Bank of America

3Q10 Earnings Results

October 19, 2010

Forward-Looking Statements

Bank of America and its management may make certain statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. The forward-looking statements made represent Bank of America's current expectations, plans or forecasts of its future results and revenues, including future risk weighted assets and any mitigation efforts to reduce risk weighted assets, representations and warranties reserves, expenses and repurchase activity, net interest income, credit trends and conditions, including credit losses, credit reserves, charge-offs, delinquency trends and nonperforming asset levels, consumer and commercial service charges, including the impact of changes in the company's overdraft policy as well as from the Electronic Fund Transfer Act and the company's ability to mitigate a decline in revenues, liquidity, regulatory and GAAP capital levels, including complying with any Basel capital requirements without raising additional capital, revenue impact of the Credit Card Accountability, Responsibility and Disclosure Act of 2009 (the CARD Act), revenue impact resulting from and any mitigation actions taken in response to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Financial Reform Act), mortgage production levels, long-term debt levels, runoff of loan portfolios, the number of delayed foreclosure sales and the resulting financial impact and other similar matters. These statements are not guarantees of future results or performance and involve certain risks, uncertainties and assumptions that are difficult to predict and are often beyond Bank of America's control. Actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements.

You should not place undue reliance on any forward-looking statement and should consider all of the following uncertainties and risks, as well as those more fully discussed under Item 1A. "Risk Factors" of Bank of America's 2009 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the quarter ended June 30, 2010 and in any of Bank of America's subsequent SEC filings: the foreclosure review and assessment process, the effectiveness of the company's response and any third party claims asserted in connection with these foreclosures matters; negative economic conditions; Bank of America's modification policies and related results, the level and volatility of the capital markets, interest rates, currency values and other market indices; changes in consumer, investor and counterparty confidence, and the related impact on, financial markets and institutions; Bank of America's credit ratings and the credit ratings of its securitizations; estimates of fair value of certain of Bank of America's assets and liabilities; legislative and regulatory actions in the United States (including the impact of the Financial Reform Act, the Electronic Fund Transfer Act, the CARD Act and related regulations and interpretations) and internationally; the identification and effectiveness of any initiatives to mitigate the negative impact of the Financial Reform Act; the impact of litigation and regulatory investigations, including costs, expenses, settlements and judgments; various monetary and fiscal policies and regulations of the U.S. and non-U.S. governments; changes in accounting standards, rules and interpretations (including the new consolidation guidance), inaccurate estimates or assumptions in the application of accounting policies, including in determining reserves, applicable guidance regarding goodwill accounting and the impact on Bank of America's financial statements; increased globalization of the financial services industry and competition with other U.S. and international financial institutions; Bank of America's ability to attract new employees and retain and motivate existing employees; mergers and acquisitions and their integration into Bank of America, including the company's ability to realize the benefits and cost savings from and limit any unexpected liabilities acquired as a result of the Merrill Lynch acquisition; Bank of America's reputation; and decisions to downsize, sell or close units or otherwise change the business mix of Bank of America.

Forward-looking statements speak only as of the date they are made, and Bank of America undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.

Important Presentation Format Information

- This information is preliminary and based on company data available at the time of the presentation
- Certain prior period amounts have been reclassified to conform to current period presentation
- Excluding the goodwill impairment charge from certain financial measures as well as other adjusted financial measures contained herein represent non-GAAP financial measures. For more information about the non-GAAP financial measures contained herein, please see the presentation of the most directly comparable financial measures calculated in accordance with GAAP and accompanying reconciliations in the earnings press release and other earnings related information available through the Bank of America Investor Relations web site at: http://investor.bankofamerica.com

3Q10 Commentary

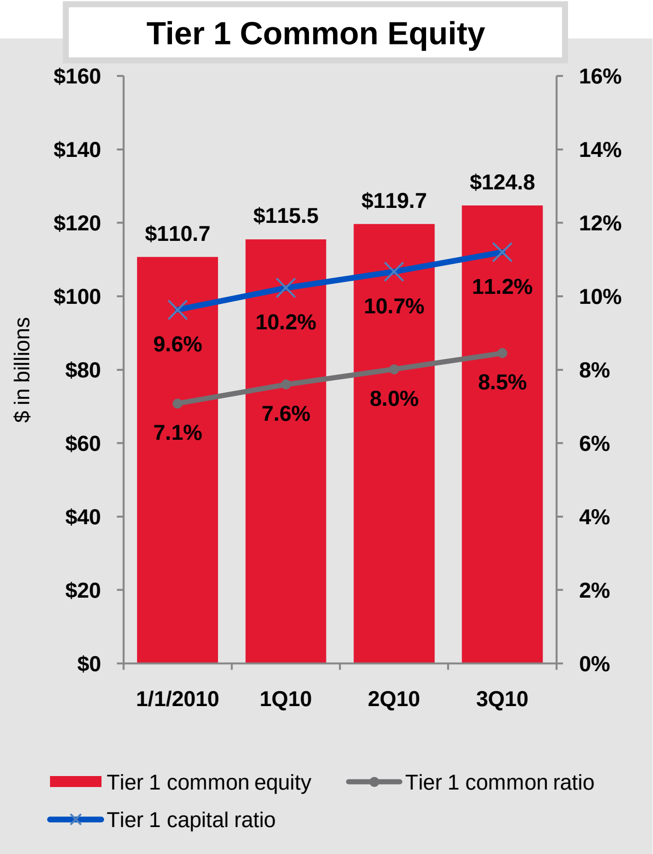
- Net loss of $7.3B, including non-cash goodwill impairment charge of $10.4B
- Excluding the goodwill impairment charge
  - Generated 3Q10 earnings of $3.1B, YTD $9.4B
  - Consistent quarterly earnings level throughout 2010, thus far over $3B per quarter
- Making solid progress on core franchise
- Continued strong improvement in credit quality
- Significant improvement in financial condition
  - Risk-weighted assets down $18.3B from 2Q10 and $86.8B since January 1, 2010
  - Tier 1 Common equity up $5.0B from 2Q10 and $14.1B since January 1, 2010
  - Tier 1 Common equity ratio now up to 8.45%, tangible common equity ratio now up to 5.77%
  - Deposits continue to grow and loans moving closer to stabilization
    - Commercial loans, excluding real estate, grew 1% from 2Q10
- Managing through impacts of economic headwinds and sustained low interest rates

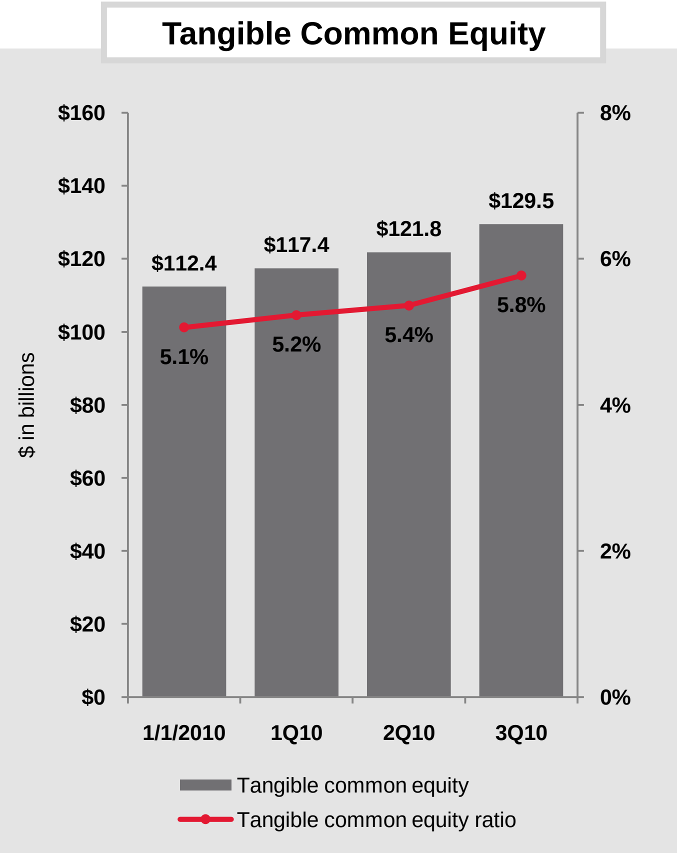
Balance Sheet Highlights

($ in billions)	September 30, 2010	January 1, 2010 [1]	Change from 1/1/10
Total assets	$ 2,327.8	$ 2,323.7	$ 4.1
Total risk-weighted assets	1,476.8	1,563.6	(86.8)
Total deposits	977.3	991.6	(14.3)
Long-term debt	478.9	522.9	(44.0)
Tangible common equity	129.5	112.4	17.1
Tier 1 common equity	124.8	110.7	14.1
Global excess liquidity sources	324	214	110
Tier 1 common equity ratio	8.45 %	7.08 %	137 bps
Tangible book value per share	$ 12.91	$ 11.31	$ 1.60
Asset Quality			
Allowance for loan and lease losses	$ 43.6	$ 48.0	$ (4.4)
as a % of loans and leases	4.69 %	4.81 %	(10) bps
coverage for annualized net losses	1.53 x	1.07 x	0.46 x
Nonperforming assets	$ 34.6	$ 36.2	$ (1.6)

[1] Reflects the 12/31/09 information adjusted to include 1/1/10 adoption of FAS 166/167 as reported in our SEC filings.

