\$ 118,205	35.9%	\$ 146,040	37.2%
Commercial - foreign	23,039	7.0	31,066	7.9
Commercial real estate - domestic	22,271	6.8	26,154	6.7
Commercial real estate - foreign	383	.1	282	.1
Total commercial	163,898	49.8	203,542	51.9

Residential mortgage	78,203	23.8	84,394	21.5
Home equity lines	22,107	6.7	21,598	5.5
Direct/Indirect consumer	37,638	11.5	40,457	10.3
Consumer finance	5,331	1.6	25,800	6.6
Bankcard	19,884	6.0	14,094	3.6
Foreign consumer	2,092	.6	2,308	.6
<hr/>				
Total consumer	165,255	50.2	188,651	48.1
<hr/>				
Total loans and leases	\$ 329,153	100.0%	\$ 392,193	100.0%
<hr/>				

</TABLE>

As part of the strategic decision to exit the subprime real estate lending business in the third quarter of 2001, the Corporation recorded a provision for credit losses of \$395 million which, combined with an existing allowance for credit losses of \$240 million, was used to write the loan portfolio down to estimated market value. As a result, charge-offs of \$635 million were recorded in the subprime real estate loan portfolio. The entire subprime real estate loan portfolio of approximately \$21.4 billion, which was included in consumer finance loans, was transferred from the loans and leases portfolio to loans held for sale included in other assets.

The following table presents the recorded investment in specific loans that were considered individually impaired in accordance with SFAS 114 at December 31, 2001 and 2000:

<TABLE>

<CAPTION>

<S> (Dollars in millions)	<C> 2001		<C> 2000	
	<hr/>		<hr/>	
Commercial - domestic	\$ 3,138		\$ 2,891	
Commercial - foreign	501		521	
Commercial real estate - domestic	240		412	
Commercial real estate - foreign	-		2	
<hr/>				
Total impaired loans	\$ 3,879		\$ 3,826	
<hr/>				

</TABLE>

The average recorded investment in certain impaired loans for the years ended December 31, 2001, 2000 and 1999 was approximately \$3.7 billion, \$3.0 billion and \$2.0 billion, respectively. At December 31, 2001 and 2000, the recorded investment in impaired loans requiring an allowance for credit losses was \$3.1 billion and \$2.1 billion, and the related allowance for credit losses was \$763 million and \$640 million, respectively. For the years ended December 31, 2001, 2000 and 1999, interest income recognized on impaired loans totaled \$195 million, \$174 million and \$84 million, respectively, all of which was recognized on a cash basis.

At December 31, 2001 and 2000, nonperforming loans, including certain loans which were considered impaired, totaled \$4.5 billion and \$5.2 billion, respectively. Included in other assets was \$1.0 billion and \$124 million of loans held for sale which would have been classified as nonperforming had they been included in loans at December 31, 2001 and 2000, respectively. The decrease in nonperforming loans was primarily due to the transfer of approximately \$1.2 billion of nonperforming subprime real estate loans to loans held for sale in 2001 as a result of the decision to exit the subprime real estate lending business. The decrease was also due to sales of nonperforming commercial - domestic and residential mortgage loans in 2001. The net amount of interest income recorded during each year on loans that were classified as nonperforming or restructured at December 31, 2001, 2000 and 1999 was \$256 million, \$237 million and \$123 million, respectively. If these loans had been accruing interest at their originally contracted rates, related income would have been \$593 million, \$666 million and \$419 million in 2001, 2000 and 1999, respectively.

Foreclosed properties amounted to \$402 million and \$249 million at December 31, 2001 and 2000, respectively. The cost of carrying foreclosed properties amounted to \$15 million, \$12 million, and \$13 million in 2001, 2000 and 1999, respectively.

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Note 7 Allowance for Credit Losses

The table below summarizes the changes in the allowance for credit losses on loans and leases for 2001, 2000 and 1999:

<TABLE>

<CAPTION>

<S>

<C>

<C>

<C>

(Dollars in millions)	2001	2000	1999
Balance, January 1	\$ 6,838	\$ 6,828	\$ 7,122
Loans and leases charged off/(1)/	(4,844)	(2,995)	(2,582)
Recoveries of loans and leases previously charged off	600	595	582
Net charge-offs	(4,244)	(2,400)	(2,000)
Provision for credit losses/(2)/	4,287	2,535	1,820
Other, net	(6)	(125)	(114)
Balance, December 31	\$ 6,875	\$ 6,838	\$ 6,828

</TABLE>

/(1)/ Includes \$635 million related to the exit of the subprime real estate lending business in 2001.

/(2)/ Includes \$395 million related to the exit of the subprime real estate lending business in 2001.

Note 8 Securitizations

The Corporation securitizes, sells and services interests in consumer finance, commercial and bankcard loans and residential mortgage loans. When the Corporation securitizes assets, it may retain a portion or all of the securities, subordinated tranches, interest only strips and, in some cases, a cash reserve account, all of which are considered retained interests in the securitized assets. See Note One for a more detailed discussion of securitizations.

In conjunction with or shortly after closing, the Corporation securitizes the majority of its mortgage loan originations. In 2001, the Corporation converted a total of \$52.9 billion of residential first mortgages into mortgage-backed securities issued through Fannie Mae, Freddie Mac, Ginnie Mae and Bank of America Mortgage Securities. Of the total securities issued in 2001, the Corporation retained \$4.6 billion at December 31, 2001 with an additional \$5.1 billion retained of securities issued prior to 2001 for a total of \$9.7 billion. At December 31, 2000, the Corporation had retained \$7.8 billion in securities. These retained interests are valued using quoted market values. The Corporation reported \$637 million in income on loans converted into securities and sold, of which \$449 million was from loans originated by the Corporation and \$188 million was from loans originated by other entities on behalf of the Corporation. In addition to the retained interests in the securities, the Corporation has retained the servicing asset and Excess Spread Certificates from securitized mortgage loans (see the Mortgage Banking Assets section of Note One) and has limited recourse obligations on \$1.8 billion of the securities issued in 2001. Of this amount, \$1.5 billion has recourse limited to one year, and \$318 million has recourse of five to seven years. Mortgage servicing fee income on all loans serviced, including securitizations, was \$1.1 billion in 2001.

Excess Spread Certificates of \$3.9 billion at December 31, 2001 are classified as mortgage banking assets and marked to market with the unrealized gains or losses recorded in trading account profits. At December 31, 2001, key economic assumptions and the sensitivities of the fair value of the Excess Spread Certificates to immediate changes in those assumptions were analyzed. The sensitivity analysis included the impact on fair value of modeled prepayment and interest rate changes under favorable and adverse conditions. A decrease of 10 percent and 20 percent in modeled prepayments would result in an increase in value ranging from \$189 million to \$397 million, and an increase in modeled prepayments of 10 percent and 20 percent would result in a decrease in value ranging from \$174 million to \$333 million. An increase of 100 and 200 basis points in interest rates would result in an increase in value ranging from \$167 million to \$348 million, and a decrease in interest rates of 100 and 200 basis points would result in a decrease in value ranging from \$154 million to \$297 million. See Note One for additional disclosures related to the Excess Spread Certificates.

In December 2001, the Corporation securitized \$17.5 billion of sub-prime real estate loans in two bond-insured transactions. At December 31, 2001, the Corporation retained both the AAA-rated securities in the available-for-sale portfolio and \$178 million of residual interests created in these securitizations. The Corporation sold the servicing rights on these loans.

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Key economic assumptions used in measuring the fair value of certain residual interests (included in other assets) in securitizations and the sensitivity of the current fair value of residual cash flows to changes in those assumptions are as follows:

<TABLE>

<CAPTION>

Finance/ (2) /	Commercial-Domestic/ (1) /		Bankcard		Consumer	
<S>	<C>	<C>	<C>	<C>	<C>	
<C>						
(Dollars in millions)	2001	2000	2001	2000	2001	
2000						
Carrying amount of residual interests (at fair value)	\$ 77.9	\$ 113.4	\$ 146.1	\$ 183.8	\$ 468.6	\$
717.6						
Balance of unamortized securitized loans/ (3) /	1,954	2,198	7,302	8,736	5,347	
7,167						
Weighted-average remaining life (in years)	0.22	1.74	1.88	2.27	3.25	
3.29						
Revolving structures - annual payment rate	30.0%	25.0%	14.4%	14.8%		
Amortizing structures - annual constant prepayment rate:						
Fixed rate loans					8.1-24.5%	
8.7-25.0%						
Adjustable rate loans					27.0%	
32.0%						
Impact on fair value of 100 bps favorable change	-	0.1	4.4	5.6	15.2	
9.9						
Impact on fair value of 200 bps favorable change	0.1	0.2	8.8	11.8	33.0	
21.4						
Impact on fair value of 100 bps adverse change	-	(0.1)	(3.3)	(4.7)	(11.3)	
(8.1)						
Impact on fair value of 200 bps adverse change	(0.1)	(0.2)	(6.7)	(9.3)	(17.8)	
(14.5)						
Expected credit losses/ (4) /	1.5%	0.5%	7.8%	6.1%	1.2-10.0%	
1.1-10.6%						
Impact on fair value of 10% favorable change	7.0	0.4	15.0	13.8	41.5	
23.6						
Impact on fair value of 25% favorable change	7.9	0.9	37.3	34.5	119.7	
59.4						
Impact on fair value of 10% adverse change	(7.0)	(0.4)	(15.0)	(13.8)	(34.7)	
(23.1)						
Impact on fair value of 25% adverse change	(7.9)	(0.9)	(37.3)	(34.5)	(76.9)	
(56.9)						
Residual cash flows discount rate (annual rate)	6.0%	7.5%	6.0%	7.5%	15.0-30.0%	13.9-
16.0%						
Impact on fair value of 100 bps favorable change	0.2	0.4	0.3	0.4	16.1	
13.9						
Impact on fair value of 200 bps favorable change	0.4	0.7	0.6	0.7	33.0	
28.7						
Impact on fair value of 100 bps adverse change	(0.2)	(0.4)	(0.3)	(0.4)	(15.0)	
(13.0)						
Impact on fair value of 200 bps adverse change	(0.4)	(0.7)	(0.6)	(0.7)	(29.2)	
(25.3)						
-----	---	---	---	---	----	

</TABLE>

/ (1) / Commercial - domestic includes the Corporation's 1997 securitization of commercial loans.

/ (2) / Consumer finance includes subprime real estate loan and manufactured housing loan securitizations.

/ (3) / Balances represent securitized loans that were off-balance sheet at December 31, 2001 and 2000.

/ (4) / Annual rates of expected credit losses are presented for commercial - domestic and bankcard securitizations. Cumulative lifetime rates of expected credit losses (incurred plus projected) are presented for the consumer finance loans.

The sensitivities in the preceding table and related to the Excess Spread Certificates are hypothetical and should be used with caution. As the amounts indicate, changes in fair value based on variations in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value may not be linear. Also, the effect of a variation in a particular assumption on the fair value of the retained interest is calculated without changing any other assumption. In reality, changes in one factor may result in changes in another, which might magnify or counteract the sensitivities. Additionally, the Corporation has the ability to hedge interest rate risk associated with retained residual positions. The above sensitivities do not reflect any hedge strategies that may be undertaken to mitigate such risk.

Static pool net credit losses are considered in determining the value of retained interests. Static pool net credit losses include actual incurred plus projected credit losses divided by the original balance of each securitization pool. No consumer finance securitizations were transacted in 2000. Expected static pool net credit losses at December 31, 2001 and 2000 were:

	Year of Consumer Finance Loan Securitization							
	2001	1999	1998	1997	1996	1995	1994	1993
December 31, 2001	6.86%	4.93%	5.06%	3.68%	3.27%	4.15%	1.60%	
December 31, 2000		4.12	4.47	3.78	3.34	3.75	1.96	1.18%

For revolving securitizations, the table below summarizes certain cash flows received from securitization trusts in 2001 and 2000:

<TABLE>
<CAPTION>

	Commercial-Domestic		Bankcard	
	<C>	<C>	<C>	<C>
(Dollars in millions)	2001	2000	2001	2000
Proceeds from collections reinvested in revolving securitizations	\$ 15,789	\$ 19,732	\$ 19,418	\$ 21,247
Other cash flows received on retained interests/(1)/	18	53	605	767

</TABLE>

/(1)/ Other cash flows represents amounts received on retained interests by the transferor other than servicing fees (e.g., cash flows from interest-only strips).

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The Corporation reviews its loan and lease portfolio on a managed basis. Managed loans and leases include on-balance sheet loans and leases as well as securitized loans originated by the Corporation for which the possibility exists that the loans will return to the Corporation at the end of the securitization. Portfolio balances, delinquency and historical loss amounts for the managed loan and lease portfolio for 2001 and 2000 were as follows:

<TABLE>
<CAPTION>

	December 31, 2001			December 31,	
2000/(1)/					
	Total Principal Amount of Loans and Leases	Principal Amount of Loans Past Due 90 Days or More/(2)/	Principal Amount of Nonperforming Loans	Total Principal Amount of Loans and Leases	Principal Amount of Loans Past Due 90 Days or More/(2)/
(Dollars in millions)					
Commercial - domestic \$ 2,777	\$ 120,159	\$ 175	\$ 3,123	\$ 145,990	\$ 141
Commercial - foreign 486	23,039	6	461	30,285	37
Commercial real estate - domestic 236	22,271	40	240	26,154	16
Commercial real estate - foreign 2	384	-	3	282	-
Total commercial 3,501	165,853	221	3,827	202,711	194
Residential mortgage 557	80,071	14	564	72,393	17
Home equity lines 33	22,107	-	80	21,598	-
Direct/Indirect consumer 19	38,037	92	27	39,714	85
Consumer finance 2	5,331	24	9	5,898	5
Bankcard	27,185	475	-	22,830	358

-					
Foreign consumer	2,092	-	7	2,308	-
9					

Total consumer	174,823	605	687	164,741	465
620					

Total managed loans and leases	340,676	\$ 826	\$ 4,514	\$ 367,452	\$ 659
\$ 4,121					

Securitized loans	11,523				

Total held loans and leases	\$ 329,153				
=====					
=====					

2000/(1)/	Year Ended December 31, 2001			Year Ended December 31,	
	-----			-----	
Net Loss	Average	Loans and	Net Loss	Average	Loans and
(Dollars in millions)	Loans and	Leases Net		Loans and	Leases Net
Ratio/(3)/	Outstanding	Losses	Ratio/(3)/	Outstanding	Losses

Commercial - domestic	\$ 135,750	\$ 1,949	1.44%	\$ 147,947	\$ 1,287
0.87%					
Commercial - foreign	26,492	208	0.79	28,880	86
0.30					
Commercial real estate - domestic	24,607	39	0.16	25,381	13
0.06					
Commercial real estate - foreign	348	-	n/m	304	(2)
n/m					

Total commercial	187,197	2,196	1.17	202,512	1,384
0.68					

Residential mortgage	84,005	26	0.03	79,440	27
0.03					
Home equity lines	22,013	19	0.09	19,492	20
0.10					
Direct/Indirect consumer	40,051	409	1.02	39,743	376
0.95					
Consumer finance	18,555	1,066	5.75	16,219	266
1.64					
Bankcard	24,637	1,174	4.76	20,222	944
4.66					
Foreign consumer	2,222	5	0.23	2,223	3
0.13					

Total consumer	191,483	2,699	1.41	177,339	1,636
0.92					

Total managed loans and leases	378,680	\$ 4,895	1.29%	\$ 379,851	\$ 3,020
0.80%					

Securitized loans	13,233				

Total held loans and leases	\$ 365,447				
=====					
=====					

</TABLE>

n/m = not meaningful

/(1)/ Prior periods are restated for comparison (e.g., acquisitions, divestitures, sales, securitizations and the transfer of the subprime real estate loan portfolio to loans held for sale in the third quarter of 2001).

/(2)/ Excluding residential mortgages, loans are performing and still accruing

interest.

/(3)/ The net loss ratio is calculated by dividing managed loans and leases net losses by average managed loans and leases outstanding for each loans and leases category.

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Note 9 Deposits

At December 31, 2001, the Corporation had domestic certificates of deposit of \$100 thousand or greater totaling \$27.1 billion compared to \$33.3 billion at December 31, 2000. At December 31, 2001, the Corporation had \$14.6 billion of domestic certificates of deposit of \$100 thousand or greater maturing within three months, \$5.0 billion maturing within three to six months, \$3.7 billion maturing within six to twelve months and \$3.8 billion maturing after twelve months. The Corporation had other domestic time deposits of \$100 thousand or greater totaling \$904 million and \$866 million at December 31, 2001 and 2000, respectively. At December 31, 2001, the Corporation had \$117 million of other domestic time deposits of \$100 thousand or greater maturing within three months, \$135 million maturing within three to six months, \$125 million maturing within six to twelve months and \$527 million maturing after twelve months. Foreign office certificates of deposit and other time deposits of \$100 thousand or greater totaled \$28.0 billion and \$39.4 billion at December 31, 2001 and 2000, respectively.