Strong Capital Measures Improving [1]





Commentary vs. 2Q10

- 3Q10 ratios improved due to
  - Earnings of $2.7B, net of preferred and common dividends and excluding goodwill impairment charge
  - $18B reduction in risk-weighted assets
- Tangible common equity increase driven by $6.2B, net of tax, valuation increase of CCB investment

[1] Capital measures reflect the implementation of FAS 166/167 on January 1, 2010 for comparative purposes

Preliminary Capital Impacts

- Have made significant progress on Tier 1 Common and risk-weighted assets (RWA) year-to-date
  - Tier 1 common capital up $14B, RWA down $87B and ratio up 137bp – net of FAS 166/167 impacts
  - Have been proactive in addressing Basel changes – re-remic transactions, sales of Itau and Santander–Mexico, reductions in private equity portfolio
  - Risk-weighted asset reductions are consistent with customer-centric strategies we are pursuing
- New rules being introduced – Basel II, Basel III, Market Risk Rules, Dodd-Frank
- Began running Basel II parallel in 2Q10
- Tier 1 common equity ratio estimated to remain above 8% through all periods assuming the following effective dates
  - Basel II and Market Risk 100% effective 12/31/11
  - Basel III 100% effective 12/31/12
  - Assumes no Basel III phase-in effect when in fact there is one
- Pre-mitigation aggregate RWA impact is estimated to increase approximately $600B, but post known mitigation efforts, the 4Q12 RWA estimated at $1.85T vs. $1.48T at 3Q10
  - Loan/asset run-off and investment sales ($75B)
  - Exit proprietary trading ($65B)
  - Reduce low-rated assets in the trading book (e.g., low-rated RMBS) ($65B)
  - Reduce counterparty and CVA RWA charges ($25B)
- Basel III capital deductions are to be phased in over 2014 to 2018, but estimate full Basel III incremental deductions at 12/31/12 at approximately $12B
  - DTA NOL is the primary deduction component and will continue to decline as we generate earnings
  - 3Q10 OCI is positive $0.6B but assumed at $0 for this analysis
- Trust Preferred Securities of $19.8B are to be phased out of Tier 1 Capital (remains in Tier 2) over 2013 to 2015 per Dodd-Frank
- BAC does not expect to issue common stock to meet new standards of Basel III

Steady Progress on Customer-Focused Franchise

Consumers

- Customer satisfaction levels improved, trends in net new checking accounts improved, loan and account attrition improved
- Assisted customers in home purchases and refinance activity ($71.9B first mortgages originated in 3Q10)
- Helped customers stay in their homes (since start of 2008 Bank of America and previously Countrywide cumulatively modified 700,000 loans)
- Added 200 financial advisors
- Wealth management clients added $14B of deposits and $6B in long-term AUM flows in 3Q10
- Converted 1.2 million client accounts ($130B in assets) from legacy Bank of America advisors to the industry-leading Merrill Lynch operating platform
- Introduced e-banking account, ATM emergency cash, and moving forward on new consumer account structure
- Ending Global Card Services card balances stabilizing with runoff of only 2% in 3Q10, majority driven by charge-offs

Companies

- Maintained strong #2 global investment banking market position
- Continuing to build international client coverage team
- Commercial and Industrial lending grew 1%, showing stabilization
- Providing financing solutions to more clients in international markets
- Winning institutional retirement business
- Continuing to grow deposits as commercial banking customers maintain liquidity; increased $3.1B in 3Q10
- Integrated Bank of America Merrill Lynch platform benefiting middle market clients
  - Commercial Banking/Investment Banking client partnership model working as middle market clients represent 20% of investment banking fees

Investors

- Sales credits remained strong, trading revenue improved
- Managing down legacy market exposures
- Recorded trading profits every trading day in 3Q10 with stability in VaR

Customer Behaviors and Regulatory Reform Driving Consumer Banking Model Changes

Overdraft Position

	Fee-Generating Overdraft Transactions	
	Pre Regulation E	Projected Post Regulation E
Point of Sale Debit	58%	No
Non-Point of Sale Debit	3%	✓
ACH	17%	✓
Checks	13%	✓
ATM	7%	✓
Online	2%	✓

Background for Decision
(Summer of 2009)

- Small percentage (10%) of customers paid large amount of the charges (70%) averaging $1,000 fees per year
- Customer complaints were nearing all-time highs – significant majority of deposit complaints were overdraft issues
- Account closures by customers were at historic highs and increasing
- Regulation E was coming

Current State

- Account attrition 27% better than in 3Q09
- Customer satisfaction scores improved
- Customer complaints are down 51% - particularly escalated
- Customers have enhanced accounts with overdraft protection
- Associate satisfaction has improved

New Model

- Offering new attractive customer solutions, new payment models and new account features
- Revising mass market model to match cost to serve with new revenue opportunities
- Restructuring accounts replacing penalty fees with balances, activity qualifiers or monthly maintenance fees
- Implemented customer education and assistance on overdraft solutions
  - Provided customers a **choice** of accounts offering overdraft protection
    - Nearly 40% of accounts now have overdraft protection
  - Allowing customer **control** by providing access to cash with overdrafts at ATMs
  - Features such as e-alerts providing more **clarity** when balances are low or overdrawn

Foreclosure Review and Assessment

Currently conducting a voluntary internal review of foreclosure process across all 50 states

- Review has particular focus on the process and controls in place for completing affidavits and notarizations
- Review /assessment involves
  - Review of all foreclosure processes, policies and procedures
  - Assessment of the quality assurance and quality controls in place
  - Independent review of completed affidavits to ensure quality and factual accuracy
  - Interviews of associates involved in the process
- For the 23 judicial states, we are amending and re-filing 102,000 foreclosure affidavits

Ongoing assessment supports conclusion that our past foreclosure decisions were accurate

- Controls are in place to prevent wrongful foreclosures
- Before filing foreclosure action and the day prior to foreclosure sale, additional checks are conducted for borrower status changes
- Post-foreclosure sale steps include customer appeals process

Foreclosure sales are suspended until assessment is complete, but foreclosure process for delinquent borrowers continues

- Will not complete a foreclosure sale at this time
- Assessment expected to be completed in the next few weeks
- We anticipate that less than 30,000 foreclosure sales will be delayed as a result of our decision to suspend foreclosure sales

Foreclosure Background

Helping customers remain in their homes is a priority

- Before the foreclosure process begins, delinquent borrowers are considered for modifications and other foreclosure alternatives – including short sales and deeds in lieu of foreclosure
- Completed 700,000 permanent loan modifications since Jan. 2008 - leading the industry with nearly 80,000 HAMP modifications
- Since January 2009, we've invested significant resources to help delinquent borrowers, including:
  - Expanded default management staffing by 93% to nearly 20,000 associates
  - Implemented new outreach methods, including door knockers, face-to-face customer assistance centers
  - Participated in more than 500 community outreach events in 31 states
  - Developed innovative programs to meet customers needs including principal reduction

Delinquency statistics for completed foreclosure sales in the third quarter

- 80% of borrowers had not made a mortgage payment for more than one year
- Average of 560 days in delinquent status (approximately 18 months)
- 33% of properties were vacant
- 50% of borrowers were unemployed or had their income reduced

Income Statement Highlights

($ in billions, except per share amounts)	YTD 2010	Change from YTD 2009 [1]	3Q10	Change from 2Q10
Revenue (FTE)	$ 88.7	$ (15.3)	$ 27.0	$ (2.5)
Expense	62.2	11.9	27.2	10.0
Provision expense	23.3	(23.6)	5.4	(2.7)
Pre-tax income (loss)	3.2	(3.6)	(5.6)	(9.7)
Income tax expense (FTE)	4.2	3.9	1.7	0.7
Net loss	(1.0)	(7.5)	(7.3)	(10.4)
Preferred dividends	1.0	(2.4)	0.3	0.0
Net loss applicable to common	(2.0)	(5.0)	(7.6)	(10.4)
Average diluted shares	9,707.0	2,257.0	9,976.4	(53.4)
Diluted EPS	$ (0.21)	$ (0.60)	$ (0.77)	$ (1.04)
Return on equity	n/m	n/m	n/m	n/m
Return on tangible equity	n/m	n/m	n/m	n/m

Excluding Non-cash Goodwill Impairment Charge

	YTD 2010	Change from YTD 2009 [1]	3Q10	Change from 2Q10
Expense	$ 51.8	$ 1.5	$ 16.8	$ (0.5)
Pre-tax income	13.6	6.8	4.8	0.7
Income tax expense (FTE)	4.2	3.9	1.7	0.7
Net income	9.4	2.9	3.1	-
Net income applicable to common	$ 8.4	$ 5.4	$ 2.8	$ -
Diluted EPS	$ 0.82	$ 0.43	$ 0.27	$ -
Return on equity	5.23 %	297 bps	5.06 %	n/m
Return on tangible equity	10.36 %	554 bps	9.77 %	n/m

[1] Periods prior to January 1, 2010 are presented on a managed basis and assumes that credit card loans that were securitized were not sold and presented earnings on these loans in a manner similar to the way loans that have not been sold (i.e., held loans) were presented. See page 46 for adjustments made.