At December 31, 2001, the scheduled maturities for time deposits were as follows:

(Dollars in millions)	
Due in 2002	\$ 101,679
Due in 2003	5,634
Due in 2004	1,639
Due in 2005	2,214
Due in 2006	1,089
Thereafter	585

Total	\$ 112,840

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Note 10 Short-Term Borrowings and Long-Term Debt

The contractual maturities of long-term debt at December 31, 2001 and 2000 were:

<TABLE>

<CAPTION>

		2001	

		Various	Various
		Fixed-Rate Debt	Floating-Rate Debt
		Obligations/(1)/	Obligations/(1)/

Amount	Amount		
(Dollars in millions)	(Dollars in millions)		
Outstanding	Outstanding		

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

Parent company
Senior debt:

Due in 2001		\$	-	\$	-	\$
- \$ 4,101						
Due in 2002			133		3,185	
3,318 3,288						
Due in 2003			499		2,380	
2,879 2,791						
Due in 2004			-		6,505	
6,505 3,853						
Due in 2005			150		2,942	
3,092 3,072						
Due in 2006			176		3,713	
3,889 1,406						
Thereafter			71		3,801	
3,872 3,453						
-						
-						
			1,029		22,526	
23,555 21,964						
-						
-						
Subordinated debt:						
Due in 2001			-		-	
- 1,342						
Due in 2002			2,199		26	
2,225 2,225						
Due in 2003			1,711		323	
2,034 2,034						
Due in 2004			650		-	
650 650						
Due in 2005			1,085		35	
1,120 1,145						
Due in 2006			800		820	
1,620 1,626						
Thereafter			3,481		9,591	
13,072 8,060						
-						
-						
			9,926		10,795	
20,721 17,082						
-						
-						
Total parent company long-term debt			10,955		33,321	
44,276 39,046						
-						
-						
Bank and other subsidiaries						
Senior debt:						
Due in 2001			-		-	
- 13,610						
Due in 2002			393		5,656	
6,049 6,017						
Due in 2003			520		1,763	
2,283 2,283						
Due in 2004			12		4,018	
4,030 4,028						
Due in 2005			10		1,650	
1,660 1,660						
Due in 2006			-		3,494	
3,494 -						
Thereafter			99		167	
266 262						
-						
-						
			1,034		16,748	
17,782 27,860						
-						
-						
Subordinated debt:						
Due in 2001			-		-	
- 200						
Due in 2002			-		-	
- -						
Due in 2003			100		-	
100 100						
Due in 2004			300		-	
300 300						
Due in 2005			-		-	
- -						
Due in 2006			-		-	
- -						
Thereafter			-		8	
8 8						
-						
-						
			400		8	

408	608		

Total bank and other subsidiaries long-term debt		1,434	16,756
18,190	28,468		

Total parent company, bank and other subsidiaries long-term debt		\$12,389	\$50,077
62,466	67,514		

Notes payable to finance the purchase of leased vehicles			
-	2		
Obligations under capital leases			
30	31		

Total long-term debt			\$
62,496	\$ 67,547		

</TABLE>

/(1)/ Fixed-rate and floating-rate classifications of long-term debt include the effect of interest rate swap contracts.

The majority of the floating rates are based on three- and six-month London InterBank Offered Rates (LIBOR). At December 31, 2001, the interest rates on floating-rate long-term debt ranged from 1.91 percent to 3.55 percent compared to 4.84 percent to 8.64 percent at December 31, 2000. These obligations were denominated primarily in U.S. dollars. The interest rates on fixed-rate long-term debt ranged from 2.13 percent to 10.88 percent and 5.16 percent to 12.50 percent at December 31, 2001 and 2000, respectively.

Bank of America Corporation had the authority to issue approximately \$11.0 billion and \$13.8 billion of additional corporate debt and other securities under its existing shelf registration statements at December 31, 2001 and 2000, respectively.

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Bank of America Corporation has a 300 billion yen-denominated (approximately U.S. \$3 billion) shelf registration in Japan to be used exclusively for primary offerings to non-United States residents. In addition, Bank of America Corporation allocated \$2 billion of a joint Euro medium-term note program to be used exclusively for secondary offerings to non-United States residents for a shelf registration statement filed in Japan. The Corporation had \$420 million outstanding under these programs at December 31, 2001. At December 31, 2000, the Corporation had no notes outstanding under these programs.

Bank of America, N.A. maintains a domestic program to offer up to a maximum of \$50.0 billion, at any one time, of bank notes with fixed or floating rates and maturities ranging from seven days or more from date of issue. Short-term bank notes outstanding under this program totaled \$2.5 billion at December 31, 2001 compared to \$14.5 billion at December 31, 2000. These short-term bank notes, along with Treasury tax and loan notes and term federal funds purchased, are reflected in other short-term borrowings in the Consolidated Balance Sheet. Long-term debt under current and former programs totaled \$4.5 billion at December 31, 2001 compared to \$17.6 billion at December 31, 2000. During 2001, Bank of America N.A. issued \$1.2 billion in senior long-term bank notes maturing in 2002 through 2007. Of the \$1.2 billion issued, \$377 million bears interest at fixed rates ranging from 4.00 percent to 4.88 percent. The remaining \$812 million bears interest at floating rates ranging from 8 basis points below three-month LIBOR to 20 basis points over three-month LIBOR.

Bank of America Corporation and Bank of America, N.A. maintain a joint Euro medium-term note program to offer up to \$25.0 billion of senior, or in the case of Bank of America Corporation, subordinated notes exclusively to non-United States residents. The notes bear interest at fixed or floating rates and may be denominated in U.S. dollars or foreign currencies. Bank of America Corporation uses foreign currency contracts to convert certain foreign-denominated debt into U.S. dollars. Bank of America Corporation's notes outstanding under this program totaled \$6.3 billion at December 31, 2001 compared to \$5.2 billion at December 31, 2000. Bank of America, N.A.'s notes outstanding under this program totaled \$1.4 billion at December 31, 2001 and December 31, 2000. Of the \$25.0 billion authorized at December 31, 2001, Bank of America Corporation and Bank of America, N.A. had remaining authority to issue approximately \$8.7 billion and \$8.6 billion, respectively. At December 31, 2001 and 2000, \$2.0 billion and \$2.7 billion, respectively, were outstanding under the former BankAmerica Corporation (BankAmerica) Euro medium-term note program. No additional debt securities will

be offered under that program.

At December 31, 2001, Bank of America Oregon, N.A. maintained approximately \$6.0 billion in Federal Home Loan Bank borrowings from the Home Loan Bank in Seattle, Washington. During 2001, Bank of America Oregon, N.A. accepted \$463 million in Federal Home Loan Bank, Seattle advances with maturities ranging from 2004 to 2031. Of the \$463 million accepted, \$450 million was converted from fixed rates ranging from 5.72 percent to 5.89 percent to floating rates through interest rate swaps at a spread of 11 basis points below three-month LIBOR. The remaining \$13 million bears interest at fixed rates ranging from 5.44 percent to 6.44 percent.

During 2001, Bank of America Georgia, N.A. accepted \$2.3 billion in advances from the Federal Home Loan Bank in Atlanta, Georgia. All of the \$2.3 billion matures in 2006 and bears interest at spreads to three-month LIBOR.

The Corporation had \$1.5 billion of mortgage-backed bonds outstanding at December 31, 2001 and 2000. These bonds were collateralized by \$3.0 billion and \$4.5 billion of mortgage loans and cash at December 31, 2001 and 2000, respectively.

As part of its interest rate risk management activities, the Corporation enters into interest rate contracts for certain long-term debt issuances. At December 31, 2001 and 2000, through the use of interest rate swaps, \$22.1 billion and \$16.7 billion of fixed-rate debt, with rates ranging primarily from 4.75 percent to 8.57 percent, had been effectively converted to floating rates primarily at spreads to LIBOR.

Including the effects of interest rate contracts for certain long-term debt issuances, the weighted average effective interest rates for total long-term debt, total fixed-rate debt and total floating-rate debt (based on the rates in effect at December 31, 2001) were 3.44 percent, 7.26 percent and 2.40 percent, respectively, at December 31, 2001 and (based on the rates in effect at December 31, 2000) were 7.00 percent, 7.51 percent, and 6.84 percent, respectively, at December 31, 2000. These obligations were denominated primarily in U.S. dollars.

As described below, certain debt obligations outstanding at December 31, 2001 may be redeemed prior to maturity at the option of Bank of America Corporation:

<TABLE>

<CAPTION>

<S> <C> <C>

(Dollars in millions)

Year Redeemable	Year of Maturities	Amount Outstanding
-----	-----	-----
Currently redeemable	2002-2028	\$ 1,638
2002	2009-2023	530
2003-2004	2005-2018	2,006
2005-2008	2007-2028	1,232
-----	-----	-----

</TABLE>

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Note 11 Trust Preferred Securities

Trust preferred securities are Corporation obligated mandatorily redeemable preferred securities of subsidiary trusts holding solely Junior Subordinated Deferrable Interest Notes of the Corporation (the Notes).

Since October 1996, the Corporation has formed fourteen wholly-owned grantor trusts to issue trust preferred securities to the public. The grantor trusts have invested the proceeds of such trust preferred securities in junior subordinated notes of the Corporation. Certain of the trust preferred securities were issued at a discount. Such trust 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 Notes held by such grantor trusts. Each issue of the Notes has an interest rate equal to the corresponding trust preferred securities distribution rate. The Corporation has the right to defer payment of interest on the Notes at any time or from time to time for a period not exceeding five years provided that no extension period may extend beyond the stated maturity of the relevant Notes. During any such extension period, distributions on the trust preferred securities will also be deferred and the Corporation's ability to pay dividends on its common and preferred stock will be restricted.

The trust preferred securities are subject to mandatory redemption upon repayment of the related Notes at their stated maturity dates or their earlier redemption at a redemption price equal to their liquidation amount plus accrued distributions to the date fixed for redemption and the premium, if any, paid by the Corporation upon concurrent repayment of the related Notes.

Periodic cash payments and payments upon liquidation or redemption with respect to trust preferred securities are guaranteed by the Corporation to the extent of funds held by the grantor trusts (the Preferred Securities Guarantee). The Preferred Securities Guarantee, when taken together with the Corporation's other obligations, including its obligations under the Notes, will constitute a full and unconditional guarantee, on a subordinated basis, by the Corporation of payments due on the trust preferred securities.

The Corporation is required by the Federal Reserve Board to maintain certain levels of capital for bank regulatory purposes. The Federal Reserve Board has determined that certain cumulative preferred securities having the characteristics of trust preferred securities qualify as minority interest, which is included in Tier 1 capital for bank and financial holding companies. Such Tier 1 capital treatment provides the Corporation with a more cost-effective means of obtaining capital for bank regulatory purposes than if the Corporation were to issue preferred stock.

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The following table is a summary of the outstanding trust preferred securities and the Notes at December 31, 2001 and 2000:

<TABLE>
<CAPTION>

Redemption (Dollars in millions) Period	Issuance Date	Aggregate Principal Amount of Trust Preferred Securities December 31, 2001	Aggregate Principal Amount of Trust Preferred Securities December 31, 2000	Aggregate Principal Amount of the Notes	Stated Maturity of the Notes	Per Annum Interest Rate of the Notes	Interest Payment Dates
<S> <C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
NationsBank Capital Trust I 3/31,6/30,	December 1996 On or after	\$600	\$600	\$619	December 2026	7.84%	
9/30,12/31 2/31/01/(1)/ Capital Trust II 6/15,12/15 On or after	December 1996	365	365	376	December 2026	7.83	
12/15/06/(2,4)/							
Capital Trust III On or after	February 1997	494	494	516	January 2027	3-mo. LIBOR +55 bps	1/15,4/15
7/15,10/15 1/15/07/(2)/ Capital Trust IV 4/15,10/15 On or after	April 1997	498	498	516	April 2027	8.25	
4/15/07/(2,6)/							
BankAmerica Institutional Capital A 6/30,12/31 On or after	November 1996	450	450	464	December 2026	8.07	
12/31/06/(3,7)/							
Institutional Capital B 6/30,12/31 On or after	November 1996	299	299	309	December 2026	7.70	
12/31/06/(3,8)/							
Capital I 3/31,6/30, On or after	December 1996	300	300	309	December 2026/(9)/	7.75	
9/30,12/31 12/20/01/(5)/							
Capital II 6/15,12/15 On or after	December 1996	450	450	464	December 2026	8.00	
12/15/06/(3,10)/							
Capital III 1/15,4/15, On or after	January 1997	399	399	412	January 2027	3-mo. LIBOR	

7/15,10/15 1/15/02/(3)/

Capital IV	February 1998	350	350	361	March 2028	7.00
3/31,6/30,	On or after					

9/30,12/31 2/24/03/(3)/

Barnett Capital I	November 1996	300	300	309	December 2026	8.06
6/1,12/1	On or after					

12/1/06/(2,11)/

Capital II	December 1996	200	200	206	December 2026	7.95
6/1,12/1	On or after					

12/1/06/(2,12)/

Capital III	January 1997	250	250	258	February 2027	3-mo. LIBOR
2/1,5/1,	On or after					+62.5 bps

8/1,11/1 2/1/07/(2)/
Bank of America

Capital I	December 2001	575	-	593	December 2031	7.00
3/15,6/15,	On or after					

9/15,12/15 12/15/06/(13)/

Total	\$ 5,530	\$ 4,955	\$ 5,712
-------	----------	----------	----------

</TABLE>

/(1)/ The Corporation has announced the redemption of these notes on March 15, 2002, with a redemption price of \$25 per security plus accrued and unpaid distributions, if any, up to but excluding the redemption date of March 15, 2002.

/(2)/ The Corporation may redeem the Notes prior to the indicated redemption period upon the occurrence of certain events relating to tax treatment of the related trust or the Notes or relating to capital treatment of the trust preferred securities or relating to a change in the treatment of the related trust under the Investment Company Act of 1940, as amended, at a redemption price at least equal to the principal amount of the Notes.

/(3)/ The Corporation may redeem the Notes prior to the indicated redemption period upon the occurrence of certain events relating to tax treatment of the related trust or the Notes or relating to capital treatment of the trust preferred securities at a redemption price at least equal to the principal amount of the Notes.

/(4)/ The Notes may be redeemed on or after December 15, 2006 and prior to December 15, 2007 at 103.915% of the principal amount, and thereafter at prices declining to 100% on December 15, 2016 and thereafter.

/(5)/ The Corporation has announced the redemption of these notes on March 15, 2002, with a redemption price of \$25 per security plus accrued and unpaid distributions, if any, up to but excluding the redemption date of March 15, 2002.

/(6)/ The Notes may be redeemed on or after April 15, 2007 and prior to April 14, 2008 at 103.85% of the principal amount, and thereafter at prices declining to 100% on April 15, 2017 and thereafter.

/(7)/ The Notes may be redeemed on or after December 31, 2006 and prior to December 31, 2007 at 104.035% of the principal amount, and thereafter at prices declining to 100% on December 31, 2016 and thereafter.

/(8)/ The Notes may be redeemed on or after December 31, 2006 and prior to December 31, 2007 at 103.779% of the principal amount, and thereafter at prices declining to 100% on December 31, 2016 and thereafter.

/(9)/ At the option of the Corporation, the stated maturity may be shortened to a date not earlier than December 20, 2001 or extended to a date not later than December 31, 2045, in each case if certain conditions are met.

/(10)/ The Notes may be redeemed on or after December 15, 2006 and prior to December 15, 2007 at 103.969% of the principal amount, and thereafter at prices declining to 100% on December 15, 2016 and thereafter.

- /(11)/ The Notes may be redeemed on or after December 1, 2006 and prior to December 1, 2007 at 104.030% of the principal amount, and thereafter at prices declining to 100% on December 1, 2016 and thereafter.
- /(12)/ The Notes may be redeemed on or after December 1, 2006 and prior to December 1, 2007 at 103.975% of the principal amount, and thereafter at prices declining to 100% on December 1, 2016 and thereafter.
- /(13)/ The Corporation may redeem the Notes prior to the indicated redemption period upon the occurrence and certification of a tax event, an investment company event or a capital treatment event. The Corporation may extend the stated maturity date of the junior subordinated notes to a date no later than December 15, 2050.

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Note 12 Commitments and Contingencies

In the normal course of business, the Corporation enters into a number of off-balance sheet commitments. These commitments expose the Corporation to varying degrees of credit and market risk and are subject to the same credit and risk limitation reviews as those recorded on the balance sheet.

Credit Extension Commitments

The Corporation enters into commitments to extend credit, standby letters of credit (SBLC) and commercial letters of credit to meet the financing needs of its customers. The unfunded commitments shown below have been reduced by amounts collateralized by cash and amounts participated to other financial institutions of \$2.7 billion and \$2.8 billion at December 31, 2001 and 2000, respectively. The following table summarizes outstanding unfunded commitments to extend credit at December 31, 2001 and 2000:

<TABLE> <CAPTION> <S> (Dollars in millions)		<C> 2001	<C> 2000
Credit card commitments		\$ 73,644	\$ 72,058
Other loan commitments		221,529	243,124
Standby letters of credit and financial guarantees		40,374	33,420
Commercial letters of credit		3,957	3,327

Total		\$ 339,504	\$ 351,929

</TABLE>			

Commitments to extend credit are legally binding, generally have specified rates and maturities and are for specified purposes. The Corporation manages the credit risk on these commitments by subjecting these commitments to normal credit approval and monitoring processes. Certain commitments have adverse change clauses which help to protect the Corporation against deterioration in the borrowers' ability to pay. Other loan commitments include equity commitments of approximately \$2.7 billion which primarily relate to obligations to fund existing venture capital equity investments. At December 31, 2001 and 2000, there were no unfunded commitments to any industry or foreign country greater than 10 percent of total unfunded commitments to lend. Credit card lines are unsecured commitments, which are reviewed at least annually by management. Upon evaluation of the customers' creditworthiness, the Corporation has the right to terminate or change the terms of the credit card lines.

SBLC and financial guarantees are issued to support the debt obligations of customers. If an SBLC or financial guarantee is drawn upon, the Corporation looks to its customer for payment. SBLCs and financial guarantees are subject to the same approval and collateral policies as other extensions of credit.

Commercial letters of credit, issued primarily to facilitate customer trade finance activities, are collateralized by the underlying goods being shipped by the customer and are generally short-term.

The following table summarizes the contractual maturity distribution of unfunded commitments at December 31, 2001:

<TABLE> <CAPTION>		Expire in 1 Year or Less	Expires After 1 Year Through 3 Years	Expires After 3 Years Through 5 Years	Expires After 5 Years
(Dollars in millions)					
Total		-----	-----	-----	-----

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

Credit card commitments	\$ 73,644	\$ -	\$ -	\$ -
\$ 73,644				
Other loan commitments	97,570	50,891	37,359	35,70
221,529				
Standby letters of credit and financial guarantees	28,268	8,790	829	2,487
40,374				
Commercial letters of credit	3,243	518	49	147
3,957				

Total	\$ 202,725	\$ 60,199	\$ 38,237	\$ 38,343
\$ 339,504				

</TABLE>

For each of these types of instruments, the Corporation's maximum exposure to credit loss is represented by the contractual amount of these instruments. Many of the commitments are collateralized and most are expected to expire without being drawn upon; therefore, the total commitment amounts do not necessarily represent risk of loss or future cash requirements.

The Corporation has entered into operating leases for certain of its premises and equipment. Commitments under these leases approximate \$1 billion per year for each of the years 2002 through 2006 and \$2.5 billion for all years thereafter.

When-Issued Securities

When-issued securities are commitments to purchase or sell securities during the time period between the announcement of a securities offering and the issuance of those securities. Changes in market price between commitment date and issuance are reflected in trading account profits. At December 31, 2001, the Corporation had commitments to purchase and sell when-issued securities of \$45.0 billion and \$39.6 billion, respectively. At December 31, 2000, the Corporation had commitments to purchase and sell when-issued securities of \$26.4 billion and \$20.6 billion, respectively.

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, claims for substantial monetary damages are asserted against the Corporation and its subsidiaries and certain of these actions and proceedings are based on

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alleged violations of consumer protection, securities, environmental, banking and other laws.

In view of the inherent difficulty of predicting the outcome of such matters, the Corporation cannot state what the eventual outcome of pending matters will be; however, based on current knowledge, Management does not believe that liabilities arising from pending litigation, if any, will have a material adverse effect on the consolidated financial position, operations or liquidity of the Corporation.

The Corporation and certain present and former officers and directors have been named as defendants in a number of actions filed in several federal courts that have been consolidated for pretrial purposes before a Missouri federal court. The amended complaint in the consolidated actions alleges, among other things, that the defendants failed to disclose material facts about BankAmerica's losses relating to D.E. Shaw Securities Group, L.P. ("D.E. Shaw") and related entities until mid-October 1998, in violation of various provisions of federal and state laws. The amended complaint also alleges that the proxy statement-prospectus of August 4, 1998 (the "Proxy Statement"), falsely stated that the merger between NationsBank Corporation (NationsBank) and BankAmerica would be one of equals and alleges a scheme to have NationsBank gain control over the newly merged entity. The Missouri federal court has certified classes (the "Classes") consisting generally of persons who were stockholders of NationsBank or BankAmerica on September 30, 1998, or were entitled to vote on the merger, or who purchased or acquired securities of the Corporation or its predecessors between August 4, 1998 and October 13, 1998. The amended complaint substantially survived a motion to dismiss. Discovery has been completed. A former NationsBank stockholder who opted out of the NationsBank shareholder Class has commenced an action in the Missouri federal court (the "Opt-Out Action") asserting claims substantially similar to the claims related to D.E.

Shaw set forth in the consolidated action. Similar class actions have been filed in California state courts. Plaintiffs in one such class action, brought on behalf of California residents who owned BankAmerica stock, claim that the Proxy Statement falsely stated that the merger would be one of equals. Plaintiffs in that matter have recently been included in the federal action as part of the BankAmerica shareholder Class and will not be proceeding in California state court. Other California state court class actions (the "Other Actions") were consolidated, but have not been certified as class actions. The Missouri federal court enjoined prosecution of those consolidated cases as a class action. The plaintiffs who were enjoined appealed to the United States Court of Appeals for the Eighth Circuit, which upheld the district court's injunction. Those plaintiffs have sought review in the United States Supreme Court.

Subsequent to December 31, 2001, the Corporation announced that it had reached an agreement in principle to settle the Class actions. The proposed settlement provides for payment of \$333 million to the NationsBank Classes and \$157 million to the BankAmerica Classes. The proposed settlement is subject to a number of conditions, including judicial approval. The Corporation agreed to the proposed settlement without admitting liability. The proposed settlement will be paid from existing litigation reserves and insurance and will not have an impact on the Corporation's financial results.

On July 30, 2001, the Securities and Exchange Commission issued a cease-and-desist order finding violations of Section 13(a) of the Securities Exchange Act of 1934 and Rules 13a-1, 13a-11, 13a-13 and 12b-20 promulgated thereunder, with respect to BankAmerica's accounting for, and the disclosures relating to, the D.E. Shaw relationship. The Corporation consented to the order without admitting or denying the findings. In the Matter of BankAmerica Corp., Exch. Act Rel. No. 44613, Acctg & Audit. Enf. Rel. No. 1249, Admin. Proc. No. 3-10541.

Terrorist Attacks of September 11, 2001

The Corporation incurred certain costs and losses associated with the terrorist attacks of September 11, 2001, such as property losses and costs to re-establish business operations. Management believes that these costs and losses will not be material to the Corporation's financial position or results of operations.

Note 13 Shareholders' Equity and Earnings Per Common Share

On December 11, 2001, the Corporation's Board of Directors (the Board) authorized a new stock repurchase program of up to 130 million shares of the Corporation's common stock at an aggregate cost of up to \$10.0 billion. No shares had been repurchased under the 2001 program at December 31, 2001. On July 26, 2000, the Board authorized a stock repurchase program of up to 100 million shares of the Corporation's common stock at an aggregate cost of up to \$7.5 billion. At December 31, 2001, the remaining buyback authority for common stock under the 2000 program totaled \$2.1 billion, or two million shares. On June 23, 1999, the Board authorized the repurchase of up to 130 million shares of the Corporation's common stock at an aggregate cost of up to \$10.0 billion. The 1999 stock repurchase plan was completed in 2000. During 2001, the Corporation repurchased approximately 82 million shares of its common stock in open market repurchases at an average per-share price of \$57.58, which reduced shareholders' equity by \$4.7 billion. During 2000, the Corporation repurchased approximately 68 million shares of its common stock in open market repurchases at an average per-share price of \$48.17, which reduced shareholders' equity by \$3.3 billion. Management anticipates it will continue to repurchase shares at least equal to shares issued under its various stock option plans.

Other shareholders' equity at December 31, 2001 consisted of premiums written on put options of \$14 million and restricted stock award plan deferred compensation of \$52 million. At December 31, 2000, other shareholders' equity consisted of premiums written on put options of \$20 million, restricted stock award plan deferred compensation of \$114 million and a loan to the employee stock ownership plan (ESOP) trust of \$32 million.

In September 1999, the Corporation began selling put options on its common stock to independent third parties. The put option program was designed to partially offset the cost of share repurchases. The put options give the holders the right to sell shares of the Corporation's common stock to the Corporation on certain dates at specified prices. The put option contracts allow the Corporation to determine the method of settlement, and

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the premiums received are reflected as a component of other shareholders' equity. At December 31, 2001, there were two million put options outstanding with exercise prices ranging from \$61.82 per share to \$61.84 per share, all of which expire in September 2002. At December 31, 2000, there were three million put options outstanding with exercise prices ranging from \$45.22 per share to \$50.37 per share, which expired from January 2001 to April 2001.

As of December 31, 2001, the Corporation had 1.5 million shares issued and outstanding of ESOP Convertible Preferred Stock, Series C (ESOP Preferred Stock). The ESOP Preferred Stock has a stated and liquidation value of \$42.50 per share, provides for an annual cumulative dividend of \$3.30 per share and each share is convertible into 1.68 shares of the Corporation's common stock. ESOP Preferred Stock in the amounts of \$7 million, \$5 million and \$6 million was converted into the Corporation's common stock in 2001, 2000 and 1999, respectively.

In November 1989, Barnett incorporated ESOP provisions into its existing 401(k) employee benefit plan (Barnett ESOP). The Barnett ESOP acquired \$141 million of common stock using the proceeds of a loan from the Corporation. This loan was repaid in 2000. The terms of the loan included equal monthly payments of principal and interest through September 2015. Interest was at 9.75 percent and prepayments of principal were allowed. The loan was generally repaid from contributions to the plan by the Corporation and dividends on unallocated shares held by the Barnett ESOP. Shares held by the Barnett ESOP were allocated to plan participants as the loan was repaid. At December 31, 2001 and 2000, there were no shares of unallocated common stock remaining in the Barnett ESOP. During 2000 and 1999, the Barnett ESOP released and allocated common stock amounting to \$32 million and \$15 million, respectively.

The Corporation issues new shares of common stock under employee compensation plans which are discussed in Note Sixteen of the consolidated financial statements. During 2001 and 2000, approximately 27 million and 4 million shares were issued under these plans primarily due to stock option exercises and restricted stock activity, increasing shareholders' equity by \$1.1 billion and \$294 million, respectively.

Gains (losses) of \$1.9 billion, \$2.8 billion and \$(3.9) billion were recorded in other comprehensive income in 2001, 2000 and 1999, respectively. Reclassification adjustments to net income of \$715 million, \$105 million and \$240 million were recorded in 2001, 2000 and 1999, respectively. The related income tax expense (benefit) was \$30 million, \$800 million and \$(1.4) billion in 2001, 2000 and 1999, respectively.

Earnings per common share is computed by dividing net income available to common shareholders by the weighted average common shares issued and 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 issued and 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 effects of convertible preferred stock and stock options are excluded from the computation of diluted earnings per common share in periods in which the effect would be antidilutive.

In 2001, 2000 and 1999, options to purchase 79 million, 102 million and 44 million shares, respectively, were outstanding but not included in the computation of earnings per share because they were antidilutive.

The calculation of earnings per common share and diluted earnings per common share for 2001, 2000 and 1999 is presented below:

<TABLE>				
<CAPTION>				
(Dollars in millions, except per share information; shares in thousands)				
	2001	2000	1999	
	<C>	<C>	<C>	
Earnings per common share				
Net income	\$ 6,792	\$ 7,517	\$ 7,882	
Preferred stock dividends	(5)	(6)	(6)	
Net income available to common shareholders	\$ 6,787	\$ 7,511	\$ 7,876	
Average common shares issued and outstanding	1,594,957	1,646,398	1,726,006	
Earnings per common share	\$ 4.26	\$ 4.56	\$ 4.56	
Diluted earnings per common share				
Net income available to common shareholders	\$ 6,787	\$ 7,511	\$ 7,876	
Preferred stock dividends	5	6	6	
Net income available to common shareholders and assumed conversions	\$ 6,792	\$ 7,517	\$ 7,882	
Average common shares issued and outstanding	1,594,957	1,646,398	1,726,006	
Incremental shares from assumed conversions:				
Convertible preferred stock	2,666	2,926	3,006	
Stock options	28,031	15,605	31,046	
Dilutive potential common shares	30,697	18,531	34,052	

Total diluted average common shares issued and outstanding	1,625,654	1,664,929	1,760,058
Diluted earnings per common share	\$ 4.18	\$ 4.52	\$ 4.48

</TABLE>

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Note 14 Regulatory Requirements and Restrictions

The Federal Reserve Board requires the Corporation's banking subsidiaries to maintain reserve balances based on a percentage of certain deposits. Average daily reserve balances required by the Federal Reserve Board were \$4.0 billion and \$4.1 billion for 2001 and 2000, respectively. Currency and coin residing in branches and cash vaults (vault cash) are used to partially satisfy the reserve requirement. The average daily reserve balances, in excess of vault cash, held with the Federal Reserve Bank amounted to \$128 million and \$3 million for 2001 and 2000, respectively.

The primary source of funds for cash distributions by the Corporation to its shareholders is dividends received from its banking subsidiaries. The subsidiary national banks can initiate aggregate dividend payments in 2002, without prior regulatory approval, of \$4.0 billion plus an additional amount equal to their net profits for 2002, as defined by statute, up to the date of any such dividend declaration. The amount of dividends that each subsidiary bank may declare in a calendar year without approval by the Office of the Comptroller of the Currency (OCC) is the subsidiary bank's net profits for that year combined with its net retained profits, as defined, for the preceding two years.

The Federal Reserve Board, the OCC, the Federal Deposit Insurance Corporation and the Office of Thrift Supervision (collectively, the Agencies) have issued regulatory capital guidelines for U.S. banking organizations. Failure to meet the capital requirements can initiate certain mandatory and discretionary actions by regulators that could have a material effect on the Corporation's financial statements. At December 31, 2001 and 2000, the Corporation and Bank of America, N.A. were classified as well-capitalized under this regulatory framework. There have been no conditions or events since December 31, 2001 that management believes have changed either the Corporation's or Bank of America, N.A.'s capital classifications.

The regulatory capital guidelines measure capital in relation to the credit and market risks of both on- and off-balance sheet items using various risk weights. Under the regulatory capital guidelines, Total Capital consists of three tiers of capital. Tier 1 Capital includes common shareholders' equity and qualifying preferred stock, less goodwill and other adjustments. Tier 2 Capital consists of preferred stock not qualifying as Tier 1 Capital, mandatory convertible debt, limited amounts of subordinated debt, other qualifying term debt and the allowance for credit losses up to 1.25 percent of risk-weighted assets. Tier 3 capital includes subordinated debt that is unsecured, fully paid, has an original maturity of at least two years, is not redeemable before maturity without prior approval by the Federal Reserve Board and includes a lock-in clause precluding payment of either interest or principal if the payment would cause the issuing bank's risk-based capital ratio to fall or remain below the required minimum. At December 31, 2001 and 2000, the Corporation had no subordinated debt that qualified as Tier 3 capital.

To meet minimum, adequately capitalized regulatory requirements, an institution must maintain a Tier 1 Capital ratio of four percent and a Total Capital ratio of eight percent. A well-capitalized institution must maintain a Tier 1 Capital ratio of six percent and a Total Capital ratio of ten percent. The risk-based capital rules have been further supplemented by a leverage ratio, defined as Tier 1 capital divided by average total assets, after certain adjustments. The leverage ratio guidelines establish a minimum of 100 to 200 basis points above three percent. Banking organizations must maintain a leverage capital ratio of at least five percent to be classified as well-capitalized.

The valuation allowance for available-for-sale securities and marketable equity securities included in shareholders' equity at December 31, 2001 and 2000 and the net gains on derivatives included in shareholders' equity at December 31, 2001 are excluded from the calculations of Tier 1 Capital, Total Capital and leverage ratios.

On September 12, 1996, the Agencies amended their regulatory capital guidelines 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 have not had a material impact on the Corporation or its subsidiaries' regulatory capital ratios or their well-capitalized status.

The following table presents the actual capital ratios and amounts and minimum required capital amounts for the Corporation and Bank of America, N.A. at December 31, 2001 and 2000:

<TABLE>
<CAPTION>

(Dollars in millions)	2001			2000		
	Actual		Minimum	Actual		Minimum
	Ratio	Amount	Required/(1)/	Ratio	Amount	Required/(1)/
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Tier 1 Capital						
Bank of America Corporation	8.30%	\$ 41,972	\$ 20,243	7.50%	\$ 40,667	\$ 21,687
Bank of America, N. A.	9.25	42,161	18,225	7.72	39,178	20,308
Total Capital						
Bank of America Corporation	12.67	64,118	40,487	11.04	59,826	43,374
Bank of America, N. A.	12.55	57,192	36,450	10.81	54,871	40,616
Leverage						
Bank of America Corporation	6.56	41,972	25,604	6.12	40,667	26,587
Bank of America, N. A.	7.59	42,161	22,233	6.59	39,178	23,771

</TABLE>

/(1)/ Dollar amount required to meet the Agencies' guidelines for adequately capitalized institutions.

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Note 15 Employee Benefit Plans

Pension and Postretirement Plans

The Corporation sponsors noncontributory trustee qualified pension plans that cover substantially all officers and employees. The plans provide defined benefits based on an employee's compensation, age and years of service. It is the policy of the Corporation to fund not less than the minimum funding amount required by ERISA. Individually, BankAmerica, Barnett Banks and NationsBank each sponsored defined benefit pension plans prior to each of the respective mergers of these banks. The BankAmerica plan was a cash balance design plan, providing participants with compensation credits, based on age and period of service, applied at each pay period and a defined earnings rate on all participant account balances in the plan. The NationsBank plan was amended to a cash balance plan effective July 1, 1998 and provided a similar crediting basis for all participants. The Barnett plan was amended to merge into the NationsBank plan and, effective January 1, 1999, to provide the cash balance plan design feature to those participants. The BankAmerica and NationsBank plans were merged effective December 31, 1998; however, the participants in each plan retained the cash balance plan design followed by their predecessor plans until the plan was amended in 2000. The Corporation and the BankAmerica 401(k) retirement plans were combined effective June 30, 2000. As part of the plan mergers, certain participants were offered a one-time opportunity to transfer certain assets from their savings or 401(k) plans to the cash balance plan. Assets with an approximate fair value of \$2.8 billion were transferred by plan participants. The Bank of America Pension Plan (Pension Plan) allows participants to select from various earnings measures, which are based on the returns of certain funds managed by subsidiaries of the Corporation or common stock of the Corporation. The actual returns on the funds underlying the earnings measures selected by participants determine the earnings rate on the individual participant account balances. Participants may elect to modify existing earnings measures allocations on a daily basis. In 2001, the Corporation made a voluntary contribution to the Pension Plan of \$500 million.

The Pension Plan has a balance guarantee feature, applied at the time a benefit payment is made from the plan, that protects the transferred portion of participants' accounts and certain credits from future market downturns. The Corporation is responsible for funding any shortfall on the guarantee feature. At December 31, 2001, the market value of transferred assets exceeded the guaranteed amount.

In 2000, a curtailment resulted from employee terminations in connection with the Corporation's reduction in number of associates. See Note Two for additional information.

The Corporation sponsors a number of noncontributory, nonqualified pension plans. These plans, which are unfunded, provide defined pension benefits to certain employees.

In addition to retirement pension benefits, full-time, salaried employees

and certain part-time employees may become eligible to continue participation as retirees in health care and/or life insurance plans sponsored by the Corporation. Based on the other provisions of the individual plans, certain retirees may also have the cost of these benefits partially paid by the Corporation.

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The following table summarizes the balances, changes in fair value of plan assets and benefit obligations, and the weighted average assumptions as of and for the years ended December 31, 2001 and 2000. Prepaid and accrued benefit costs are reflected in other assets and other liabilities, respectively, in the Consolidated Balance Sheet. For the Pension Plan, the asset valuation method recognizes 60 percent of the market gains or losses in the first year, with the remaining 40 percent spread equally over the next four years. For both the Pension Plan and the Postretirement Health and Life Plans, the expected return on plan assets will be decreased to 9.50% for 2002.