Significant Items in 3Q10

Income Statement Items

- Goodwill impairment charge in Global Card Services segment of $10.4B
- Loan loss reserves were reduced by $1.8B in 3Q10 vs. $1.5B in 2Q10
- Recorded $0.6B charge for exposure in the U.K. involving payment protection insurance claims on consumer loan products
- Reduction in U.K. corporate tax rate to 27% resulted in a charge of $0.4B, included in income tax expense.
- Recorded additional litigation expense of $380M
- Recorded $0.9B net securities gains in 3Q10
- Equity investment income of $0.4B was $2.4B lower than 2Q10 driven by the absence of gains on sales of Itaú Unibanco ($1.2B) and MasterCard ($0.4B) and the CCB dividend ($0.5B)
- Fair value adjustment on structured liabilities resulted in a charge of $0.2B to other income compared to a gain of $1.2B in the previous quarter

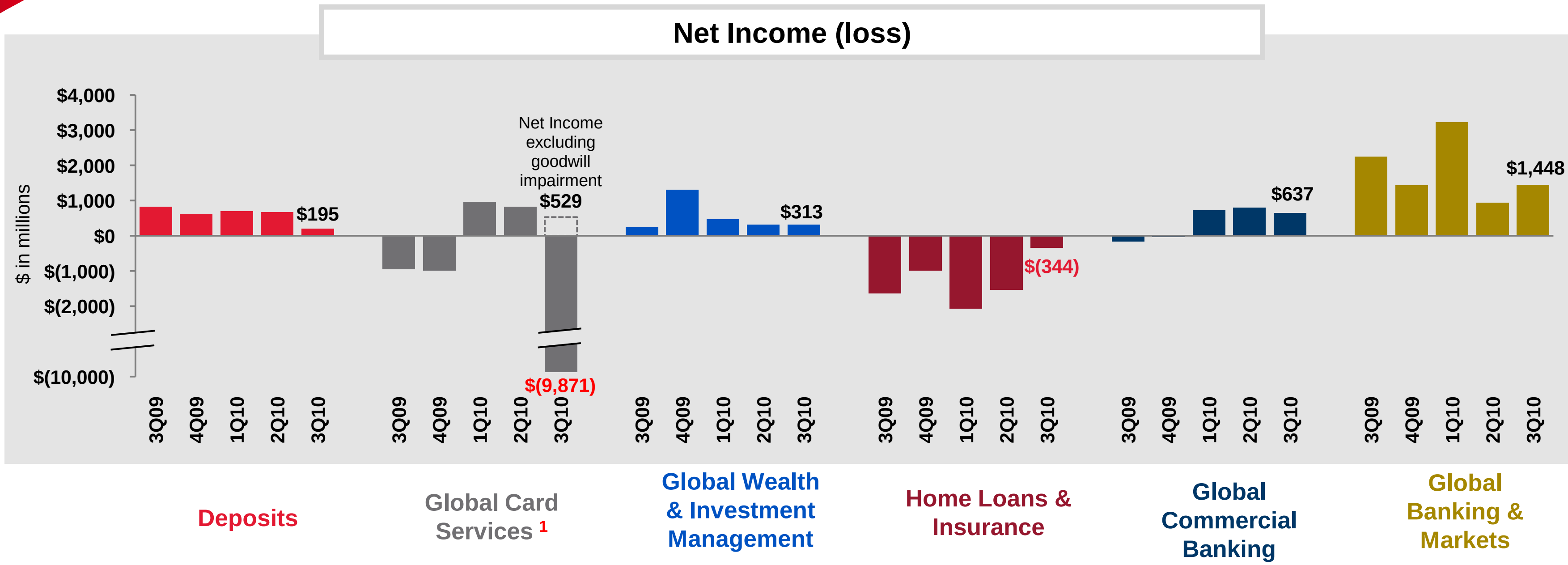
Balance Sheet Items

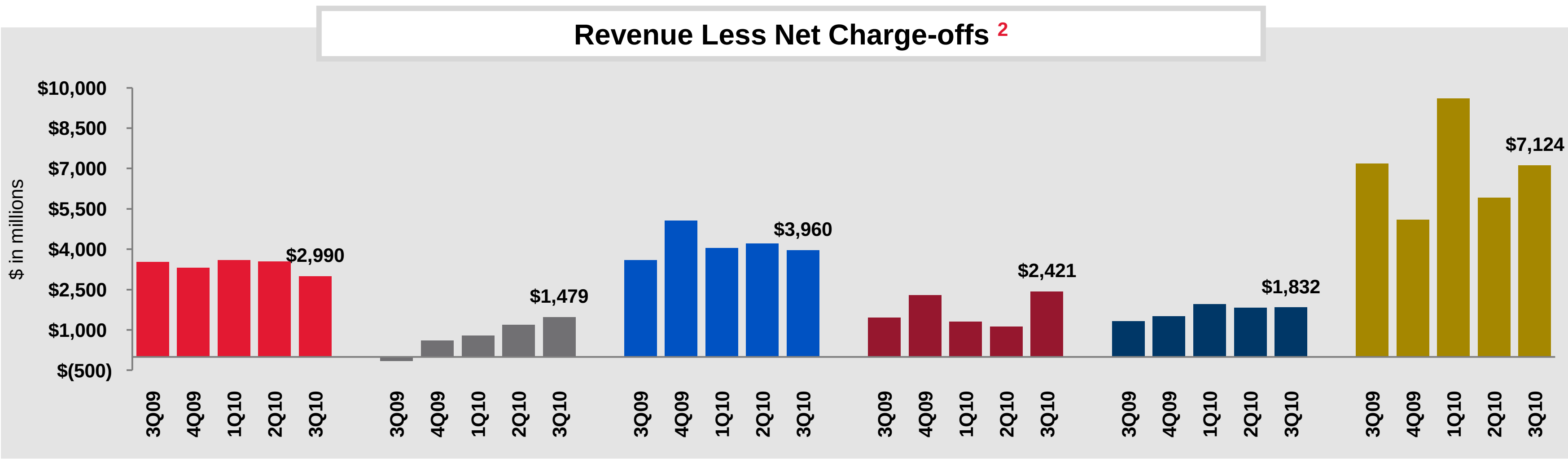
- Recorded $9.8B, $6.2B net of tax, valuation increase on investment in China Construction Bank (CCB) through equity
- Completed sales of First Republic Bank and Santander–Mexico ownership stake

Goodwill Impairment Charge in Global Card Services

- Recorded a goodwill impairment charge
  - $10.4B non-cash charge that does not impact regulatory capital ratios or liquidity
  - Charge is a result of recent legislation and expected impact on debit card business
  - Debit card operating results are reported in Global Card Services along with other payment products
- Future debit card profitability diminished
  - Some mitigation activities will benefit other business segments, mainly Deposits
  - Continuing to identify mitigation opportunities
- Executing a relationship-focused retail strategy that is based on understanding customer segments, offering new and attractive solutions to customers based on that knowledge and offering customers straight-forward choices as to how they want to do business with us
- Continuing rollout of new initiatives to drive consumer revenue
  - Image ATMs fully deployed
  - E-banking accounts rolled out in July
  - Customer availability of ATM emergency cash
  - Pricing deposits and accounts differently
  - Piloting new products
  - Recognizing and encouraging other methods of payment from customers in lieu of fees

Business Segment Results





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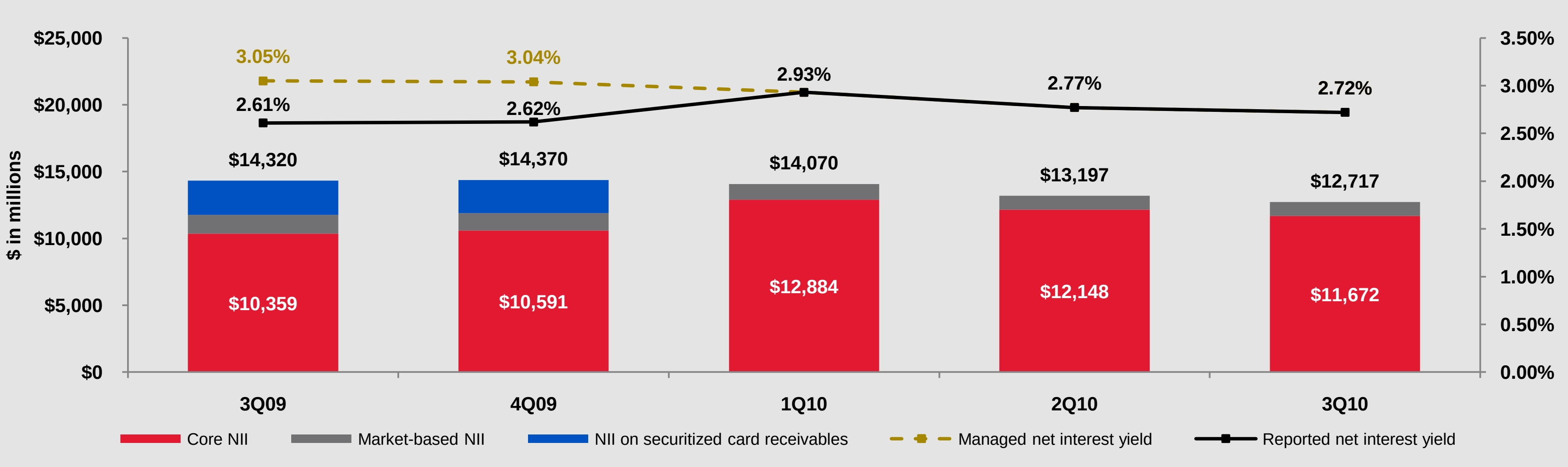
[2] Fully taxable-equivalent basis.