<TABLE>
<CAPTION>

	Qualified Pension Plan		Nonqualified Pension Plans		Postretirement Health and Life Plans	
	2001	2000	2001	2000	2001	

(Dollars in millions)						
2000						

<S>	<C>	<C>	<C>	<C>	<C>	<C>
Change in fair value of plan assets (Primarily listed stocks, fixed income and real estate)						
Fair value at January 1	\$ 8,652	\$ 8,063	\$ -	\$ -	\$ 208	\$
202						
Actual return on plan assets	(154)	(135)	-	-	(14)	
6						
Company contributions	500	-	98	49	69	
63						
Plan participant contributions	-	-	-	-	41	
35						
Acquisition/transfer	16	1,334	-	-	-	
-						
Benefits paid	(750)	(610)	(98)	(49)	(110)	
(98)						

Fair value at December 31	\$ 8,264	\$ 8,652	\$ -	\$ -	\$ 194	\$
208						
=====						
Change in benefit obligation						
Benefit obligation at January 1	\$ 8,011	\$ 6,252	\$ 534	\$ 535	\$ 840	\$
836						
Service cost	202	153	22	10	11	
11						
Interest cost	560	519	40	39	64	
58						
Plan participant contributions	-	-	-	-	41	
35						
Plan amendments	-	325	2	12	29	
6						
Actuarial loss (gain)	(434)	16	9	(13)	69	
(17)						
Acquisition/transfer	17	1,392	20	-	-	
-						
Effect of curtailments	-	(36)	-	-	-	
9						
Benefits paid	(750)	(610)	(98)	(49)	(110)	
(98)						

Benefit obligation at December 31	\$ 7,606	\$ 8,011	\$ 529	\$ 534	\$ 944	\$
840						
=====						
Funded status						
Overfunded (unfunded) status at December 31	\$ 658	\$ 641	\$ (529)	\$ (534)	\$ (750)	\$
(632)						
Unrecognized net actuarial loss (gain)	954	358	86	69	45	
(39)						
Unrecognized transition obligation (asset)	-	(2)	1	2	355	
387						

Unrecognized prior service cost 19	468	521	61	70	44

Prepaid (accrued) benefit cost (265)	\$ 2,080	\$ 1,518	\$ (381)	\$ (393)	\$ (306)
=====					
Weighted average assumptions at December 31					
Discount rate	7.25%	7.25%	7.25%	7.25%	7.25%
Expected return on plan assets	10.00	10.00	n/a	n/a	10.00
Rate of compensation increase	4.00	4.00	4.00	4.00	n/a
n/a					
=====					

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Net periodic pension benefit cost (income) for the years ended December 31, 2001, 2000 and 1999, included the following components:

<TABLE>					
<CAPTION>					
Plan	Qualified Pension Plan			Nonqualified Pension	
-----	-----				
(Dollars in millions)	2001	2000	1999	2001	2000
1999	-----				
-----	-----				
<S>	<C>	<C>	<C>	<C>	<C>
<C>					
Components of net periodic pension benefit cost (income)					
Service cost	\$ 202	\$ 153	\$ 115	\$ 22	\$ 10
\$ 9					
Interest cost	560	519	433	40	39
33					
Expected return on plan assets	(876)	(813)	(713)	-	-
-					
Amortization of transition obligation (asset)	(2)	(4)	(4)	-	1
1					
Amortization of prior service cost	54	38	20	11	10
7					
Recognized net actuarial loss	-	-	-	7	9
8					
Recognized gain due to settlements and curtailments	-	(11)	-	6	-
-					
-----	-----				
Net periodic pension benefit cost (income)	\$ (62)	\$ (118)	\$ (149)	\$ 86	\$ 69
\$ 58					
=====	=====				
</TABLE>					

For the years ended December 31, 2001, 2000 and 1999, net periodic postretirement benefit cost included the following components:

(Dollars in millions)	2001	2000	1999
-----	-----	-----	-----
<S>	<C>	<C>	<C>
Components of net periodic postretirement benefit cost (income)			
Service cost	\$ 11	\$ 11	\$ 12
Interest cost	65	58	58
Expected return on plan assets	(21)	(20)	(19)
Amortization of transition obligation	32	37	34
Amortization of prior service cost (credit)	4	(3)	-
Recognized net actuarial loss (gain)	20	(45)	(54)
Recognized loss due to settlements and curtailments	-	20	-
-			
Net periodic postretirement benefit cost	\$ 111	\$ 58	\$ 31
=====			

Net periodic postretirement health and life expense was determined using the "projected unit credit" actuarial method. Gains and losses for all benefits except postretirement health care are recognized in accordance with the minimum amortization provisions of the applicable accounting standards. For the

postretirement health care plans, 50 percent of the unrecognized gain or loss at the beginning of the fiscal year (or at subsequent remeasurement) is recognized on a level basis during the year.

Assumed health care cost trend rates affect the postretirement benefit obligation and benefit cost reported for the health care plan. The assumed health care cost trend rates used to measure the expected cost of benefits covered by the postretirement health care plans was 8.0 percent for 2002, reducing in steps to 4.5 percent in 2006 and later years. A one percentage point increase in assumed health care cost trend rates would have increased the service and interest costs and the benefit obligation by \$6 million and \$52 million, respectively, in 2001, \$9 million and \$49 million, respectively, in 2000 and \$7 million and \$62 million, respectively, in 1999. A one percentage point decrease in assumed health care cost trend rates would have lowered the service and interest costs and the benefit obligation by \$4 million and \$45 million, respectively, in 2001, \$7 million and \$40 million, respectively, in 2000 and \$6 million and \$56 million, respectively, in 1999.

Defined Contribution Plans

The Corporation maintains a qualified defined contribution retirement plan and certain nonqualified defined contribution retirement plans. There are two components of the qualified defined contribution retirement plan: an ESOP and a profit-sharing plan. Prior to 2001, the ESOP component of the qualified defined contribution retirement plan featured leveraged ESOP provisions. The profit-sharing component allows participants to modify existing investment allocations on a daily basis. See Note Thirteen for additional information on the ESOP provisions.

Effective June 30, 2000, the BankAmerica 401(k) Investment Plan was merged with and into the Bank of America 401(k) Plan (401(k) Plan). During 2000, the Corporation offered former BankAmerica plan participants a one-time opportunity to transfer certain assets from the 401(k) Plan to the Pension Plan.

The Corporation contributed approximately \$196 million, \$163 million, and \$191 million for 2001, 2000, and 1999, respectively, in cash and stock which was utilized primarily to purchase the Corporation's common stock under the terms of these plans. At December 31, 2001 and 2000, an aggregate of 45,468,591 shares and 46,010,493 shares, respectively, of the Corporation's common stock and 1,506,553 shares and 1,684,053 shares, respectively, of ESOP preferred stock were held by the Corporation's various savings and profit sharing plans.

Under the terms of the ESOP Preferred Stock provision, payments to the plan for dividends on the ESOP Preferred Stock were \$5 million, \$6 million, and \$3 million, for 2001, 2000, and 1999, respectively. Payments to the plan for dividends on the ESOP Common Stock were \$27 million, \$22 million, and \$21 million during the same periods. Interest incurred to service the debt of the ESOP Preferred Stock and ESOP Common Stock amounted to \$0.3 million, \$3 million and \$5 million for 2001, 2000 and 1999, respectively. As of December 31, 2001, all principal and interest associated with the debt of the ESOP Preferred Stock and ESOP Common Stock have been repaid.

In addition, certain non-U.S. employees within the Corporation are covered under defined contribution pension plans that are separately administered in accordance with local laws.

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Note 16 Stock Incentive Plans

At December 31, 2001, the Corporation had certain stock-based compensation plans which are described below. The Corporation applies the provisions of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," in accounting for its stock option and award plans. In accordance with Statement of Financial Accounting Standards No. 123 (SFAS 123), "Accounting for Stock Based Compensation," the Corporation has also elected to provide disclosures as if the Corporation had adopted the fair-value based method of measuring outstanding employee stock options in 2001, 2000 and 1999 as indicated below:

<TABLE>

<CAPTION>

	As reported			Pro forma		
(Dollars in millions, except per share data)	2001	2000	1999	2001	2000	1999
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net income	\$ 6,792	\$ 7,517	\$ 7,882	\$ 6,441	\$ 7,215	\$ 7,563
Net income available to common shareholders	6,787	7,511	7,876	6,436	7,209	7,557
Earnings per common share	4.26	4.56	4.56	4.04	4.38	4.38
Diluted earnings per common share	4.18	4.52	4.48	3.96	4.34	4.30

</TABLE>

In determining the pro forma disclosures above, the fair value of options granted was estimated on the date of grant using the Black-Scholes option-pricing model. The Black-Scholes model was developed to estimate the fair value of traded options, which have different characteristics than employee stock options, and changes to the subjective assumptions used in the model can result in materially different fair value estimates. The weighted average grant-date fair values of the options granted during 2001, 2000 and 1999 were based on the following assumptions:

<TABLE> <CAPTION>											
Volatility		Risk-free Interest rates			Dividend Yield			Expected Lives (Years)			

-----		2001	2000	1999	2001	2000	1999	2001	2000	1999	2001
2000	1999	-----									

<S>		<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<C>											
Key Employee Stock Plan		5.05%	6.74%	5.19%	4.50%	4.62%	2.91%	7	7	7	26.68%
25.59% 24.91%											
Take Ownership!		4.89	6.57	4.73	5.13	4.62	3.06	4	4	4	31.62
30.27 27.67											
=====											
=====											
</TABLE>											

Compensation expense under the fair-value based method is recognized over the vesting period of the related stock options. Accordingly, the pro forma results of applying SFAS 123 in 2001, 2000 and 1999 may not be indicative of future amounts.

Key Employee Stock Plan

The Key Employee Stock Plan, as amended and restated, provides for different types of awards including stock options, restricted stock and performance shares (or restricted stock units). Under the plan, ten-year options to purchase approximately 97.3 million shares of common stock have been granted through December 31, 2001 to certain employees at the closing market price on the respective grant dates. Options granted under the plan generally vest in three or four equal annual installments. At December 31, 2001, approximately 76.2 million options were outstanding under this plan. Approximately 3.8 million shares of restricted stock and restricted stock units were granted during 2001. These shares of restricted stock generally vest in three equal annual installments beginning one year from the grant date. The Corporation incurred restricted stock expense of \$182 million, \$273 million and \$324 million for the years ended December 31, 2001, 2000 and 1999, respectively.

Take Ownership!

The Bank of America Global Associate Stock Option Program (Take Ownership!) covers all employees below a specified executive grade level. Under the plan, eligible employees received an award of a predetermined number of stock options entitling them to purchase shares of the Corporation's common stock at the fair market value on the grant date. Options granted on the first business day of 1999, 2000 and 2001 vest 25 percent on the first anniversary of the date of grant, 25 percent on the second anniversary of the date of grant and 50 percent on the third anniversary of the date of grant. These options have a term of five years after the grant date. On January 2, 2001, options to purchase approximately 22.8 million shares of common stock at \$46.75 per share were granted under the plan. At December 31, 2001, approximately 62.1 million options were outstanding under this plan. No further awards may be granted under this plan.

2002 Associates Stock Option Plan

On September 26, 2001, the Board approved the Bank of America Corporation 2002 Associates Stock Option Plan which covers all employees below a specified executive grade level. Under the plan, eligible employees received a one-time award of a predetermined number of options entitling them to purchase shares of the Corporation's common stock. Approximately 54 million options were granted subsequent to December 31, 2001 at the closing price of \$61.36. The options vest as follows: 50 percent of the options become exercisable after the Corporation's common stock closes at or above \$76.36 per share for ten consecutive trading days; the remaining 50 percent of the options become exercisable after the Corporation's common stock closes at or above \$91.36 for ten consecutive trading days. Regardless of the stock price, all options will be fully exercisable February 1, 2006. No option can be exercised before June 1, 2002. The options expire on the close of business January 31, 2007.

Other Plans

Under the NationsBank 1996 ASOP, as amended, the Corporation granted in 1996 and 1997 to certain full- and part-time associates options to purchase an aggregate of approximately 47 million shares of the Corporation's common stock. All options granted under the ASOP expired on June 29, 2001. No further awards may be granted under this plan.

Under the BankAmerica 1992 Management Stock Plan, ten-year options to purchase shares of the Corporation's common stock were granted to certain key employees in 1997 and 1998. Options awarded generally vest in three equal annual installments beginning one year from the grant date. At December 31, 2001, approximately 18.4 million options were outstanding under this plan. Additionally, 2.9 million shares of restricted stock were granted to certain key employees in 1997 and 1998. These shares generally vest in four equal annual installments beginning the second year from the date of grant. No further awards may be granted under this plan.

Under the BankAmerica Performance Equity Program, ten-year options to purchase shares of the Corporation's common stock were granted to certain key employees in 1997 and 1998 in the form of market price options and premium price options. All options issued under this plan to persons who were employees as of the Merger date vested. At December 31, 2001, approximately 11.8 million options were outstanding under this plan. No further awards may be granted under this plan.

On October 1, 1996, BankAmerica adopted the BankAmerica Global Stock Option Program (BankAmerica Take Ownership!), which covered substantially all associates. Options awarded under this plan vest in three equal installments beginning one year from the grant date and have a term of five years after the grant date. At December 31, 2001, approximately 14.1 million options were outstanding under this plan. No further awards may be granted under this plan.

Additional stock options assumed in connection with various acquisitions remain outstanding and are included in the tables below. No further awards may be granted under these plans.

The following tables present the status of all plans at December 31, 2001, 2000 and 1999, and changes during the years then ended:

<TABLE> <CAPTION>					
	2001		2000		1999
	-----		-----		-----
Weighted-	Weighted-		Weighted-		
Average	Average		Average		
Exercise	Exercise		Exercise		
(Option)	(Option)		(Option)		
Employee Stock Options	Shares	Price	Shares	Price	Shares
Price					

<S>	<C>	<C>	<C>	<C>	<C>
<C>					
Outstanding at January 1	178,572,021	\$ 54.45	156,205,635	\$ 56.03	126,465,501
\$ 51.01					
Granted	53,067,079	50.45	49,318,536	48.44	68,341,012
61.30					
Exercised	(28,198,630)	40.86	(5,144,778)	30.68	(21,872,532)
38.45					
Forfeited	(18,890,454)	56.32	(21,807,372)	57.73	(16,728,346)
62.59					

Outstanding at December 31	184,550,016	55.19	178,572,021	54.45	156,205,635
56.03					

Options exercisable at December 31	94,753,943	57.94	98,092,637	53.56	85,753,568
49.97					

Weighted-average fair value of options					
granted during the year		\$ 10.36		\$ 11.00	
\$ 13.88					
=====					
=====					

	2001		2000		1999	
Weighted-Average	Weighted-Average		Weighted-Average			
Grant	Grant		Grant			
Restricted Stock/Unit Awards	Shares	Price	Shares	Price	Shares	
Outstanding unvested grants at January 1	7,172,546	\$ 63.37	13,027,337	\$ 62.39	3,781,154	
\$ 61.85						
Granted	3,844,384	51.21	652,724	48.50	11,413,497	
61.99						
Vested	(4,223,770)	60.32	(6,111,163)	59.51	(1,732,513)	
57.19						
Canceled	(201,414)	57.16	(396,352)	66.18	(434,801)	
67.96						
Outstanding unvested grants at December 31	6,591,746	\$ 58.42	7,172,546	\$ 63.37	13,027,337	\$
62.39						

The following table summarizes information about stock options outstanding at December 31, 2001:

	Outstanding Options			Options Exercisable	
Average	Number	Weighted-Average	Weighted-Average	Number	Weighted-
Range of Exercise Prices	Outstanding at	Remaining	Exercise Price	Exercisable at	Exercise
Price	December 31	Contractual Life		December 31	
\$10.00-\$30.00	10,012,213	2.9 years	\$ 23.35	10,012,213	
\$ 23.35					
\$30.01-\$46.50	6,892,929	4.4 years	36.14	6,747,766	
35.95					
\$46.51-\$65.50	144,609,175	5.2 years	54.47	56,227,059	
58.40					
\$65.51-\$99.00	23,035,699	4.8 years	79.23	21,766,905	
79.47					
Total	184,550,016	5.0 years	\$ 55.19	94,753,943	
\$ 57.94					

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Note 17 Income Taxes

The components of income tax expense for the years ended December 31, 2001, 2000 and 1999 were as follows:

	2001	2000	1999
Current expense:			
Federal	\$ 3,183	\$ 3,109	\$ 1,470
State	364	161	63
Foreign	341	354	341

Total current expense	3,888	3,624	1,874

Deferred (benefit) expense:			
Federal	(554)	526	2,207
State	(10)	120	254
Foreign	1	1	(2)

Total deferred (benefit) expense	(563)	647	2,459

Total income tax expense	\$ 3,325	\$ 4,271	\$ 4,333
=====			

</TABLE>

The preceding table does not reflect the tax effects of unrealized gains and losses on available-for-sale and marketable equity securities, foreign currency translation adjustments and derivatives that are included in shareholders' equity and certain tax benefits associated with the Corporation's employee stock plans. As a result of these tax effects, shareholders' equity increased by \$21 million in 2001, decreased by \$684 million in 2000 and increased by \$1.6 billion in 1999. The Corporation's current income tax expense approximates the amounts payable for those years. Deferred income tax expense represents the change in the deferred tax asset or liability and is discussed further below.

A reconciliation of the expected federal income tax expense using the federal statutory tax rate of 35 percent to the actual income tax expense for the years ended December 31, 2001, 2000 and 1999 follows:

<TABLE>

<CAPTION>

(Dollars in millions)

	2001	2000	1999

<S>	<C>	<C>	<C>
Expected federal income tax expense	\$ 3,541	\$ 4,126	\$ 4,275
Increase (decrease) in taxes resulting from:			
Tax-exempt income	(105)	(116)	(103)
State tax expense, net of federal benefit	230	183	206
Goodwill amortization/(1)/	366	202	207
Basis difference in subsidiary stock	(418)	-	-
Low income housing credits	(129)	(108)	(79)
Foreign tax differential	(83)	(72)	(58)
Other	(77)	56	(115)

Total income tax expense	\$ 3,325	\$ 4,271	\$ 4,333
=====			

</TABLE>

/(1)/ Goodwill amortization included in business exit costs was \$164 million in 2001.

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Significant components of the Corporation's deferred tax (liabilities) assets at December 31, 2001 and 2000 were as follows:

<TABLE>

<CAPTION>

(Dollars in millions)

	2001	2000

<S>	<C>	<C>
Deferred tax liabilities:		
Equipment lease financing	\$ (6,788)	\$ (6,268)
Intangibles	(767)	(733)
Employee retirement benefits	(560)	(403)
Investments	(551)	(494)
State taxes	(431)	(438)
Deferred gains and losses	(285)	(295)
Securities valuation	(231)	(400)
Depreciation	(144)	(145)
Other	(323)	(232)

Gross deferred tax liabilities	(10,080)	(9,408)

Deferred tax assets:		
Allowance for credit losses	3,085	2,751
Employee benefits	497	344
Accrued expenses	430	341
Basis difference in subsidiary stock	418	-
Available-for-sale securities	311	330
Loan fees and expenses	282	116
Net operating loss carryforwards	149	130
Other	463	425

Gross deferred tax assets	5,635	4,437
Valuation allowance	(136)	(114)
Gross deferred tax assets, net of valuation allowance	5,499	4,323
Net deferred tax liabilities	\$ (4,581)	\$ (5,085)

</TABLE>

The Corporation's deferred tax assets at December 31, 2001 and 2000 included a valuation allowance of \$136 million and \$114 million, respectively, primarily representing net operating loss carryforwards for which it is more likely than not that realization will not occur. The net change in the valuation allowance for deferred tax assets resulted from net operating losses being generated by foreign subsidiaries in 2001 where realization is not expected to occur.

At December 31, 2001 and 2000, federal income taxes had not been provided on \$859 million and \$762 million, respectively, of undistributed earnings of foreign subsidiaries, earned prior to 1987 and after 1997, that have been reinvested for an indefinite period of time. If the earnings were distributed, an additional \$188 million and \$163 million of tax expense, net of credits for foreign taxes paid on such earnings and for the related foreign withholding taxes, would result in 2001 and 2000, respectively.

Note 18 Fair Value of Financial Instruments

Statement of Financial Accounting Standards No. 107, "Disclosures About Fair Value of Financial Instruments" (SFAS 107), requires the disclosure of the estimated fair value of financial instruments. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Quoted market prices, if available, are utilized as estimates of the fair values of financial instruments. Since no quoted market prices exist for a significant part of the Corporation's financial instruments, the fair values of such instruments have been derived based on management's assumptions, the estimated amount and timing of future cash flows and estimated discount rates. The estimation methods for individual classifications of financial instruments are described more fully below. Different assumptions could significantly affect these estimates. Accordingly, the net realizable values could be materially different from the estimates presented below. In addition, the estimates are only indicative of the value of individual financial instruments and should not be considered an indication of the fair value of the combined Corporation.

The provisions of SFAS 107 do not require the disclosure of the fair value of lease financing arrangements and nonfinancial instruments, including intangible assets such as goodwill, franchise, and credit card and trust relationships.

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Short-Term Financial Instruments

The carrying value of short-term financial instruments, including cash and cash equivalents, federal funds sold and purchased, resale and repurchase agreements, commercial paper and other short-term borrowings, approximates the fair value of these instruments. These financial instruments generally expose the Corporation to limited credit risk and have no stated maturities or have an average maturity of less than 30 days and carry interest rates which approximate market.

Financial Instruments Traded in the Secondary Market

Held-to-maturity securities, available-for-sale securities, trading account instruments, long-term debt and trust preferred securities traded actively in the secondary market have been valued using quoted market prices. The fair values of securities and trading account instruments are reported in Notes Three and Four.

Derivative Financial Instruments

All derivatives are recognized on the balance sheet at fair value, taking into consideration the effects of legally enforceable master netting agreements which allow the Corporation to settle positive and negative positions with the same counterparty on a net basis. For exchange traded contracts, fair value is based on quoted market prices. For non-exchange traded contracts, fair value is based on dealer quotes, pricing models or quoted prices for instruments with similar characteristics. The fair value of the Corporation's derivative assets and liabilities is presented in Note Five.

Loans

Fair values were estimated for groups of similar loans based upon type of loan

and maturity. The fair value of loans was determined by discounting estimated cash flows using interest rates approximating the Corporation's current origination rates for similar loans and using credit factors. Where quoted market prices were available, primarily for certain residential mortgage loans, such market prices were utilized as estimates for fair values. Contractual cash flows for residential mortgage loans were adjusted for estimated prepayments using published industry data.

Substantially all of the foreign loans reprice within relatively short timeframes. Accordingly, for foreign loans, the carrying values were assumed to approximate their fair values.

Mortgage Banking Assets

The Certificates are carried at estimated fair value which is based on an option-adjusted spread model which requires several key components including, but not limited to, proprietary prepayment models and term structure modeling via Monte Carlo simulation.

Deposits

The fair value for deposits with stated maturities was calculated by discounting contractual cash flows using current market rates for instruments with similar maturities. The carrying value of foreign time deposits approximates fair value. For deposits with no stated maturities, the carrying amount was considered to approximate fair value and does not take into account the significant value of the cost advantage and stability of the Corporation's long-term relationships with depositors.

The book and fair values of certain financial instruments at December 31, 2001 and 2000 were as follows:

<TABLE>

<CAPTION>

	2001		2000	
	Book Value	Fair Value	Book Value	Fair Value
(Dollars in millions)				
<S>	<C>	<C>	<C>	<C>
Financial assets				
Loans	\$ 310,427	\$ 314,804	\$ 369,706	\$ 374,313
Financial liabilities				
Deposits	373,495	374,231	364,244	364,547
Long-term debt/(1)/	62,466	64,531	67,516	68,595
Trust preferred securities	5,530	5,612	4,955	4,792
-----	-----	-----	-----	-----

</TABLE>

/(1)/ Excludes obligations under capital leases.

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Note 19 Business Segment Information

The Corporation reports the results of its operations through four business segments: Consumer and Commercial Banking, Asset Management, Global Corporate and Investment Banking and Equity Investments. Certain operating segments have been aggregated into a single business segment. A customer-centered strategic focus is changing the way the Corporation is managing its business. In addition to existing financial reporting, the Corporation has begun preparing customer segment-based financial operating information.

Consumer and Commercial Banking provides a diversified range of products and services to individuals and small businesses through multiple delivery channels and commercial lending and treasury management services to middle market companies with annual revenue between \$10 million and \$500 million. Asset Management offers investment, fiduciary and comprehensive credit expertise; asset management services to institutional clients, high-net-worth individuals and retail customers; and investment, securities and financial planning services to affluent and high-net-worth individuals. Global Corporate and Investment Banking provides capital raising solutions, advisory services, derivatives capabilities, equity and debt sales and trading, as well as traditional bank deposit and loan products, cash management and payments services to large corporations and institutional markets. Equity Investments includes Principal Investing which makes both direct and indirect equity investments in a wide variety of companies at all stages of the business cycle. Equity Investments also includes the Corporation's strategic technology and alliances investment portfolio. Corporate Other consists primarily of the functions associated with managing the interest rate risk of the Corporation and Consumer Special Assets,

which includes certain consumer finance businesses being liquidated and certain residential mortgages originated by the mortgage group (not from retail branch originations).

In the first quarter of 2001, the thirty-year mortgage portfolio was moved from Consumer and Commercial Banking to Corporate Other. In the third quarter of 2001, certain consumer finance businesses being liquidated were transferred from Consumer and Commercial Banking to Corporate Other.

Effective January 2, 2001, the Corporation acquired the remaining 50 percent of Marsico Capital Management LLC (Marsico), which is part of the Asset Management segment, for a total investment of \$1.1 billion. The Corporation acquired the first 50 percent in 1999. Marsico is a Denver-based investment management firm specializing in large capitalization growth stocks.

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The following table includes total revenue and net income for the years ended December 31, 2001, 2000 and 1999, and total assets at December 31, 2001 and 2000 for each business segment. Certain prior period amounts have been reclassified between segments to conform to the current period presentation.

<TABLE> <CAPTION> Business Segments For the year ended December 31						
/(1)/	Total Corporation			Consumer and Commercial Banking		
	2001	2000	1999	2001	2000	

(Dollars in millions)						
1999						

<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net interest income/(2)/ 12,851	\$ 20,633	\$ 18,671	\$ 18,342	\$ 13,364	\$ 12,620	\$
Noninterest income/(3)/ 7,160	14,348	14,582	14,179	8,008	7,356	

Total revenue 20,011	34,981	33,253	32,521	21,372	19,976	
Provision for credit losses 1,118	4,287	2,535	1,820	1,802	1,111	
Gains (losses) on sales of securities 48	475	25	240	3	-	
Amortization of intangibles 673	878	864	888	637	649	
Other noninterest expense 11,027	19,831	17,769	17,623	11,048	10,684	

Income before income taxes 7,241	10,460	12,110	12,430	7,888	7,532	
Income tax expense 2,723	3,668	4,593	4,548	3,046	2,981	

Net income 4,518	\$ 6,792	\$ 7,517	\$ 7,882	\$ 4,842	\$ 4,551	\$
=====						
Period-end total assets	\$ 621,764	\$ 642,191		\$ 304,874	\$ 287,013	
=====						

For the year ended December 31

/(1)/	Asset Management/(1)/			Global Corporate and Investment Banking/(1)/		
	2001	2000	1999	2001	2000	

(Dollars in millions)						
1999						

Net interest income/(2)/ 3,407	\$ 741	\$ 666	\$ 610	\$ 4,592	\$ 3,725	\$
Noninterest income/(3)/ 4,104	1,733	1,801	1,667	4,639	4,444	

Total revenue	2,474	2,467	2,277	9,231	8,169	
7,511						
Provision for credit losses	121	47	99	1,275	751	
213						
Gains (losses) on sales of securities	-	-	-	(45)	(15)	
9						
Amortization of intangibles	57	30	31	143	138	
137						
Other noninterest expense	1,482	1,431	1,388	5,013	4,687	
4,331						
-						

Income before income taxes	814	959	759	2,755	2,578	
2,839						
Income tax expense	293	370	280	876	819	
916						
-						

Net income	\$ 521	\$ 589	\$ 479	\$ 1,879	\$ 1,759	\$
1,923						
=====						
Period-end total assets	\$ 26,810	\$ 27,140		\$ 194,146	\$ 206,820	
=====						

For the year ended December 31

	Equity Investments/(1)/			Corporate Other		

(Dollars in millions)	2001	2000	1999	2001	2000	
1999						

Net interest income/(2)/	\$ (151)	\$ (139)	\$ (83)	\$ 2,087	\$ 1,799	\$
1,557						
Noninterest income/(3)/	183	1,007	777	(215)	(26)	
471						
-						

Total revenue	32	868	694	1,872	1,773	
2,028						
Provision for credit losses/(4)/	8	4	25	1,081	622	
365						
Gains (losses) on sales of securities	-	-	-	517	40	
183						
Amortization of intangibles	10	11	11	31	36	
36						
Other noninterest expense/(4)/	174	101	124	2,114	866	
753						
-						

Income before income taxes	(160)	752	534	(837)	289	
1,057						
Income tax expense	(66)	291	203	(481)	132	
426						
-						

Net income	\$ (94)	\$ 461	\$ 331	\$ (356)	\$ 157	\$
631						
=====						
Period-end total assets	\$ 6,230	\$ 6,691		\$ 89,704	\$ 114,527	
=====						

</TABLE>

/(1)/ There were no material intersegment revenues among the segments.

/(2)/ Net interest income is presented on a taxable-equivalent basis and includes taxable-equivalent basis adjustments of \$343 million, \$322 million, and \$215 million in 2001, 2000 and 1999, respectively.

/(3)/ Noninterest income included the \$83 million SFAS 133 transition adjustment net loss which was recorded in trading account profits in 2001. The components of the transition adjustment by segment were a gain of \$4 million for Consumer and Commercial Banking, a gain of \$19 million for Global Corporate and Investment Banking and a loss of \$106 million for Corporate Other.

/(4)/ Corporate Other includes exit charges consisting of provision for credit losses of \$395 million and noninterest expense of \$1,305 million related to the exit of certain consumer finance businesses in 2001 and merger and restructuring charges in noninterest expense of \$550 million and \$525 million in 2000 and 1999, respectively.

Following is a reconciliation of the four business segments' revenue and net income for the years ended December 31, 2001, 2000 and 1999 and total assets at December 31, 2001 and 2000 to the consolidated totals:

<TABLE> <CAPTION> (Dollars in millions)			
	2001	2000	1999

<S>	<C>	<C>	<C>
Segments' revenue	\$ 33,109	\$ 31,480	\$ 30,493
Adjustments:			
Earnings associated with unassigned capital	346	368	357
Consumer Special Assets activity	1,751	1,236	1,792
SFAS 133 transition adjustment net loss	(106)	-	-
Gain on sale of a business	-	187	-
Other	(119)	(18)	(121)

Consolidated revenue	\$ 34,981	\$ 33,253	\$ 32,521
=====			
Segments' net income	\$ 7,148	\$ 7,360	\$ 7,251
Adjustments, net of taxes:			
Earnings associated with unassigned capital	222	235	231
Consumer Special Assets activity	586	318	610
SFAS 133 transition adjustment net loss	(68)	-	-
Gain on sale of a business	-	117	-
Provision for credit losses in excess of net charge-offs	(182)	(86)	-
Gains on sales of securities	333	25	118
Severance charge	(96)	-	-
Litigation expense	(214)	-	-
Exit charges	(1,250)	-	-
Merger and restructuring charges	-	(346)	(358)
Tax benefit associated with basis difference in subsidiary stock	267	-	-
Other	46	(106)	30

Consolidated net income	\$ 6,792	\$ 7,517	\$ 7,882
=====			
Segments' total assets	\$ 532,060	\$ 527,664	
Adjustments:			
Available-for-sale securities	70,540	47,256	
Elimination of excess earning asset allocations	(65,908)	(52,826)	
Consumer Special Assets	56,628	96,419	
Other, net	28,444	23,678	

Consolidated total assets	\$ 621,764	\$ 642,191	
=====			
</TABLE>			

The adjustments presented in the table above represent consolidated income, expense and asset balances not specifically allocated to individual business segments. In addition, reconciling items also include the effect of earnings allocations not assigned to specific business segments, as well as the related earning asset balances.

Note 20 Bank of America Corporation (Parent Company Only)

The following tables present the Parent Company Only financial information:

<TABLE> <CAPTION> (Dollars in millions)			
	Year Ended December 31		
	2001	2000	1999

<S>	<C>	<C>	<C>
Condensed Statement of Income			
Income			
Dividends from subsidiaries:			
Bank subsidiaries	\$ 5,000	\$ 6,902	\$ 7,700
Other subsidiaries	32	18	171
Interest from subsidiaries	1,746	2,756	2,197
Other income	1,772	1,053	987

	8,550	10,729	11,055

Expense			
Interest on borrowed funds	2,564	3,359	2,626
Noninterest expense	2,082	1,238	1,155

	4,646	4,597	3,781

Income before income tax benefit and equity in undistributed earnings of subsidiaries	3,903	6,132	7,274
Income tax benefit	385	456	494

Income before equity in undistributed earnings of subsidiaries	4,288	6,588	7,768
Equity in undistributed earnings of subsidiaries:			
Bank subsidiaries	2,653	583	10
Other subsidiaries	(149)	346	104

	2,504	929	114

Net income	\$ 6,792	\$ 7,517	\$7,882
=====			
Net income available to common shareholders	\$ 6,787	\$ 7,511	\$7,876
=====			

	December 31	

(Dollars in millions)	2001	2000

Condensed Balance Sheet		
Assets		
Cash held at bank subsidiaries	\$ 15,973	\$ 20,233
Temporary investments	663	677
Receivables from subsidiaries:		
Bank subsidiaries	9,813	13,336
Other subsidiaries	13,076	7,331
Investments in subsidiaries:		
Bank subsidiaries	58,968	52,711
Other subsidiaries	794	2,248
Other assets	3,675	4,157

Total assets	\$102,962	\$ 100,693

Liabilities and Shareholders' Equity		
Commercial paper and other notes payable	\$ 1,593	\$ 6,747
Accrued expenses and other liabilities	3,328	2,767
Payables to subsidiaries:		
Bank subsidiaries	297	83
Other subsidiaries	4,948	4,422
Long-term debt	44,276	39,046
Shareholders' equity	48,520	47,628

Total liabilities and shareholders' equity	\$102,962	\$ 100,693
=====		

	Year Ended December 31		

(Dollars in millions)	2001	2000	1999

Condensed Statement of Cash Flows			
Operating Activities			
Net income	\$ 6,792	\$ 7,517	\$7,882
Reconciliation of net income to net cash provided by operating activities:			
Equity in undistributed earnings of subsidiaries	(2,504)	(929)	(114)
Other operating activities	1,768	798	(191)

Net cash provided by operating activities	6,056	7,386	7,577

Investing Activities			
Net (increase) decrease in temporary investments	(24)	87	(274)
Net payments from (to) subsidiaries	(3,330)	237	9,192

Net cash provided by (used in) investing activities	(3,354)	324	8,918

Financing Activities			

Net increase (decrease) in commercial paper and other notes payable	(5,154)	(399)	1,600
Proceeds from issuance of long-term debt	10,762	6,335	5,912
Retirement of long-term debt	(6,106)	(2,993)	(3,760)
Proceeds from issuance of common stock	1,121	294	1,158
Common stock repurchased	(4,716)	(3,256)	(4,858)
Cash dividends paid	(3,632)	(3,388)	(3,199)
Other financing activities	763	(2)	(485)
Net cash used in financing activities	(6,962)	(3,409)	(3,632)
Net increase (decrease) in cash held at bank subsidiaries	(4,260)	4,301	12,863
Cash held at bank subsidiaries at January 1	20,233	15,932	3,069
Cash held at bank subsidiaries at December 31	\$15,973	\$ 20,233	\$15,932

</TABLE>

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Note 21 Performance by Geographic Area

Since the Corporation's operations are highly integrated, certain asset, liability, income and expense amounts must be allocated to arrive at total assets, total revenue, income (loss) before income taxes and net income (loss) by geographic area. The Corporation identifies its geographic performance based upon the business unit structure used to manage the capital or expense deployed in the region as applicable. This requires certain judgements related to the allocation of revenue so that revenue can be appropriately matched with the related expense or capital deployed in the region. Translation gains, for those units in hyperinflationary economies, net of hedging, totaled \$2 million in 2001 compared to translation losses of \$1 million in 2000 and translation gains of \$4 million in 1999. These amounts, which are reported in other noninterest income, are included in the table below:

<TABLE>
<CAPTION>

(Dollars in millions) (loss)	Year	Total assets/(1)/ at December 31	Total revenue/(2)/ for the year ended December 31	Income (loss) before income taxes	Net income

<S>	<C>	<C>	<C>	<C>	
<C>					
Domestic/(3)/	2001	\$ 570,184	\$ 32,187	\$ 9,428	
\$ 6,315	2000	587,287	30,633	10,584	
6,693	1999		30,038	11,164	
7,159					

Asia	2001	17,231	921	411	
276	2000	22,093	954	508	
355	1999		1,104	535	
367					

Europe, Middle East and Africa	2001	27,674	1,227	435	
295	2000	25,799	995	533	
363	1999		693	247	
177					

Latin America and the Caribbean	2001	6,675	303	(157)	
(94)	2000	7,012	349	163	
106	1999		471	269	
179					

Total Foreign	2001	51,580	2,451	689	
477					

824	2000	54,904	2,298	1,204	
723	1999		2,268	1,051	

Total Consolidated	2001	\$ 621,764	\$ 34,638	\$ 10,117	\$
6,792					
	2000	642,191	32,931	11,788	
7,517					
	1999		32,306	12,215	
7,882					
=====					
=====					
</TABLE>					

- /(1)/ Total assets includes long-lived assets, which are primarily located in the U.S.
- /(2)/ There were no material intercompany revenues between geographic regions for any of the periods presented.
- /(3)/ Includes the Corporation's Canadian operations, which had total assets of \$2,849 and \$3,938; total revenues of \$121, \$118 and \$100; income before income taxes of \$4, \$34 and \$55; and net income of \$0.3, \$22 and \$30 at and for the years ended December 31, 2001, 2000 and 1999, respectively.