Net Interest Income [1,2]



Commentary vs. 2Q10

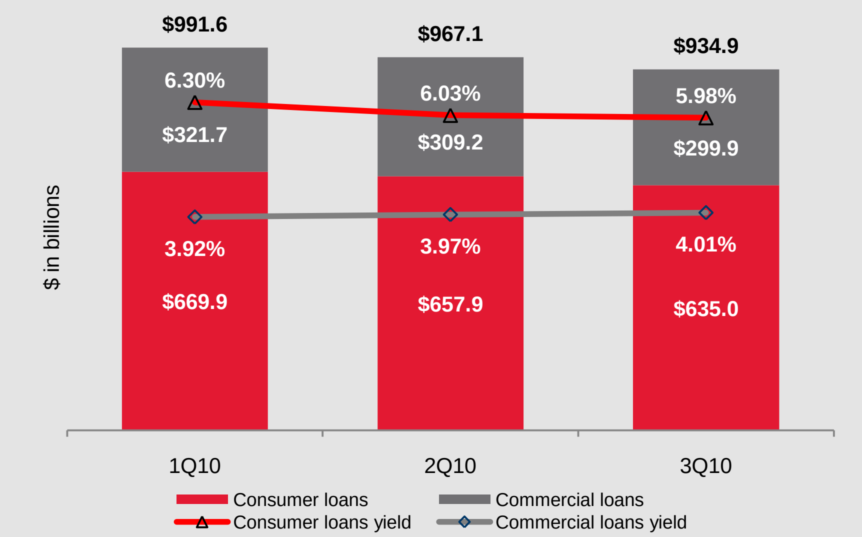
- Net interest income was lower by $480M while the net interest yield fell 5 bps to 2.72%
  - Primary drivers of the decline in NII were
    - Sale of First Republic Bank reduced NII ($230M)
    - Reduced yields on the discretionary portfolio ($300M)
    - Lower consumer and commercial loan balances ($200M)
  - Partially offset by:
    - Improving credit and lower long-term debt balances ($250M)
- Mitigation of NII pressure led by focus on reductions in long-term debt, which was reduced $11B from 2Q10 and we expect to reduce another 15-20% by end of 2011
- We expect NII declines to continue over the next few quarters but level of declines should diminish as loans and yields begin to stabilize, combined with long-term debt reductions

[1] Fully taxable-equivalent basis.

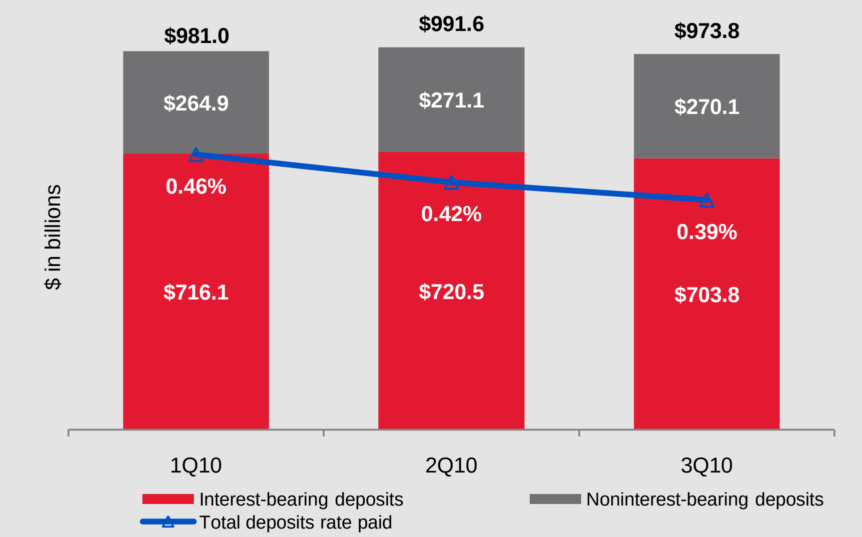
[2] Periods prior to January 1, 2010 are presented on a managed basis and assumes that credit card loans that were securitized were not sold and presented earnings on these loans in a manner similar to the way loans that have not been sold (i.e., held loans) were presented. See page 46 for adjustments made.

Balance Sheet Drivers of Net Interest Income

Total Average Loans and Yields



Total Average Deposits and Rates Paid



Commentary vs. 2Q10

- Average loans declined $32B compared to 2Q10 due to the sale of First Republic Bank and continued declines in other runoff portfolios
- Average consumer loan yields declined 5 bps compared to 2Q10, while commercial loan yields increased 4 bps

Commentary vs. 2Q10

- Average deposits declined $18B due primarily to the sale of First Republic Bank
- Strong deposit growth with our wealth management customers of $6B was offset by declines in mass market portfolios
- Commercial deposits remain strong as customers maintain high liquidity preference
- Average rates paid on total deposits declined 3 bps

Runoff Loan Portfolios

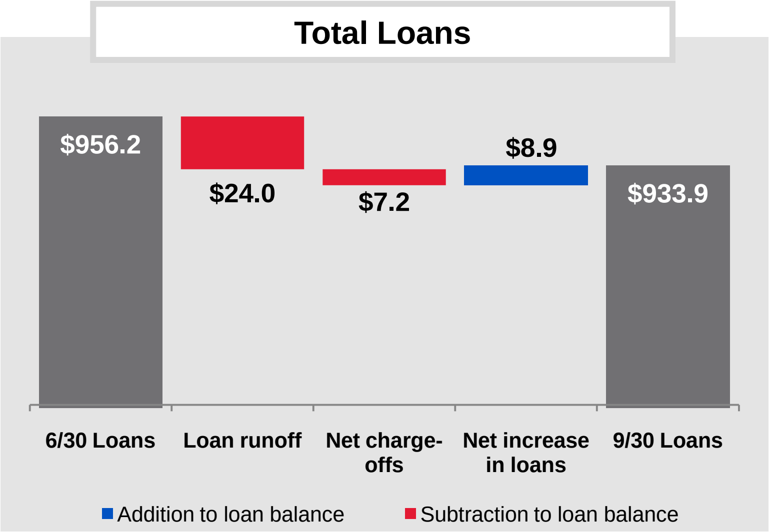
($ in billions, ending balances)	September 30, 2010	June 30, 2010	Change from June 30, 2010
Residential mortgage	$31.7	$41.8	$(10.1)
Home equity	38.1	41.1	(3.0)
Discontinued real estate	13.4	13.8	(0.4)
Direct/indirect	39.0	46.0	(7.0)
Other consumer	1.5	1.4	0.1
Total consumer	123.7	144.1	(20.4)
Total commercial	8.2	13.3	(5.1)
Total runoff loans	$131.9	$157.4	$(25.5)

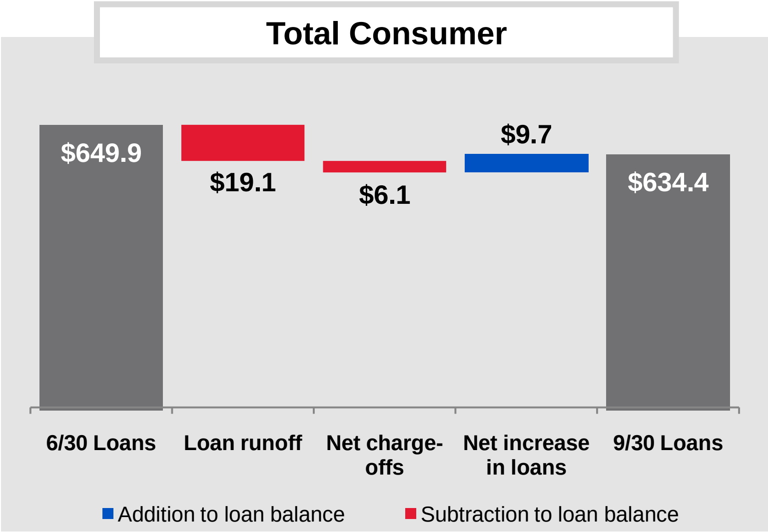
3Q10 Runoff Portfolio Highlights

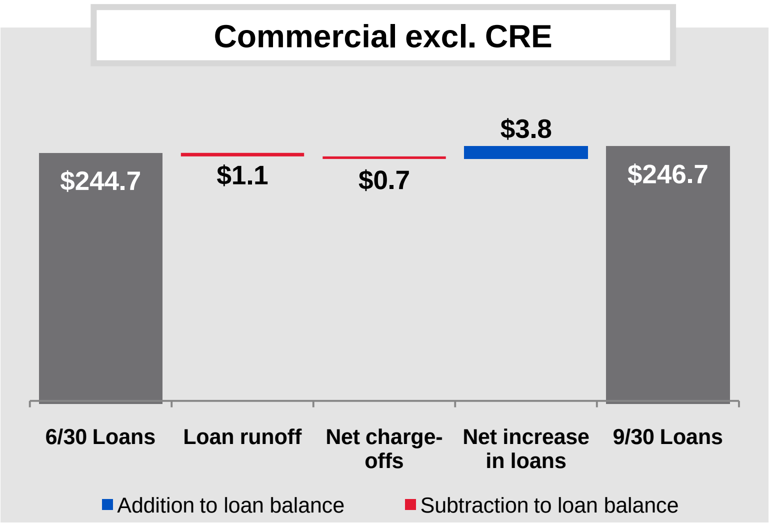
- Sale of First Republic Bank in 3Q10 reduced loans by $17.5B
- Includes Countrywide purchased credit-impaired loans of $35.4B ($10.6B residential mortgage, $12.8B home equity, $12.0B discontinued real estate)
- Residential mortgage includes $19.2B of government insured repurchases, which is likely to increase before it runs-off
- Direct/indirect loans include consumer finance loans of $13.8B, completed bulk purchase programs of $15.9B, and other loans of $9.3B in 3Q10
- The majority of the commercial runoff portfolio reflects small business loans, while the reduction is primarily driven by the sale of First Republic