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DIRECT AND INDIRECT SUBSIDIARIES OF BANK OF AMERICA CORPORATION
INDEX OF FR Y-10 REPORTABLE ENTITIES ON ORGANIZATION CHART AS OF 01/31/2002
(FR Y-10 REPORTABLE ENTITIES HELD ON A CONFIDENTIAL BASIS ARE
INCLUDED ON INVESTMENT LIST)

<TABLE>
<CAPTION>

Name	Location
<S>	<C>
A/M Properties, Inc.	Baltimore, MD
Abilene Park, Inc.	Dallas, TX
Airlease Ltd., A California Limited Partnership	San Francisco, CA
Airlease Management Services, Inc.	San Francisco, CA
Alamo Funding II, Inc.	Dallas, TX
Alamo Funding, Inc.	Dallas, TX
Alexanders on Ninth, Inc.	Charlotte, NC
Alie Street Investments Limited	London, U.K.
Altier, Inc.	Dallas, TX
Amadeo Trust	Las Vegas, NV
Amadeo, Inc.	Las Vegas, NV
Amarillo Lane, Inc.	Dallas, TX
AMB Pier One LLC	San Francisco, CA
America Fund	George Town, Grand Cayman, Cayman Is.
American Financial Service Group, Inc.	Greensboro, NC
Amsalem (QSPE) Limited	George Town, Grand Cayman, Cayman Is.
Anaconda Management LLC	Dallas, TX
Appold Holdings Limited	London, U.K.
Arbitrage Select Fund, L.P.	St. Louis, MO
Ariens Credit Corporation	Alpharetta, GA
Arrendadora Bank of America, S.A.	Mexico City, Mexico
Ashburn A Corp.	Baltimore, MD
Asian American Merchant Bank Ltd.	Singapore, Singapore
Asp Funding II, Inc.	Dallas, TX
Asp Funding, Inc.	Dallas, TX
Asset Backed Funding Corporation	Charlotte, NC
Aswan Village Associates, LLC	Miami, FL
Atlanta Affordable Housing Fund Limited Partnership	Charlotte, NC
Atlantic Equity Corporation	Charlotte, NC
Atlantic Square Investments, Inc.	Las Vegas, NV
Austin National Realty Corporation	Austin, TX
B&D Phase III LLC	Baltimore, MD
B.A. Investments (Cayman) Ltd.	George Town, Grand Cayman, Cayman Is.
BA 1998 Partners Associates Fund, L.P.	Chicago, IL
BA 1998 Partners Fund I, L.P.	Chicago, IL

BA 1998 Partners Fund II, L.P.	Chicago, IL
BA 1998 Partners Fund LDC	Chicago, IL
BA 1998 Partners Master Fund I, L.P.	Chicago, IL
BA 1998 Partners Master Fund II, L.P.	Chicago, IL
BA Agency, Inc.	Albuquerque, NM
BA Asia Limited	Hong Kong, PRC
BA Assets Company	George Town, Grand Cayman, Cayman Is.
BA Australia Limited	Sydney, New South Wales, Australia
BA Capital Company, L.P.	Charlotte, NC
BA Card Operations, Inc.	Dover, DE
BA Card Services, Inc.	Makati, Philippines
BA Coinvest GP, Inc.	Chicago, IL
BA Employment Services Limited	George Town, Grand Cayman, Cayman Is.
BA Equity Advisors S.r.L.	Milan, Italy
BA Equity Advisors Sp.zo.o	Warsaw, Poland
BA Equity Holdings, L.P.	Charlotte, NC
BA Equity Investment Company, L.P.	Charlotte, NC
BA Equity Investors, Inc.	Chicago, IL
BA Equity Partners Beratungs GmbH	Frankfurt, Germany
BA Finance (Hong Kong) Limited	Hong Kong, PRC

</TABLE>

-1-

<TABLE>	
<S>	
BA Finance Ireland Limited	Dublin, Ireland
BA Finance Lease, Inc.	San Francisco, CA
BA Holding Company S.A.	Luxembourg, Luxembourg
BA Insurance Agency, Inc.	San Diego, CA
BA International (Netherlands) B.V.	Amsterdam, The Netherlands
BA International Finance B.V.	Amsterdam, The Netherlands
BA Investments	George Town, Grand Cayman, Cayman Is.
BA LocProc Pty. Limited	Sydney, New South Wales, Australia
BA Merchant Services, Inc.	San Francisco, CA
BA Mortgage, LLC	Charlotte, NC
BA Netting Limited	London, U.K.
BA Overseas Holdings	George Town, Grand Cayman, Cayman Is.
BA Properties, Inc.	Los Angeles, CA
BA Rescarven Holding Company	George Town, Grand Cayman, Cayman Is.
BA SBIC Sub, Inc.	Chicago, IL
BA Securities Austradia Limited	Sydney, New South Wales, Australia
BA Securities Investment Advisory Limited	Taipei, Republic of China (Taiwan)
BA Securities Limited	Hong Kong, PRC

<C>

BA Technology I, LLC	Charlotte, NC
BAC Funding Consortium, Inc.	Miami, FL
BAC Realty LLC	Dallas, TX
BAC Services Inc.	New York, NY
BACAP Multi-Strategy Hedge Fund, LLC	New York, NY
BACAP Multi-Strategy Hedge Fund, Ltd.	New York, NY
BACF Corporation	Wilton, CT
BACP Europe Fund II, L.P.	Chicago, IL
BACP Europe Fund III, L.P.	Chicago, IL
BAEC Investments, L.L.C.	Chicago, IL
BAEP Asia (Philippines) Limited LLC	Chicago, IL
BAEP Asia Limited	Curepipe, Mauritius
BAEP Nord I LLC	Chicago, IL
BAEP Nord IA LLC	Chicago, IL
BAEP Nord III LLC	Chicago, IL
BAEP Nord IV LLC	Chicago, IL
BAEP Nord V LLC	Chicago, IL
BAEP Telecommunications Investments, L.L.C.	Chicago, IL
BAK Consolidated Holdings Overseas Partners	Las Vegas, NV
BAK Consolidated Holdings, Inc.	Las Vegas, NV
BALCAP Funding, LLC	San Francisco, CA
BA-MBS LLC	Las Vegas, NV
Bamerilease, Inc.	Phoenix, AZ
Bamerinvest, C.A.	Caracas, Chacao, Venezuela
BANA (#1) LLC	Charlotte, NC
Banc of America Advisors, LLC	Charlotte, NC
Banc of America Advisory Services, LLC	Charlotte, NC
Banc of America Agency of Nevada, Inc.	Las Vegas, NV
Banc of America Agency of Texas, Inc.	Dallas, TX
Banc of America Agency, LLC	Towson, MD
Banc of America Auto Finance Corp.	Jacksonville, FL
Banc of America Bridge LLC	Charlotte, NC
Banc of America Business Finance Corporation	Tucker, GA
Banc of America Capital Management (Ireland), Limited	Dublin, Ireland
Banc of America Capital Management Alternative Advisors, Inc.	New York, NY
Banc of America Capital Management, LLC	Charlotte, NC
Banc of America Capital Markets-Asia, Inc.	Singapore, Singapore
Banc of America CDC Special Holding Company, Inc.	Charlotte, NC
Banc of America CLO Corporation II	Dallas, TX
Banc of America Co-Invest Fund 2001, L.P.	Chicago, IL
Banc of America Commercial Finance Corporation	Wilton, CT

Banc of America Commercial Mortgage, Inc.	Charlotte, NC
Banc of America Commercial, LLC	Tucker, GA
Banc of America Community Development Corporation	Charlotte, NC
Banc of America Community Holdings, Inc.	Charlotte, NC
Banc of America Community Housing Investment Fund LLC	Chicago, IL
Banc of America Development, Inc.	Charlotte, NC
Banc of America E-Commerce Holdings, Inc.	Charlotte, NC
Banc of America Facilities Leasing, Inc.	San Francisco, CA

-2-

<TABLE>	
<S>	<C>
Banc of America Facilities Leasing, LLC	San Francisco, CA
Banc of America Financial Products, Inc.	Chicago, IL
Banc of America FSC Holdings, Inc.	San Francisco, CA
Banc of America Funding Corporation	Charlotte, NC
Banc of America Futures, Incorporated	Chicago, IL
Banc of America Historic Ventures, LLC	Charlotte, NC
Banc of America Insurance Group, Inc.	San Diego, CA
Banc of America Insurance Services, Inc.	Baltimore, MD
Banc of America Investment Leasing Co., Ltd.	Tokyo, Japan
Banc of America Investment Services, Inc.	Charlotte, NC
Banc of America Large Loan, Inc.	Dover, DE
Banc of America Leasing & Capital, LLC	San Francisco, CA
Banc of America Management Corporation	Wilton, CT
Banc of America Management LLC I	Chicago, IL
Banc of America Marketplace LLC	Charlotte, NC
Banc of America Mezzanine Capital LLC	Charlotte, NC
Banc of America Mortgage Capital Corporation	Charlotte, NC
Banc of America Neighborhood Services Corporation	Charlotte, NC
Banc of America Preferred Funding Corporation	Dallas, TX
Banc of America Purchase Street, L.L.C.	Phoenix, AZ
Banc of America Retirement Management, Inc.	Atlanta, GA
Banc of America SBIC Corporation	Charlotte, NC
Banc of America Securities (India) Private Limited	Mumbai, India
Banc of America Securities Canada Co.	Halifax, Nova Scotia
Banc of America Securities Canada Holding Corp.	Charlotte, NC
Banc of America Securities Limited	London, U.K.
Banc of America Securities LLC	Charlotte, NC
Banc of America Securities-Japan, Inc.	Tokyo, Japan
Banc of America Specialty Finance, Inc.	Alpharetta, GA

Banc of America Strategic Solutions, Inc.	Charlotte, NC
Banc of America Strategic Solutions, LLC	Charlotte, NC
Banc of America Technology Investments, Inc.	Charlotte, NC
Banc of America Vendor Finance, Inc.	San Diego, CA
BancAmerica Capital Holdings I, L.P.	Charlotte, NC
BancAmerica Capital Holdings II, L.P.	Chicago, IL
BancAmerica Capital Investors I, L.P.	Charlotte, NC
BancAmerica Capital Investors II, L.P.	Chicago, IL
BancAmerica Capital Investors SBIC I, L.P.	Charlotte, NC
BancAmerica Capital Investors SBIC II, L.P.	Chicago, IL
BancAmerica Coinvest Fund 2000, L.P.	Chicago, IL
Bank of America Forex (Philippines), Inc.	Makati, Philippines
Bank IV Affordable Housing Corporation	Wichita, KS
Bank IV Securities, Inc.	Charlotte, NC
Bank of America - Brasil S&A. (Banco Multiplo)	Sao Paulo, Brazil
Bank of America - Liberal S/A (Banco Multiplo)	Rio de Janeiro, Brazil
Bank of America (Asia) Limited	Hong Kong, PRC
Bank of America (Hawaii) Insurance Agency, Inc.	Honolulu, HI
Bank of America (Jersey) Limited	St. Helier, Jersey, Channel Islands
Bank of America (Macau) Limited	Macau
Bank of America (Polska) S.A.	Warsaw, Poland
Bank of America ACH Association	San Francisco, CA
Bank of America Asset Management	Rio de Janeiro, Brazil
Bank of America Brasil Holdings Ltda.	Sao Paulo, Brazil
Bank of America California, National Association	Walnut Creek, CA
Bank of America Canada	Toronto, Ontario, Canada
Bank of America Canada Specialty Group Ltd.	Mississauga, Ontario, Canada
Bank of America Capital Advisors LLC	Chicago, IL
Bank of America Capital Corporation	Chicago, IL
Bank of America Corporation	Charlotte, NC
Bank of America Foundation, Inc., The	Atlanta, GA
Bank of America Georgia, National Association	Atlanta, GA
Bank of America Leasing Corp.	Charlotte, NC
Bank of America Malaysia Berhad	Kuala Lumpur, Malaysia
Bank of America Mexico, S.A., Institucion de Banca Multiple	Mexico City, Mexico
Bank of America Mortgage Securities, Inc.	Charlotte, NC

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Bank of America Oregon, National Association	Portland, OR
Bank of America Overseas Corporation	Charlotte, NC

Bank of America Reinsurance Corporation	Burlington, VT
Bank of America S.A. Corretora de Cambio e Valores Mobiliarios	Rio de Janeiro, Brazil
Bank of America Securitization Investment Trust LLC	Wilmington, DE
Bank of America Singapore Limited	Singapore, Singapore
Bank of America Technology and Operations, Inc.	Charlotte, NC
Bank of America Trust and Banking Corporation (Cayman) Limited	George Town, Grand Cayman, Cayman Is.
Bank of America Trust Company of Delaware, National Association	Greenville, DE
Bank of America Ventures	Foster City, CA
Bank of America, National Association	Charlotte, NC
Bank of America, National Association (USA)	Phoenix, AZ
Bank of America, S.A.	Madrid, Spain
Bank of Canton (Nominees) Limited, The	Hong Kong, PRC
Bank South Home Equity, Inc.	Atlanta, GA
BankAmerica Acceptance Corp.	San Diego, CA
BankAmerica Capital I	Charlotte, NC
BankAmerica Capital II	Charlotte, NC
BankAmerica Capital III	Charlotte, NC
BankAmerica Capital IV	Charlotte, NC
BankAmerica Institutional Capital A	San Francisco, CA
BankAmeraca Institutional Capital B	San Francisco, CA
BankAmerica International Financial Corporation	San Francisco, CA
BankAmerica International Investment Corporation	Chicago, IL
BankAmerica Investment Corporation	Chicago, IL
BankAmerica Nominees (1993) Pte Ltd.	Singapore, Singapore
BankAmerica Nominees (Hong Kong) Ltd.	Hong Kong, PRC
BankAmerica Nominees (Singapore) Pte. Ltd.	Singapore, Singapore
BankAmerica Nominees Limited (London)	London, U.K.
BankAmerica Realty Finance, Inc.	Los Angeles, CA
BankAmerica Realty Services, Inc.	San Francisco, CA
Bankamerica Representacao e Servicos Limitada	Sao Paulo, Brazil
BankAmerica Special Assets Corporation	San Francisco, CA
BankAmerica Trust and Banking Corporation (Bahamas) Limited	Nassau, Bahamas
BankAmerica Trust Company (Hong Kong) Limited	Hong Kong, PRC
Barnett Auto Receivables Corp.	Reno, NV
Barnett Bank Premises Company - Brickell	Jacksonville, FL
Barnett Capital I	Jacksonville, FL
Barnett Capital II	Jacksonville, FL
Barnett Capital III	Jacksonville, FL
Barnett Leasing Company	Jacksonville, FL

Barnett Southside Land, Inc.	Charlotte, NC
Barrier Reef International Ltd.	Road Town, British Virgin Islands
Barrow Ltd.	George Town, Grand Cayman, Cayman Is.
Bartlett Park Neighborhood Redevelopment, L.C.	Tampa, FL
Barton Apartments, L.P., The	St. Louis, MO
BAS Alternative Investment Montage Fund LLC	New York, NY
BAS Alternative Management, LLC	San Francisco, CA
BAS Capital Funding Corporation	Chicago, IL
BAS Oak Management, LLC	San Francisco, CA
BAS Oak X, LLC	San Francisco, CA
BAS/SOFI Management, LLC	New York, NY
BAS/SOFI VI, LLC	New York, NY
BAVP, LP	Foster City, CA
Bay 2 Bay Leasing LLC	San Francisco, CA
Baycliff Cayman Ltd.	Charlotte, NC
Baycliff DE Inc.	Charlotte, NC
BBI Merchant Processing Company, LLC	Charlotte, NC
Becham (QSPE) Limited	George Town, Grand Cayman, Cayman Is.
Beechnut Holdings, Inc.	Houston, TX
Belmont Heights Development Company, L.C.	Tampa, FL
BFS Participacoes Ltda.	Sao Paulo, Brazil
Birch Funding II, Inc.	Dallas, TX
Birch Funding, Inc.	Dallas, TX
BIRMSON, L.L.C.	Wilton, CT

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<TABLE>	
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Biscayne Apartments, Inc.	Atlanta, GA
BJCC, Inc.	Wilton, CT
Blue Ridge Investments, L.L.C.	Charlotte, NC
Blue Spruce Investments, GP	Las Vegas, NV
BoA Netherlands Cooperatieve U.A.	Amsterdam, The Netherlands
Boatmen's Insurance Agency, Inc.	St. Louis, MO
BofA Investment Company S.A.	Buenos Aires, Argentina
Bossoroca Comercial Ltda.	Sao Paulo, Brazil
Brazilian Financial Services, Inc.	San Francisco, CA
Bronco Street REIT	Dallas, TX
Burton Road Development Partners, LLC	Atlanta, GA
C&S Premises, Inc.	Atlanta, GA
C&S Premises-SPE, Inc.	Atlanta, GA

Cabot Investments	London, U.K.
California Environmental Redevelopment Fund, LLC	San Francisco, CA
CalKearn, LLC	Reno, NV
Calstock Holdings Corporation	Las Vegas, NV
Calstock Partners	Las Vegas, NV
Canaan Collaborative Limited Partnership, The	Houston, TX
Capital Courts Corporation	Washington, DC
Capital Crossing Development Corporation	Suitland, MD
Carlton Court CDC, Inc.	Dallas, TX
Carlton Court Limited Partnership	Dallas, TX
Carolina Investments Limited	London, U.K.
Carolina Mountain Holding Company	Charlotte, NC
Carson Asset Management Company	Reno, NV
Cash Flow, Inc.	Charlotte, NC
Castle Bay REIT	Dallas, TX
Castlepoint, L.L.C.	St. Louis, MO
Cathedral Gorge Management LLC	Las Vegas, NV
CBD, L.L.C.	St. Louis, MO
Centerpoint Development LLC	Baltimore, MD
Centrex Capital Automobile Assets (Number Four), Inc.	Melville, NY
Centrex Capital Automobile Assets (Number Three), Inc.	Melville, NY
Centrex Capital Automobile Assets (Number Two), Inc.	Melville, NY
Centrex Capital Corp.	Melville, NY
Ceramica International Holdings S.a.r.L.	Luxembourg, Luxembourg
Charlotte Affordable Housing LLC, The	Charlotte, NC
Charlotte Gateway Village, LLC	Charlotte, NC
Charlotte Transit Center, Inc.	Charlotte, NC
Chase Federal Housing Corporation	Baltimore, MD
Chase I, Inc.	Miami, FL
ChaseFed Insurance Co.	Miami, FL
Chepstow Bellagio Holdings, Inc.	Las Vegas, NV
Chepstow Real Estate Investment Trust	Charlotte, NC
Cherry Affordable Housing Corp.	Charlotte, NC
CIC Trading, S.A.	Buenos Aires, Argentina
CIVC Partners Fund, L.P.	Chicago, IL
CIVC Partners Fund, LLC	Chicago, IL
Clark Street Redevelopment Corporation	St. Louis, MO
CNL Franchise Network, LP	Orlando, FL
Commerce Place Company	Nashville, TN
Community Reinvestment Group, L.C.	Fort Lauderdale, FL
Concorde Solutions, Inc.	San Francisco, CA
Conestoga Trail REIT	Dallas, TX
Continental Finanziaria S.P.A.	Milan, Italy

Continental Illinois Venture Corporation	Chicago, IL
Continental Information & Technology Services Co. S.A.	Buenos Aires, Argentina
Continental Partners Group, Inc.	Chicago, IL
Continental Servicios Corporativos, S.A. de C.V.	Mexico City, Mexico
Coppell Limited	George Town, Grand Cayman, Cayman Is.
Corporate Leasing Facilities Limited	London, U.K.
Courtyards Apartments II, Inc.	Charlotte, NC
Courtyards Apartments, Inc.	Atlanta, GA
Covation LLC	Atlanta, GA
Coventry Village Apartments, Inc.	Atlanta, GA

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<TABLE>	
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Crockett Funding II, Inc.	Dallas, TX
Crockett Funding, Inc.	Dallas, TX
CSC Associates, L.P.	Marietta, GA
CSF Holdings, Inc.	Tampa, FL
CSI Holdings, Inc.	Charlotte, NC
Cupples Development Phase I\$ L.L.C.	St. Louis, MO
Cupples Development, L.L.C.	St. Louis, MO
Cupples Garage, L.L.C.	St. Louis, MO
Dalespring Corporation	Baltimore, MD
Dallas Fort Worth Affordable Housing, LLC	Dallas, TX
DCRS Corporation	Atlanta, GA
Delabarre Place Property Holdings, Inc.	Baltimore, MD
Deportes Sports Holdings Limited	George Town, Grand Cayman, Cayman Is.
Diamondback Park, Inc.	Dallas, TX
Dill Avenue Redevelopment Partnership, LLC	Atlanta, GA
Dogwood Management LLC	Las Vegas, NV
Douglass Road LLC	Washington, DC
East Nashville Housing, LLC	Nashville, TN
Eban Incorporated	Dallas, TX
Eban Village I, Ltd.	Dallas, TX
Eban Village II, Ltd.	Dallas, TX
EBS Partnership, The	London, U.K.
Echo Canyon Park, Inc.	Las Vegas, NV
Edmondson Gardens LLC	Baltimore, MD
Eighth Street, LLC	Charlotte, NC
Elko Park, Inc.	Dallas, TX

Elmfield Investments Limited	London, U.K.
Elmsleigh Funding, Ltd.	George Town, Grand Cayman, Cayman Is.
Endeavour, LLC	Babylon, NY
EQCC Asset Backed Corporation	Jacksonville, FL
EQCC Receivables Corporation	Jacksonville, FL
EQCC Trans Receivable Corporation	Jacksonville, FL
EquiCredit Corporation	Jacksonville, FL
EquiCredit Corporation of America	Jacksonville, FL
Equity/Protect Reinsurance Company	Jacksonville, FL
ESP Financial Services LLC	San Diego, CA
Export Funding Corporation	Charlotte, NC
Fallon Lane II, Inc.	Dallas, TX
Fallon Lane, Inc.	Dallas, TX
Financial Services Engine, LLC	Charlotte, NC
FinancialOxygen, Inc.	Walnut Creek, CA
First Land Sales, Inc.	Baltimore, MD
First Mortgage Corporation	Dallas, TX
First Shelter Service Corporation	Brunswick, GA
First Ward Place, LLC	Charlotte, NC
FKF, Inc.	Des Moines, IA
Fleetwood Credit Corp.	Alpharetta, GA
Fleetwood Credit Receivables Corp.	Alpharetta, GA
Florida Affordable Housing 1998, L.L.C.	Charlotte, NC
Foremost Factors Limited	New Delhi, India
Fundo 2000 de Conversao-Capital Estrangeiro	Sao Paulo, Brazil
Fundo 2001 de Conversao-Capital Estrangeiro	Sao Paulo, Brazil
Galveston Funding, Inc.	Dallas, TX
Galveston Funding, Inc. II	Dallas, TX
Gatwick, Inc.	Dallas, TX
General Fidelity Insurance Company	San Diego, CA
General Fidelity Life Insurance Company	San Diego, CA
Germany Telecommunications 1 S.a.r.L	Luxembourg, Luxembourg
Germany Telecommunications 2 S.a.r.L	Luxembourg, Luxembourg
Giannini Family Foundation, The	San Francisco, CA
Gleneagles Trading LLC	Charlotte, NC
GLM Investments, Inc.	Charlotte, NC
Gold Max Investments Limited	Hong Kong, PRC

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<S>	<C>
Golden Gate Investments S.A.	Bogota, Colombia
Golden Gate Participacoes Ltda.	Sao Paulo, Brazil
Grace Church European Investments Company	Charlotte, NC
Grand Rock, L.L.C.	St. Louis, MO
Greenwood Apartments, LLC	Tampa, FL
GregCo, Inc.	Charlotte, NC
GTVBI, Inc.	Chicago, IL
Harbilan Corporation	Charlotte, NC
Harbour Directors I Limited	George Town, Grand Cayman, Cayman Is.
Harbour Directors II Limited	George Town, Grand Cayman, Cayman Is.
Harbour Nominees Ltd.	George Town, Grand Cayman, Cayman Is.
Harbour Secretaries I Limited	George Town, Grand Cayman, Cayman Is.
Harlem Gardens LP	Baltimore, MD
Harlem Park Development LLC	Baltimore, MD
Harper Farm M Corp.	Baltimore, MD
HC-Invest Szallitmanyozasi KFT	Magykrosi, Hungary
Heathrow, Inc.	Dallas, TX
Heathrow, Inc. II	Dallas, TX
Hedges S.A.	Buenos Aires, Argentina
Het Loo REIT, Co.	Reno, NV
Hickory Park, Inc.	Dallas, TX
High Point Estates, LLC	Atlanta, GA
Historic District Redevelopment Partnership	Atlanta, GA
Holly Spring Meadows LLC	Forestville, MD
HomeFocus Services, LLC	St. Louis, MO
HomeFocus Tax Services, LLC	Richmond, VA
Hong Kong & Shanghai Insurance Company, Limited	Hong Kong, PRC
Housing Southern California, LLC	Charlotte, NC
Hull Point, LLC	Baltimore, MD
Huxley 2000-1, LLC	San Francisco, CA
Huxley 2000-2, LLC	San Francisco, CA
Huxley 2000-3, LLC	San Francisco, CA
Huxley 2000-4, LLC	San Francisco, CA
Huxley Management, LLC	San Francisco, CA
Inchroy Credit Corporation Limited	Hong Kong, PRC
Independence Plaza General Partner, Inc.	St. Louis, MO
Independence Plaza Homes, L.L.C.	Kansas City, MO
Independence Plaza, L.P.	St. Louis, MO
Integrion Financial Network, LLC	Herndon, VA

Intrepid Funding Master Trust	Wilmington, DE
InverAmerica S.A.	Santa Fe de Bogota, Colombia
Inversiones y Negocios Fiduciarios S.A.	Buenos Aires, Argentina
InvestAmerica S.A.	Santiago, Chile
Ironside Property Holdings, Inc.	Irving, TX
Irving Park, Inc.	Dallas, TX
Island Funding, Ltd.	Dallas, TX
Island Funding, Ltd. II	George Town, Grand Cayman, Cayman Is.
Ismael I, Inc.	George Town, Grand Cayman, Cayman Is.
Jawbridge Finance, Inc.	Dallas, TX
JCCA, Inc.	Wilton, CT
Jeffries-Meyers Revitalization Ltd.	Dallas, TX
Joey Trust	San Francisco, CA
Justin, Inc.	George Town, Grand Cayman, Cayman Is.
K.C. Acquisitions, L.L.C.	Kansas City, MO
Kauai Hotel, L.P.	Los Angeles, CA
Kenilworth Industrial Park Limited Liability Company	Washington, DC
Kenilworth-Burroughs Limited Partnership	Washington, DC
Ketura, LLC	Dallas, TX
Klondike Management LLC	Las Vegas, NV
Korg Acceptance Corporation	Alpharetta, GA

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<TABLE>	<C>
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L/G Redevelopment, LLC	Nashville, TN
Laredo Partners	Dallas, TX
LaSalle Street Natural Resources Corporation	Houston, TX
Latin America Funding, Inc.	Dallas, TX
Lee County Holdings Company	Tampa, FL
Liberal Banking Corporation Ltd.	Nassau, Bahamas
Liberal Consultoria e Servicos Ltda.	Rio de Janeiro, Brazil
Liberal Fund	George Town, Grand Cayman, Cayman Is.
Liberal Gestao e Recursos Ltda.	Rio de Janeiro, Brazil
Liberal Holding Ltda.	Rio de Janeiro, Brazil
Lily River Investments, Ltd.	George Town, Grand Cayman, Cayman Is.
Links at Eastwood LLC, The	Charlotte, NC
Locust Tide Point LLC	Baltimore, MD

Lubbock Funding, Inc.	Dallas, TX
Lubbock Funding, Inc. II	Dallas, TX
Lyndhurst Properties Corp.	Melville, NY
"M&M Realty, Inc."	St. Louis, MO
Madison Park A Corp.	Baltimore, MD
Madre Mesa Property Holdings, Inc.	Baltimore, MD
Maguire Partners-Glendale Center, LLC	Los Angeles, CA
Main Place Funding, LLC	Charlotte, NC
Manele Bay I, Limited	St. Helier, Jersey, Channel Islands
Manele Bay II, Limited	St. Helier, Jersey, Channel Islands
Mar A Lowe Corp.	Baltimore, MD
MAR, Inc.	Charlotte, NC
Marnat Creek Limited Partnership	Tucker, GA
Marsico Capital Management, LLC	Denver, CO
Marsico Fund Advisors, LLC	Denver, CO
Marsico Management Holdings, L.L.C.	Charlotte, NC
Mayfair Partners	Dallas, TX
Mazestake Limited	London, U.K.
MBG Trust	Wilmington, DE
MBHD, LLC	Nashville, TN
Mecklenburg Park, Inc.	Dallas, TX
Medina Lane, Inc.	Charlotte, NC
Mercury Marine Acceptance Corporation	Alpharetta, GA
MESBIC Ventures Holding Company	Dallas, TX
Metropolitan Development, L.L.C.	St. Louis, MO
Mexican Outdoor Advertising, LLC	Chicago, IL
Michigan Place, LLC	Chicago, IL
Middletown Finance, Inc.	Dallas, TX
Midwest Affordable Housing 1997-1, L.L.C.	Charlotte, NC
Misty Waters Apartments, Inc.	Atlanta, GA
MN World Trade Corporation	Baltimore, MD
MNC Affiliates Group, Inc.	Washington, DC
MNC American Corporation	Birmingham, AL
MNC Consumer Discount Company	Washington, DC
MNC Credit Corp	Washington, DC
MNC Investment Bank, Ltd.	Baltimore, MD
Mobley Park Apartments, L.C.	Tampa, FL
Mohave Partners	Dallas, TX
MOIL Corporation	Wilton, CT
Montage Select LLC	San Francisco, CA

MortgageRamp Associates, LLC	San Francisco, CA
MortgageRamp Investment, LLC	San Francisco, CA
Motift, Inc.	Atlanta, GA
MS Spitfire LLC	San Francisco, CA
Mt. Mitchell Capital Funding, LLC	New York, NY
Mt. Mitchell Holdings, Inc.	New York, NY
Mt. Mitchell Holdings, LLC	Charlotte, NC
Mt. Mitchell LLC	Charlotte, NC
Muirfield Trading LLC	Charlotte, NC
Multi-Family Housing Investment Fund I, LLC	Charlotte, NC
Multi-Strategy Alternative Fund, L.P.	St. Louis, MO

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<TABLE>	
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MYM Holdings Corporation	Charlotte, NC
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N.B. (Bahamas) Ltd.	Nassau, Bahamas
Nations de Colombia Ltda.	Santa Fe de Bogota, Colombia
Nations Europe Limited	London, U.K.
Nations Finance (Cayman) Limited	George Town, Grand Cayman, Cayman Is.
Nations Finance Company	Dublin, Ireland
Nations High Yield Bond Fund (Offshore)	George Town, Grand Cayman, Cayman Is.
Nations International Equity Fund (Offshore)	George Town, Grand Cayman, Cayman Is.
Nations International Value Fund (Offshore)	George Town, Grand Cayman, Cayman Is.
Nations Marsico Focused Equities Fund (Offshore)	George Town, Grand Cayman, Cayman Is.
Nations Marsico Growth & Income Fund (Offshore)	George Town, Grand Cayman, Cayman Is.
NationsBanc Business Credit, Inc.	Tucker, GA
NationsBanc Charlotte Center, Inc.	Charlotte, NC
NationsBanc Equity Mortgage Corporation	Richmond, VA
NationsBanc Health Services, Inc.	Charlotte, NC
NationsBanc Insurance Agency, Inc.	Norfolk, VA
NationsBanc Insurance Company, Inc.	Charlotte, NC
NationsBanc Insurance Inc.	Mount Airy, MD
NationsBanc Leasing & R.E. Corporation	Charlotte, NC
NationsBanc Montgomery Holdings Corporation	Charlotte, NC
NationsBanc Pacific Corporation	Charlotte, NC
NationsBank CLO Corporation	Dallas, TX
NationsBank CLO Funding Corp.	Dallas, TX
NationsBank International Trust (Jersey) Limited	Saint Helier, Jersey, Channel Islands
NationsCommercial Corp.	Dallas, TX

NationsCredit Financial Acceptance Corporation	Irving, TX
NationsCredit Financial Services Corporation	Irving, TX
NationsCredit Financial Services Corporation of Nevada	Irving, TX
NationsCredit Home Equity ABS Corporation	Irving, TX
NationsCredit Insurance Agency, Inc.	Irving, TX
NationsCredit Insurance Corporation	Irving, TX
NationsCredit Manufactured Housing Corporation	Jacksonville, FL
NationsCredit Securitization Corporation	Alpharetta, GA
Nations-CRT Hong Kong, Limited	Hong Kong, PRC
NB Capital Trust I	Charlotte, NC
NB Capital Trust II	Charlotte, NC
NB Capital Trust III	Charlotte, NC
NB Capital Trust IV	Charlotte, NC
NB Finance Lease, Inc.	Tucker, GA
NB Financial Trading (Ireland) Limited	Dublin, Ireland
NB Holdings Corporation	Charlotte, NC
NB Insurance Services, Inc.	Tucker, GA
NB International Finance B.V.	Amsterdam, The Netherlands
NB Partner Corp.	Charlotte, NC
NBCDC Osborne, Inc.	Tampa, FL
NBRE Realty LLC	Las Vegas, NV
NCNB Corporate Services, Inc.	Charlotte, NC
NCNB Properties, Inc.	Charlotte, NC
Nevin Rd Associates LLC	Raleigh, NC
Nevis Investments Limited	George Town, Grand Cayman, Cayman Is.
New Haven Limited Partnership	Dallas, TX
Newington Limited Partnership, The	Baltimore, MD
Nexus - Banc of America Fund II, L.P.	Chicago, IL
Nexus - Banc of America Fund I-K, L.P.	Chicago, IL
Nexus - Banc of America Fund I-M, L.P.	Chicago, IL
NMS Capital, L.P.	New York, NY
NMS Services (Cayman) Inc.	George Town, Grand Cayman, Cayman Is.
NMS Services, Inc.	New York, NY
Nubia Redevelopment Partnership	Dallas, TX
Oak Park at Nations Ford LLC	Charlotte, NC
Oakland Trace Redevelopment, L.C.	Jacksonville, FL
Odessa Park, Inc.	Dallas, TX
Old Heritage New Homes, Ltd.	Dallas, TX
Old Sterling Street REIT	Dallas, TX
Orchards Subdivision, LLC, The	Atlanta, GA