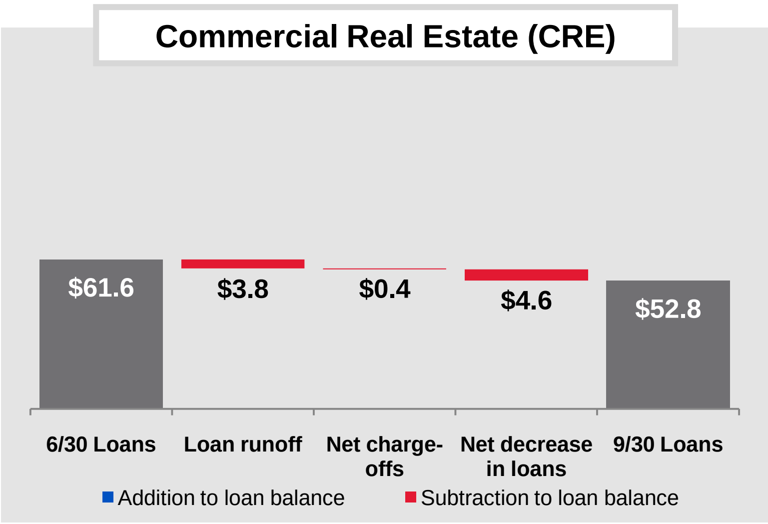
3Q10 Loan Activity [1]

(end of period loans, $ in billions)



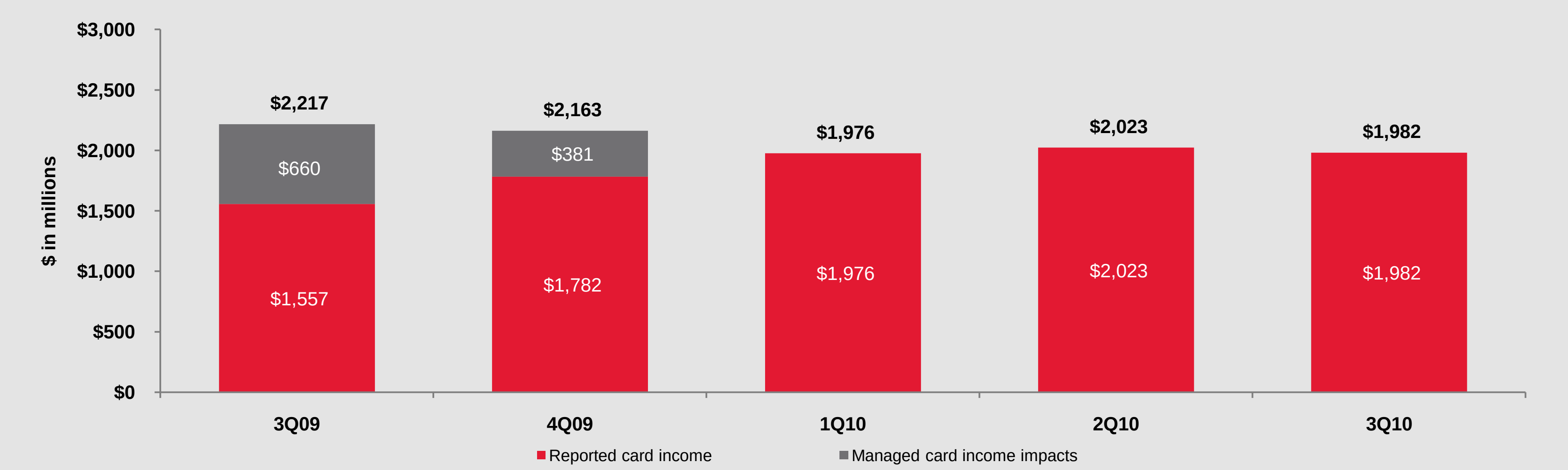






[1] Loan runoff excludes the impact of net charge-offs as total net charge-offs are shown as a separate column.

Card Revenue [1]



Commentary

- Card revenue decreased $41M vs. 2Q10 driven by impacts associated with CARD Act and lower credit card interchange revenue mitigated by slightly higher cash volumes
- Card revenue declined $235M vs. 3Q09, on a managed basis, driven by CARD Act impact partially offset by higher interchange income due to increased retail volume, as well as lower fee reversals due to improved credit quality
- Although ending Global Card Services loans declined 2% from 2Q10, the pace of decline is slowing (5% in 2Q10, 7% in 1Q10)
- Focus remains on growth with low risk customers, and asset quality performance of new accounts remains better than risk guidelines
- New U.S. consumer card accounts in the quarter were 475,000, 13% higher than 2Q10

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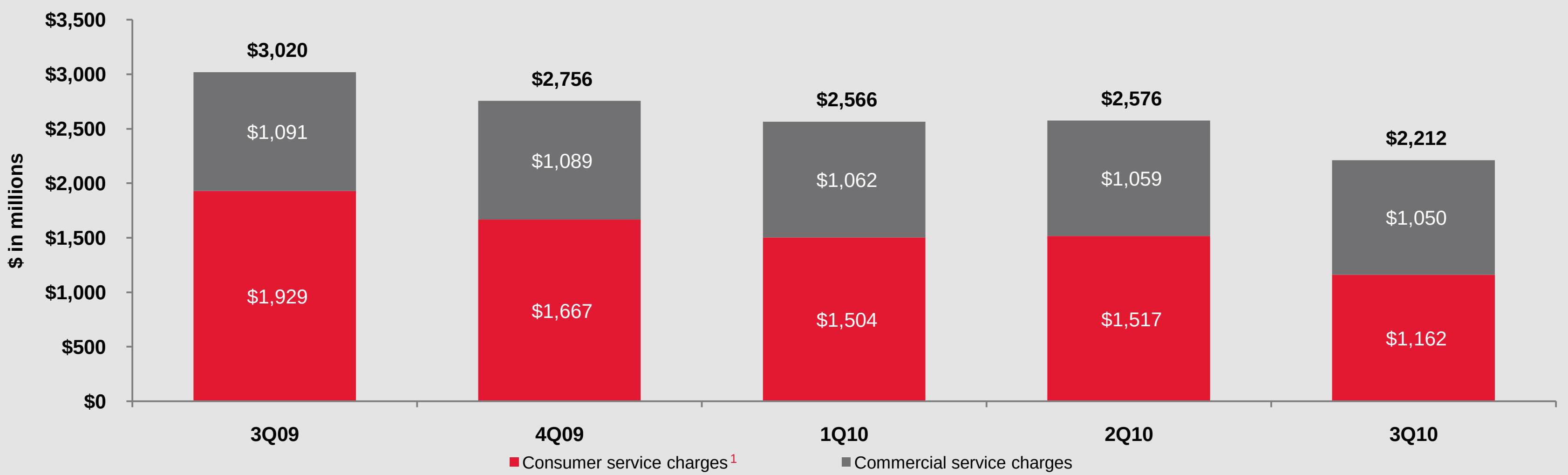
Service Charges

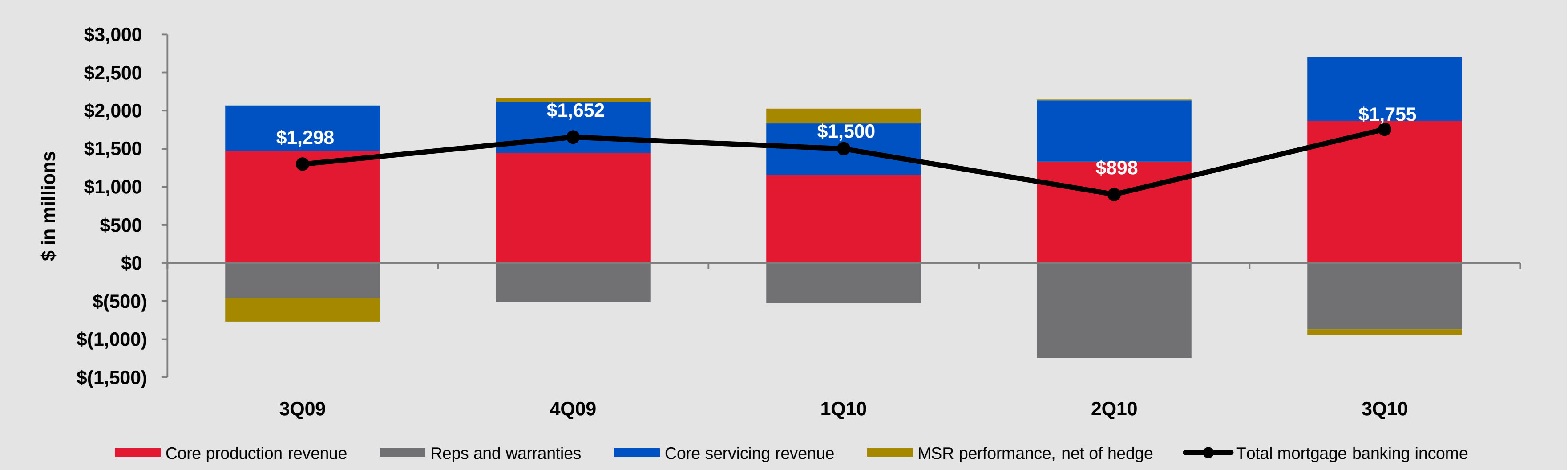


Commentary vs. 2Q10

- Service charges were down $364M vs. 2Q10 as a result of the implementation of Regulation E, partially offset by benefits of seasonality
- Estimated 4Q10 service charges of roughly $2.0B, which is estimated to fully reflect Regulation E
- Overall retail deposit balances, excluding deposits associated with the sale of First Republic Bank, grew slightly during the quarter as deposits with our affluent customers increased while other customer segments declined slightly
- Customers continue to shift deposits to more liquid products
- Despite the low interest rate environment, we continue to drive down our rate paid on <u>retail</u> deposits – declined 5 bps to 41 bps in 3Q10
- Checking sales were up 8% vs. 2Q10 driven by seasonality, and the mix of sales reflects an increasing majority of new accounts
- Account closure rates continue to improve with changes made to our account acquisition strategy, as well as customer satisfaction improvements

[1] Consumer includes Deposits, HL&I and GWIM; Commercial includes GCB, GBAM and Other.

Mortgage Banking Revenue



Commentary vs. 2Q10

- Mortgage banking revenue increased $857M vs. 2Q10
  - 3Q10 included $872M for representations and warranties expense, a decrease of $376M
  - Core production revenue increased $536M due to higher margins and lock volumes
  - Core servicing revenues increased slightly
  - MSR results, net of hedge, were negative $89M in 3Q10 reflecting a decline of $101M from 2Q10
  - Decreased MSR balance is driven by the continued decline in mortgage rates and the impact of elevated servicing costs

Key Mortgage Statistics

($ in billions)	3Q10	2Q10	3Q09
Total Corporation			
Home Loan Originations			
First mortgage	$71.9	$71.9	$95.7
Home equity	2.1	2.1	2.7
MSR, end of period (EOP)	$12.3	$14.7	$17.5
Capitalized MSR, bps	73	86	102
Serviced for others, EOP	$1,669	$1,706	$1,726

Representations and Warranties

Liability for Representations and Warranties

($ in millions)	3Q09	4Q09	1Q10	2Q10	3Q10
Beginning Balance	$3,442	$3,570	$3,507	$3,325	$3,939
Provision	455	516	526	1,248	872
Charge-offs	(359)	(591)	(718)	(642)	(414)
Other Activity	31	12	10	8	6
Ending Balance	$3,570	$3,507	$3,325	$3,939	$4,402

Outstanding Claims by Counterparty

($ in millions)	3Q09	4Q09	1Q10	2Q10	3Q10
GSEs	$3,040	$3,300	$4,152	$5,641	$6,842
Monoline	2,967	2,936	3,159	4,103	4,217
Other	1,516	1,431	1,524	1,415	1,817
Total	$7,523	$7,666	$8,835	$11,159	$12,875

New Claim Trends

($ in millions)	3Q09	4Q09	1Q10	2Q10	3Q10	Mix
Pre 2004	$74	$41	$132	$119	$140	*3%*
2005	285	221	334	662	571	*13%*
2006	697	524	813	1,220	1,390	*29%*
2007	948	1,081	1,704	2,249	1,611	*48%*
2008	101	149	197	271	315	*6%*
Post 2008	15	8	27	30	33	*1%*
New Claims	$2,120	$2,024	$3,207	$4,550	$4,060	
% GSEs	*75%*	*94%*	*83%*	*76%*	*82%*	
Rescinded Claims	$555	$625	$912	$1,398	$1,369	
Approved Repurchases	$717	$1,256	$1,126	$829	$975	
Outstanding Claims	$7,523	$7,666	$8,835	$11,159	$12,875	
% GSEs	*40%*	*42%*	*46%*	*50%*	*53%*	

- 77% of new claims over the past year were from 2006 & 2007 vintages

Commentary

- 3Q10 reps and warranties provision of $872M is $376M lower than 2Q10, as the current quarter included an increase in expected repurchases from GSEs while 2Q10 included additional provision for monolines
- Deep experience with the GSEs related to reps and warranties facilitates our ability to forecast GSE liability requirements
  - Actual and future loan defaults are considered
    - Loan defaults are better forecasted using historical information and current economic conditions
  - Repurchase claims and percentage of loans repurchased are based on our experience with the GSEs, adjusted where appropriate for emerging trends
- New claims and losses continue to be driven by GSEs and originations from the 2006 and 2007 vintages

Representations and Warranties [1] (cont'd)

Government Sponsored Enterprises

- From 2004 through 2008, $1.2T of loans sold to GSEs
- $18.0B of repurchase claims received on 2004 – 2008 vintages through 9/30/10
- $11.4B of resolved repurchase claims on 2004-2008 vintages with loss experience of 22 percent
- BAC estimates repurchase claims to date represent more than two-thirds of claims expected on 2004-2008 vintages

Private Label Securities wrapped by monolines

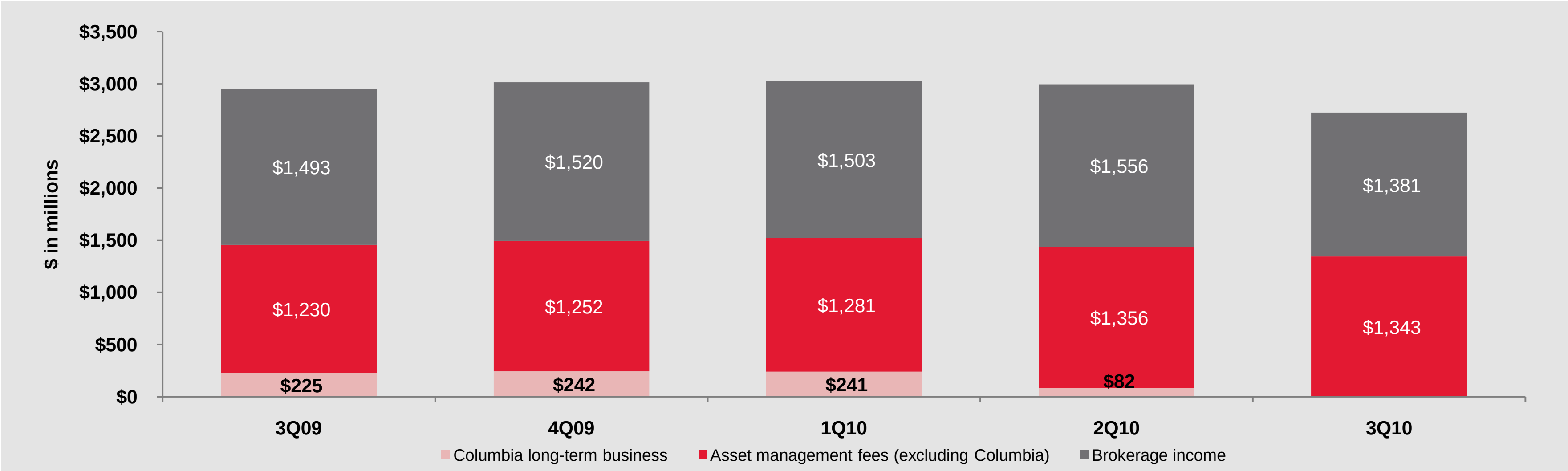
- Approximately $160B of loans sold into monoline-wrapped transactions
  - $73B first-lien mortgages; approximately one-third paid off
  - $87B second-lien mortgages; approximately 60% paid off
- As of 9/30/10, $4.8B of repurchase claims received
  - $4.2B remain outstanding of which $2.7B already reviewed and declined to repurchase
  - Approximately $550M approved for repurchase

Whole Loan Investors/Private Label Securitizations

- From 2004 through 2008, approximately $750 billion of loans sold by LCFC and LBAC
  - Approximately 40% paid off
- $3.9 billion of repurchase claims received through 9/30/10
  - $1.0 billion remain outstanding of which $0.5 billion already reviewed and declined to repurchase
  - Approximately $1.0 billion approved for repurchase

[1] Excludes Legacy Merrill Lynch

Investment and Brokerage Revenue



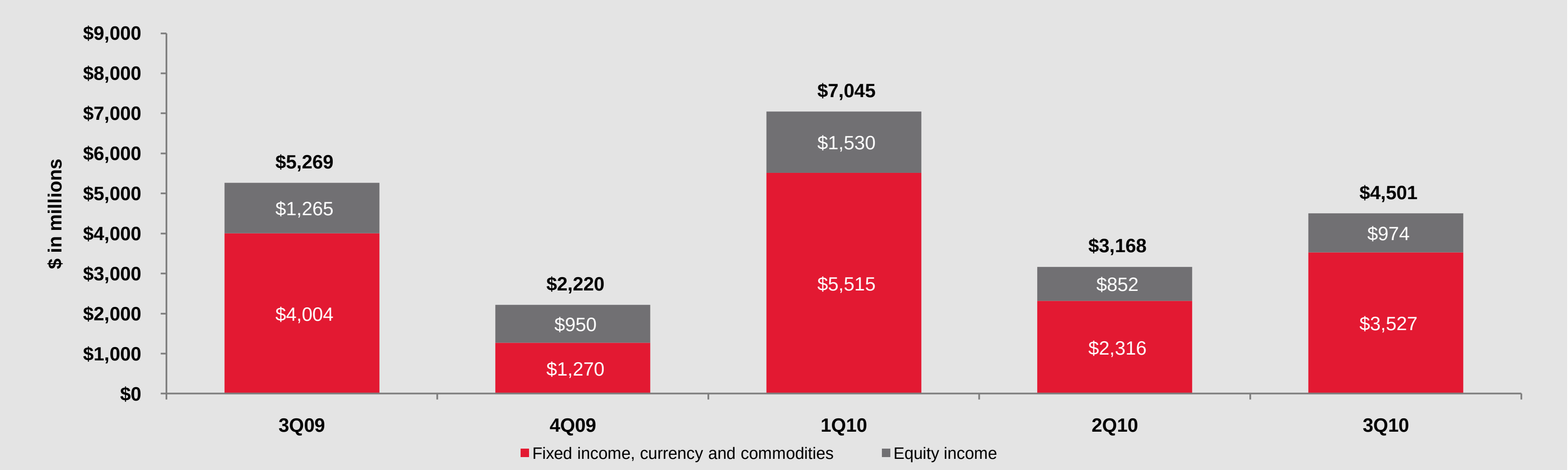
Commentary vs. 2Q10

- Investment and brokerage revenue declined by $270M vs. 2Q10 due to declines in asset management fees and brokerage income
- Asset management fees declined $95M reflecting
  - Impact of the May 1st sale of the former Columbia Management long-term business
  - Market valuations and absence of seasonal tax fees
  - Partially offset by continued increased flows into long-term asset management products
- Brokerage fees declined $175M due to lower equity transactions driven by depressed industry trading volumes