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Osborne Landing, Ltd.	Tampa, FL
Oshkosh/McNeilus Financial Services Partnership	Dodge Center, MN
Overseas Lending Corporation	San Francisco, CA
Pacific Diamond Assets Limited	Hong Kong, PRC
Pacific Southwest Realty Company	San Francisco, CA
PA-Dritte WTP Beteiligungsverwaltungs GmbH	Vienna, Austria
Padovano Investments	George Town, Grand Cayman, Cayman Is.
Pan American Mortgage Corp.	Miami, FL
Paradise Funding, Ltd.	George Town, Grand Cayman, Cayman Is.
Park at Hillside, LLC, The	Nashville, TN
Park at Lakewood L.L.C. dba Campbellton Glen Apartments LLC, The	Charlotte, NC
PDE, Inc.	George Town, Grand Cayman, Cayman Is.
PDK Hangar, L.L.C.	Charlotte, NC
Peak Finance Partners IV, L.P.	Reno, NV
Peak Finance Partners V, L.P.	Reno, NV
Perissa LLC	San Francisco, CA
Pershing Park, Inc.	Las Vegas, NV
Piccadilly, Inc.	Dallas, TX
Pine Hill Investments, Inc.	Dallas, TX
Pine Oaks/Mesquite, Inc.	Dallas, TX
Pinehurst Trading, Inc.	Charlotte, NC
PJM Office Building, LLC	Baltimore, MD
PJM Retail Center, LLC	Baltimore, MD
Plano Partners	Dallas, TX
PNB Securities Corporation	Los Angeles, CA
Poplar Partners	Dallas, TX
Portfolio Financial Servicing Company	Portland, OR
Price Auto Outlet of California, Inc.	Anaheim, CA
PRLAP, Inc. (Alaska Corporation)	Juneau, AK
PRLAP, Inc. (Missouri Corporation)	Clayton, MO
PRLAP, Inc. (North Carolina Corporation)	Charlotte, NC
PRLAP, Inc. (Tennessee Corporation)	Knoxville, TN
PRLAP, Inc. (Texas Corporation)	Dallas, TX
PRLAP, Inc. (Virginia Corporation)	Richmond, VA
PRLAP, Inc. (Washington Corporation)	Seattle, WA
Prodigy Holdings Private Limited	Curepipe, Mauritius
PT Development, LLC	Nashville, TN
Puritan Mill, LLC	Atlanta, GA
Pydna Corporation	San Francisco, CA

Python Partners	Dallas, TX
Quarrywood Limited	Hong Kong, PRC
Queen City Partnership	Dallas, TX
Red River Park, Inc.	Charlotte, NC
Regent Street II, Inc.	Dallas, TX
RepublicBank Insurance Agency, Inc.	Dallas, TX
Reynoldstown Rising, LLC	Atlanta, GA
Ritchie Court M Corporation	Baltimore, MD
Riviera Funding LLC	Charlotte, NC
Rockwell Resources, Inc.	Charlotte, NC
Rosebank Meadows Subdivision, LLC	Nashville, TN
Rosedale General Partner, LLC	Baltimore, MD
Rosedale Terrace Limited Partnership	Baltimore, MD
Rotunda Partners II, LLC	Oakland, CA
Royal Oaks, L.L.C.	Jacksonville, FL
Ruby Aircraft Leasing and Trading Limited	London, U.K.
Ruby Lake LLC	Las Vegas, NV
Safari (QSPE) Limited	George Town, Grand Cayman, Cayman Is.
Sagebrush Holdings, Inc.	Las Vegas, NV
Savannah at Washington Park, LLC	Fayetteville, GA
Sawgrass Trading LLC	Charlotte, NC
SCI Holdings Corporation	Baltimore, MD
SCIC Properties, LLC	Baltimore, MD

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<TABLE>	<C>
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SCIC Riverwalk, LLC	Baltimore, MD
SCIC San Antonio II, LLC	Baltimore, MD
SCRC Process Service Corp.	Baltimore, MD
Sea Ray Credit Corporation	Alpharetta, GA
Seabrook Operations, Inc.	Atlanta, GA
Seafirst America Corporation	Seattle, WA
Seafirst Insurance Corporation	Bellevue, WA
Seafirst Leasing Company	Seattle, WA
Seaview of Seabrook, Inc.	Atlanta, GA
Second Land Sales, Inc.	Atlanta, GA
Securilease BV	Amsterdam, The Netherlands

Securitization Funding Corporation	Dallas, TX
Security Pacific Acceptance Corp. II	San Diego, CA
Security Pacific Australian Assets Limited	Sydney, New South Wales, Australia
Security Pacific EuroFinance Holdings, Inc.	San Francisco, CA
Security Pacific EuroFinance, Inc.	San Francisco, CA
Security Pacific Hong Kong Holdings Limited	Hong Kong, PRC
Security Pacific Housing Services, Inc.	San Diego, CA
Security Pacific Lease Finance (Europe) Inc.	San Francisco, CA
Security Pacific Leasing Corporation	San Francisco, CA
Security Pacific Overseas Investment Corporation	San Francisco, CA
Security-First CMO-I Corporation	San Francisco, CA
Security-First Company	San Francisco, CA
Sequoia Lane GP	Dallas, TX
Service-Wright Corporation	Washington, DC
Servicios Integrales y Equipamiento S. de R.L. de C.V.	Mexico City, Mexico
Seventh Street Mandalay Holdings, Inc.	Las Vegas, NV
Seventh Street REIT, Inc.	Charlotte, NC
Sherwood Terrace Apartments, Inc.	Atlanta, GA
Sidewinder Funding II, Inc.	Dallas, TX
Sidewinder Funding, Inc.	Dallas, TX
Sierra Nevada Realty, G.P.	Las Vegas, NV
Siesta Holdings, Inc.	Las Vegas, NV
Silver Management Company	Las Vegas, NV
Silver Management Holding Company	Las Vegas, NV
Silverdale Assets Limited	Hong Kong, PRC
Societe Anonyme Immobiliere du 28 Place Vendome	Paris, France
SOP M Corp.	Baltimore, MD
South Charles Investment Corporation	Baltimore, MD
South Charles Realty Corp	Baltimore, MD
Southern Dallas Development Fund, Inc.	Dallas, TX
Sovran Capital Management Corporation	Richmond, VA
SPAA Leasing Corporation	San Francisco, CA
Spitfire Capital Partners LP	San Francisco, CA
Spotted Horse Holdings, Inc.	Cheyenne, WY
Springfield Finance and Development Corporation	Springfield, MO
Spruce Street I, L.L.C.	St. Louis, MO
SRF 2000 LLC	Charlotte, NC
SRF Trading, Inc.	Miami, FL
SRV-Highland, Inc.	Miami, FL
St. Johns Place, L.C.	Jacksonville, FL
Stanton Road Housing LLC	Washington, DC
Stanwich Loan Funding LLC	Charlotte, NC

Statewide Administrative Services, Inc.	Tucker, GA
Steppington/Dallas, Inc.	Dallas, TX
Stonegate Meadows, L.P.	Kansas City, MO
Suburban Service Corporation	Charlotte, NC
Summerhill Redevelopment Partners, LLC	Atlanta, GA
Sunset Hill Corporation	Baltimore, MD
SunStar Acceptance Corporation	Atlanta, GA
Sweet River Investments, Ltd.	George Town, Grand Cayman, Cayman Is.
Sweeting Associates, LLC	Miami, FL
Swiss (Lot A-1), LLC	San Francisco, CA
Swiss (Lot A-2), LLC	San Francisco, CA
Swiss (Lots 1 & 2), LLC	San Francisco, CA

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<TABLE>	<C>
<S>	
Swiss (Lots A & B), LLC	San Francisco, CA
Sycamore Funding II, Inc.	Dallas, TX
Sycamore Funding, Inc.	Dallas, TX
Tabono Joint Venture, The	Dallas, TX
Tabono Partnership II, Ltd.	Dallas, TX
Tennessee Nationalease Corporation	Charlotte, NC
Terry Street Redevelopment Limited Liability Company	Atlanta, GA
Third Coast Community Development Corporation	Houston, TX
Third Ward Committee, LLC	Charlotte, NC
Third Ward Neighborhood Development Association	Charlotte, NC
Three Commercial Place Associates	Norfolk, VA
Titulos Rioplatenses S.A.	Montevideo, Uruguay
TLC, L.C.	Jacksonville, FL
T-Oaks Apartments, Inc.	Atlanta, GA
Tower II Partnership, The	Hong Kong, PRC
Town Park Associates, LLC	Miami, FL
Transit Holding, Inc.	San Francisco, CA
Tri-Star Communications, Inc.	San Francisco, CA
Trotwood Property Holdings, Inc.	Irving, TX
Troy Street Limited Liability Company	Alexandria, VA
Trunoms, Limited	Nassau, Bahamas
Tryon Assurance Company, Ltd.	Hamilton, Bermuda
Tryon Investments II, LLC	San Francisco, CA

Turtle Hill GP LLC	Kansas City, MO
Turtle Hill Townhomes, L.P.	Kansas City, MO
Tyler Trading, Inc.	Dallas, TX
Ulysses Leasing Limited	St. Helier, Jersey, Channel Islands
Union Realty and Securities Company	St. Louis, MO
United States Airlease Holding, Inc.	San Francisco, CA
UniTrusco Corporation	Jacksonville, FL
University Lofts Associates, L.P.	St. Louis, MO
University Lofts Development, L.L.C.	St. Louis, MO
Urban Housing/JBH Apartments, L.P.	San Diego, CA
Urban Mecca I, LLC	Atlanta, GA
USA Auto Mall of Florida, Inc.	Orlando, FL
USA Auto Mall of New Jersey, Inc.	Linden, NJ
USA Auto Mall of New York, Inc.	Bethpage, NY
USA Auto Mall, Inc.	Exton, PA
Velocity Associates, LLC	San Francisco, CA
Velocity Investments, LLC	San Francisco, CA
Venco, B.V.	George Town, Grand Cayman, Cayman Is.
Vernon Park, Inc.	Dallas, TX
Verrington Limited	George Town, Grand Cayman, Cayman Is.
Viewpointe Archive Services, L.L.C.	Charlotte, NC
Villages of La Costa Southwest, L.L.C.	San Diego, CA
Vine Street Lofts, L.P.	Kansas City, MO
Vine Street Place, L.L.C.	Kansas City, MO
Viper LLC	Dallas, TX
Viva Associates, LLC	San Francisco, CA
Viva Investment, LLC	San Francisco, CA
Washington View (H) Corporation	Baltimore, MD
Washington Wheatley Neighborhood Partnership	Kansas City, MO
Washoe Lake LLC	Las Vegas, NV
WCH Limited Partnership	Dallas, TX
WCSA Development, L.L.C.	St. Louis, MO
WCSA Homes II L.P.	St. Louis, MO
Wellington Land Company, Inc.	Baltimore, MD
Wellington Park/Lewisville, Inc.	Dallas, TX
Wellston Homes General Partner, L.L.C.	Clayton, MO
Wellston Homes, L.P.	St. Louis, MO
Wendover Lane II, Inc.	Dallas, TX

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<S>	<C>
Wendover Lane, Inc.	Dallas, TX
West End, L.L.C.	St. Louis, MO
West Trade, LLC	Charlotte, NC
Westview Terrace Apartments, L.L.C.	Miami, FL
White Pine Asset Management Company	Reno, NV
White Ridge Investments, Ltd.	London, U.K.
White Ridge Investment Advisors LLC	New York, NY
White Sands Leasing, LLC	San Francisco, CA
Wickliffe A Corp.	Baltimore, MD
Windmill Sands Leasing, LLC	San Francisco, CA
Winnebago Acceptance Corporation	Alpharetta, GA
Wolnoms, Limited	Nassau, Bahamas
Woods at Addison LLC	Capitol Heights, MD
Worthen Development Corporation, Inc.	Maumelle, AR
Worthen Mortgage Company	Buffalo, NY
Worthington Avenue, LLC	Charlotte, NC
Yellow Rose Investments Company	Dallas, TX
Zentac Productions, Inc.	San Francisco, CA
Zephyr Cove Finance, Inc.	Dallas, TX
200 Madison Avenue Realty Corporation	Charlotte, NC
555 California Street Partners	San Francisco, CA

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-47222; 333-70984; 333-65750; 333-64450; 333-83503; 333-07229; 333-15375; 333-18273; 333-43137; 333-51367; 33-54784; 33-57533; 33-63097 and 33-45498); the Registration Statements on Form S-8 (Nos. 333-53644; 33-45279; 33-60695; 333-02875; 333-58657; 333-65209; 333-81810; 333-53664; 333-69849 and 2-80406); and the Post-Effective Amendments on Form S-8 to Registration Statements on Form S-4 (Nos. 33-43125; 33-55145; 33-63351; 33-62069; 33-62208; 333-16189; 333-60553; and 333-40515) of Bank of America Corporation of our report dated January 18, 2002, which appears in the Annual Report to Shareholders, which is incorporated in this Annual Report on Form 10-K.

/s/ PricewaterhouseCoopers LLP
Charlotte, North Carolina
March 22, 2002

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of Bank of America Corporation and the several undersigned officers and directors whose signatures appear below, hereby makes, constitutes and appoints Charles M. Berger, Rachel R. Cummings and Paul J. Polking, and each of them acting individually, its, his and her true and lawful attorneys with power to act without any other and with full power of substitution, to prepare, execute, deliver and file in its, his and her name and on its, his and her behalf, and in each of the undersigned officer's and director's capacity or capacities as shown below, an Annual Report on Form 10-K for the year ended December 31, 2001, and all exhibits thereto and all documents in support thereof or supplemental thereto, and any and all amendments or supplements to the foregoing, hereby ratifying and confirming all acts and things which said attorneys or attorney might do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, Bank of America Corporation has caused this power of attorney to be signed on its behalf, and each of the undersigned officers and directors, in the capacity or capacities noted, has hereunto set his or her hand as of the date indicated below.

BANK OF AMERICA CORPORATION

By: /s/ Kenneth D. Lewis

Kenneth D. Lewis
Chairman and Chief Executive Officer

Dated: January 23, 2002

<TABLE>

<CAPTION>

Signature -----	Title -----	Date ----
<S> /s/ Kenneth D. Lewis ----- Kenneth D. Lewis	<C> Chairman, Chief Executive Officer and Director (Principal Executive Officer)	<C> January 23, 2002
/s/ James H. Hance, Jr. ----- James H. Hance, Jr.	Vice Chairman, Chief Financial Officer and Director (Principal Financial Officer)	January 23, 2002
/s/ Marc. D. Oken ----- Marc D. Oken	Executive Vice President and Principal Financial Executive (Principal Accounting Officer)	January 23, 2002
/s/ John R. Belk ----- John R. Belk	Director	January 23, 2002
/s/ Charles W. Coker ----- Charles W. Coker	Director	January 23, 2002
/s/ Frank Dowd, IV ----- Frank Dowd, IV	Director	January 23, 2002
/s/ Kathleen F. Feldstein ----- Kathleen F. Feldstein	Director	January 23, 2002
/s/ Paul Fulton ----- Paul Fulton	Director	January 23, 2002
/s/ Donald E. Guinn ----- Donald E. Guinn	Director	January 23, 2002
/s/ C. Ray Holman ----- C. Ray Holman	Director	January 23, 2002
/s/ Walter E. Massey ----- Walter E. Massey	Director	January 23, 2002

</TABLE>

<TABLE>		
<S>	<C>	<C>
/s/ C. Steven McMillan	Director	January 23, 2002

C. Steven McMillan		
/s/ Patricia E. Mitchell	Director	January 23, 2002

Patricia E. Mitchell		
/s/ O. Temple Sloan, Jr.	Director	January 23, 2002

O. Temple Sloan, Jr.		
/s/ Meredith R. Spangler	Director	January 23, 2002

Meredith R. Spangler		
/s/ Ronald Townsend	Director	January 23, 2002

Ronald Townsend		
	Director	January __, 2002

Peter V. Ueberroth		
/s/ Jackie M. Ward	Director	January 23, 2002

Jackie M. Ward		
/s/ Virgil R. Williams	Director	January 23, 2002

Virgil R. Williams		
</TABLE>		

BANK OF AMERICA CORPORATION
CERTIFICATE OF SECRETARY

I, ALLISON L. GILLIAM, Assistant Secretary of Bank of America Corporation, a corporation duly organized and existing under the laws of the State of Delaware, do hereby certify that attached is a true and correct copy of resolutions duly adopted by a majority of the entire Board of Directors of the Corporation at a meeting of the Board of Directors held on January 23, 2002, at which meeting a quorum was present and acted throughout and that said resolutions are in full force and effect and have not been amended or rescinded as of the date hereof.

IN WITNESS WHEREOF, I have hereupon set my hand and affixed the seal of the Corporation this 13th day of March, 2002.

(SEAL)

/s/ Allison L. Gilliam

Allison L. Gilliam
Assistant Secretary

BANK OF AMERICA CORPORATION
BOARD OF DIRECTORS
RESOLUTIONS

January 23, 2002

2001 Annual Report on Form 10-K

WHEREAS, officers of Bank of America Corporation (the "Corporation") have made presentations to the Board of Directors regarding the Corporation's financial results for the year ended December 31, 2001;

WHEREAS, the Board of Directors has had adequate opportunity to review and comment on such results;

WHEREAS, the December 31, 2001 audited financial statements (the "2001 financial statements") will be included in the Corporation's 2001 Annual Report to Stockholders (the "2001 Annual Report") and incorporated by reference in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2001 (the "2001 Form 10-K"); and

WHEREAS, members of the Audit Committee have recommended to the Board of Directors that the 2001 financial statements be included in the 2001 Annual Report and incorporated by reference in the 2001 Form 10-K;

NOW, THEREFORE, BE IT:

RESOLVED, that the proper officers of the Corporation be, and they hereby are, authorized and empowered on behalf of the Corporation to prepare, execute, deliver and file the 2001 Form 10-K, based upon the information presented to and considered at this meeting, in such form and with such content and attachment of exhibits as the officers signing the 2001 Form 10-K shall approve, their approval to be conclusively evidenced by their signature thereof; and be it

FURTHER RESOLVED, that the proper officers of the Corporation be, and they hereby are, authorized and empowered on behalf of the Corporation to execute the 2001 Form 10-K and file it with the Securities

and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, and with such other governmental agencies or instrumentalities as such officers deem necessary or desirable, and to prepare, execute, deliver and file any amendment or amendments to the 2001 Form 10-K, as they may deem necessary or appropriate; and be it

FURTHER RESOLVED, that Charles M. Berger, Rachel R. Cummings and Paul J. Polking be, and each of them with full power to act without the other hereby is, authorized and empowered to prepare, execute, deliver and file the 2001 Form 10-K and any amendment or amendments thereto on behalf of and as attorneys for the Corporation and on behalf of and as attorneys for any of the following: the principal executive officer, the principal financial officer, the principal accounting officer, and any other officer of the Corporation; and be it

FURTHER RESOLVED, that, for the purposes of these resolutions, the "proper officers" of the Corporation are the Executive Officers, the

Secretary, any Executive Vice President, and any Senior Vice President, and that each of these officers is authorized, empowered and directed, in the name and on behalf of the Corporation to execute and deliver or cause to be executed and delivered any and all agreements, amendments, certificates, applications, notices, letters, or other documents and to do or cause to be done any and all such other acts and things as, in the opinion of any such officer, may be necessary, appropriate or desirable in order to enable the Corporation fully and promptly to carry out the intent of the foregoing resolutions, and any such action taken by such officers shall be conclusive evidence of their authority.