Key Wealth Management Statistics

	3Q10	2Q10
Financial Advisors	**15,340**	15,142
Client Facing Professionals	**19,761**	19,515
Assets under management ($ in B)	**624.1**	603.3
Total net client balances ($ in B)	**2,169.1**	2,091.7
MLGWM: Active accounts (in millions)	**3.12**	3.08
MLGWM: Net new $250K+ households	**5,201**	5,156

Sales and Trading Revenue [1]

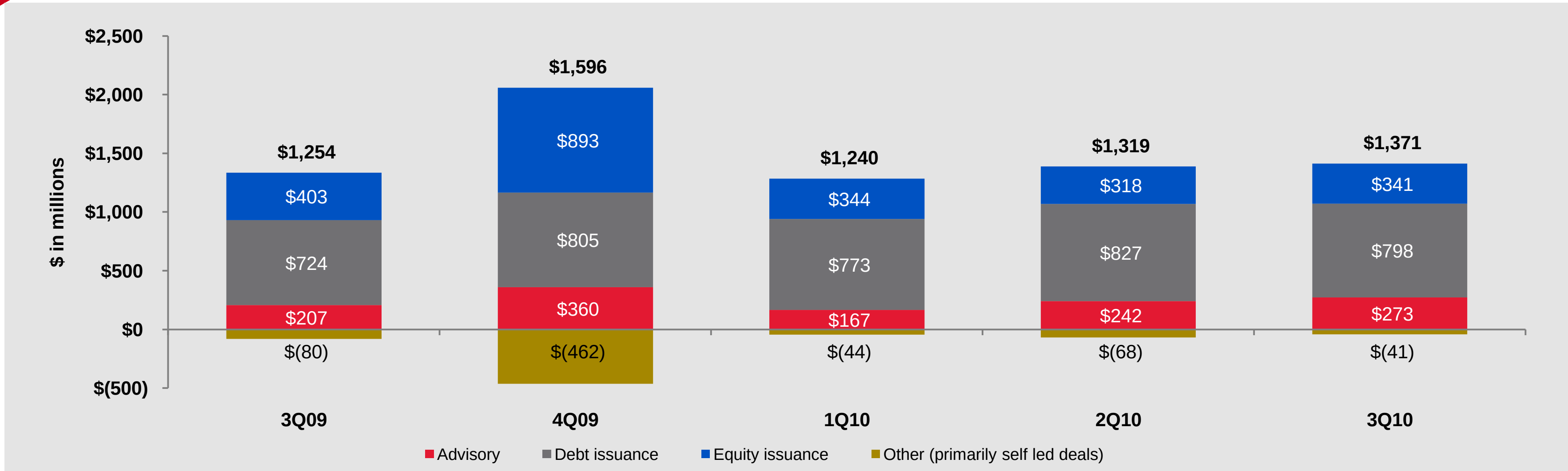


Commentary vs. 2Q10

- Sales and trading revenue increased $1.3B from 2Q10 driven by an improved trading environment, primarily in Credit Markets
- FICC revenue of $3.5B increased $1.2B compared to 2Q10 due to spread tightening, increased customer activity and eased concerns from the European sovereign debt crisis
- Equity revenue of $974M is up $122M from 2Q10 primarily due to the rebound from adverse market conditions in the prior quarter
- Marks on legacy assets resulted in gains of $264M compared to losses of $179M in 2Q10
- Average trading-related assets in the Global Banking & Markets segment were down 3% vs. 2Q10 to $498B
- Daily average trading VaR was flat compared to 2Q10 at $185M
- All days in the quarter had positive trading-related revenue

[1] Sales and trading revenue includes trading profits, net interest spread from our primary trading businesses in Global Banking & Markets, and sales commissions that are included in investment and brokerage fees.

Investment Banking Revenue



Commentary vs. 2Q10

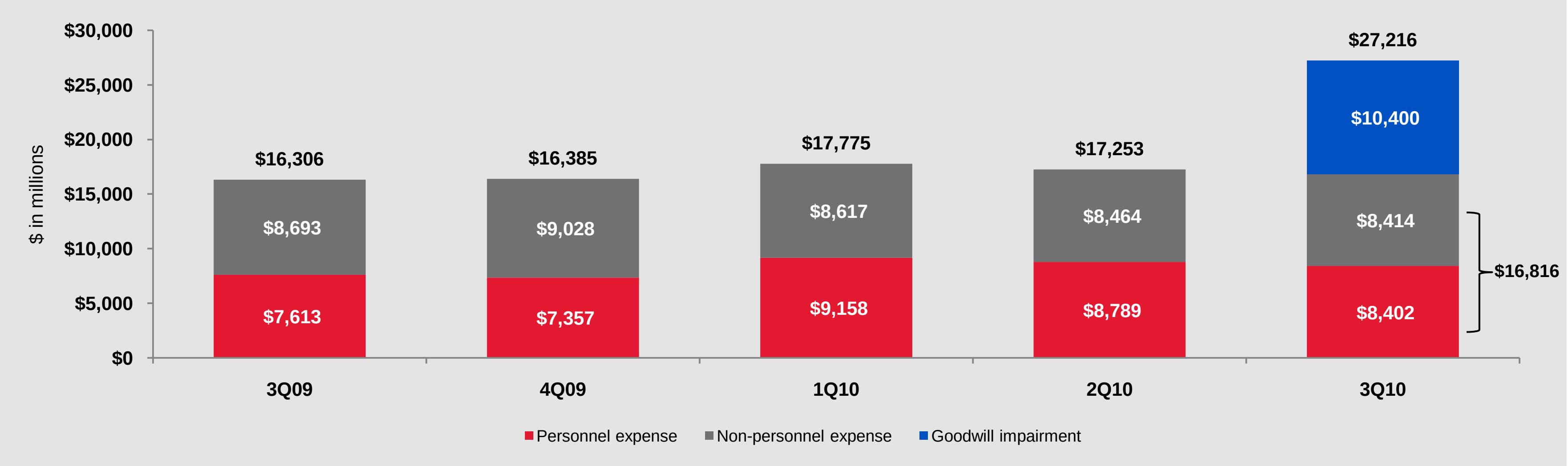
- Investment banking revenue increased from 2Q10 and helped maintain our No. 2 rank globally and No. 1 in U.S. [2]
- Revenue rose $52M from 2Q10 due to mergers & acquisitions and equity capital markets
- Additionally, ranked No. 2 in U.S. debt and equity capital markets products

BAML YTD 3Q10 Product Ranking Highlights [1, 2]

	Global Ranking	U.S. Ranking
Net investment banking revenue	2	1
Leveraged loans	1	1
Syndicated loans	1	1
Mortgage-backed securities	1	1
Asset-backed securities	1	1
High-yield corporate debt	1	1
Investment grade corporate debt	2	2
Convertible debt	3	3

[1] BAML = Bank of America Merrill Lynch
[2] Source: Dealogic data as of October 4, 2010; includes self led transactions.

Expense Levels

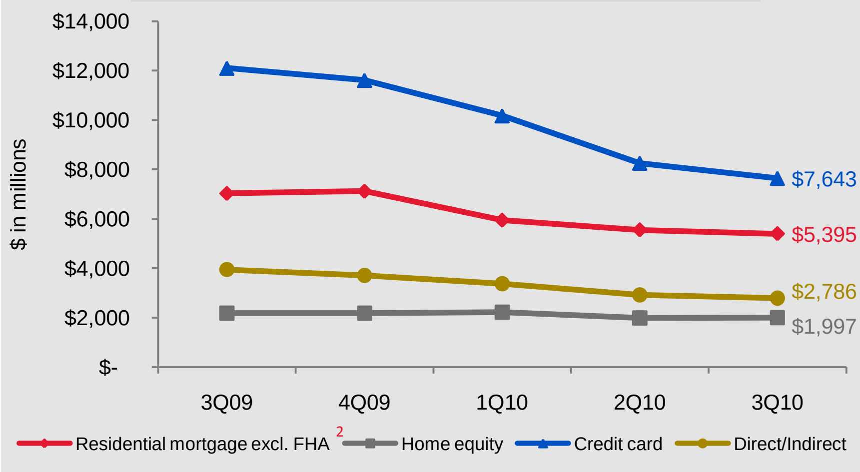


Commentary vs. 2Q10

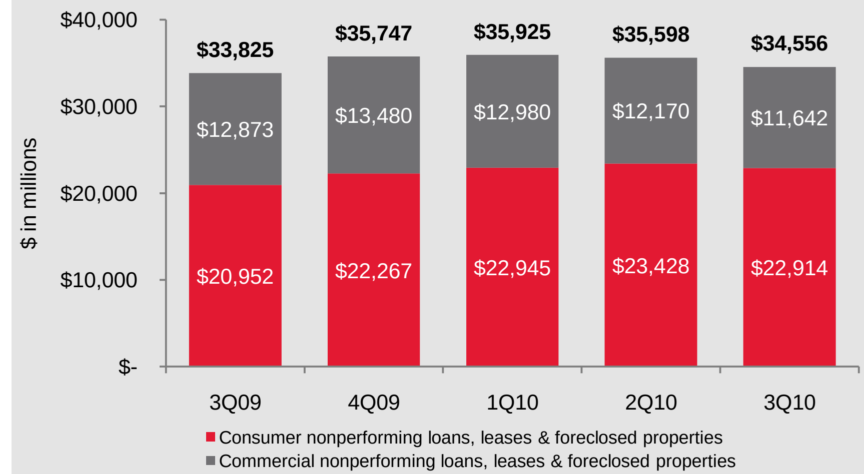
- 3Q10 expenses, excluding goodwill impairment charge, were down $437M from 2Q10
- Personnel costs declined $387M due to the absence of the U.K. payroll tax expense in 2Q10 ($425M)
- During the quarter, maintained flat expenses as we repositioned resources to increase talent in wealth management and internationally in global markets
- Recently announced the planned addition of 1,000 new small business bankers
- Non-personnel costs were essentially flat as higher litigation costs were largely offset by other cost management actions

Credit Trends Are Positive

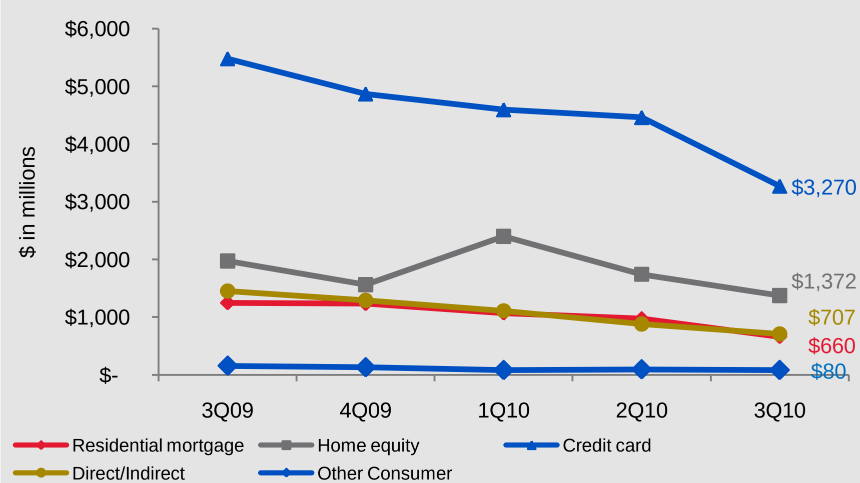
Consumer 30+ Day Delinquencies [1]



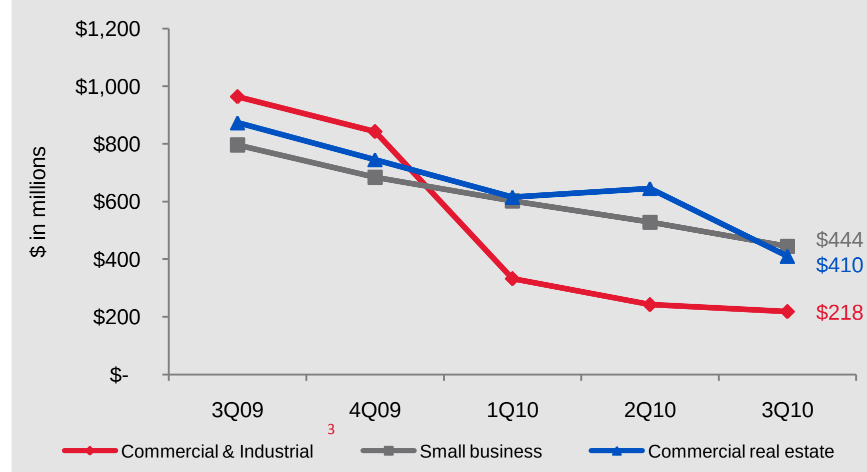
Nonperforming Assets



Consumer Net Charge-offs [1]



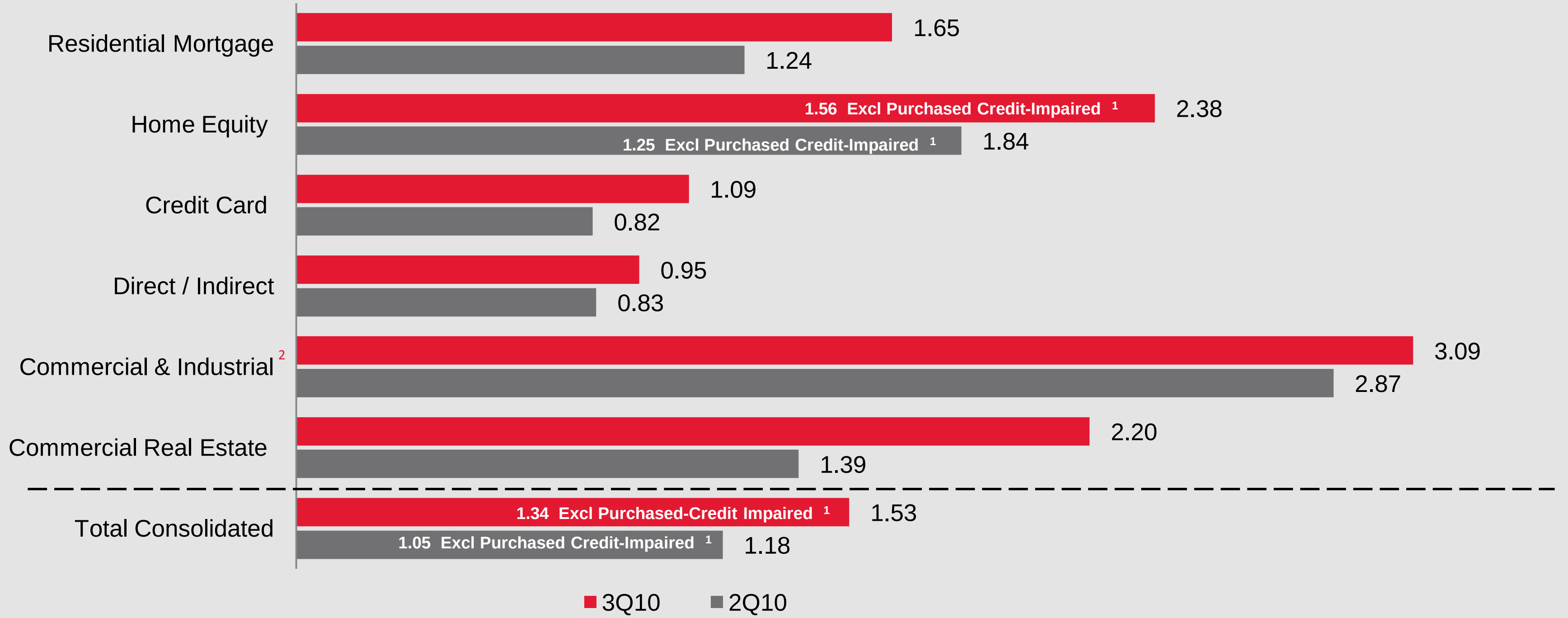
Commercial Net Charge-offs



[1] Credit card shown on a managed basis prior to 2010.
[2] FHA insured loans are excluded for comparison purposes.
[3] Includes commercial domestic excluding small business and commercial foreign.

Allowance Coverage is Strong

Allowance to Annualized Net Charge-Off Coverage



Commentary vs. 2Q10

- $44B allowance for loan and lease losses provides coverage for 4.69% of loans, compared to $45B and 4.75% coverage in 2Q10
- Allowance now covers 1.5 times current period annualized net charge-offs compared to 1.2 times in 2Q10 (excluding the purchased credit-impaired reserves: 1.3 and 1.1 times for Total Consolidated and 1.6 and 1.3 times for Home Equity)
- Reserves were reduced by $1.8B in 3Q10 vs. $1.5B in 2Q10
- Delinquencies and inflow of nonperforming loans continue their positive trends

[1] Home equity purchased credit-impaired includes the consumer allowance associated with the Countrywide acquisition. Total consolidated purchased credit-impaired includes the consumer allowance associated with the Countrywide acquisition and the commercial allowance associated with the Merrill Lynch acquisition.

[2] Includes commercial domestic excluding small business and commercial foreign.

3Q10 Results Summary

- Credit trends improving
- Core balance sheet strengthening
- Capital levels increasing
- Continuing to make steady progress with customer franchise
- Revenue headwinds persist
  - Net interest income reflects sluggish loan demand and low interest rates
  - Consumer revenue loss mitigation initiatives are underway but will take time and repositioning to recover
- Managing through Basel rule changes

Bank of America

Appendix

Consolidated Results Trends

($ in billions, except per share amounts)	3Q10	2Q10	1Q10	4Q09 [1]	3Q09 [1]
Net interest income (FTE)	**$ 12.7**	$ 13.2	$ 14.1	$ 14.4	$ 14.3
Noninterest income	**14.3**	16.3	18.2	13.9	15.4
Total revenue, net of interest expense (FTE)	**27.0**	29.5	32.3	28.3	29.7
Total noninterest expense	**27.2**	17.3	17.8	16.4	16.3
Provision for credit losses	**5.4**	8.1	9.8	13.0	15.0
Income (loss) before income taxes	**(5.6)**	4.1	4.7	(1.1)	(1.6)
Income tax expense (benefit) FTE	**1.7**	1.0	1.5	(0.9)	(0.6)
Net income (loss)	**$ (7.3)**	**$ 3.1**	**$ 3.2**	**$ (0.2)**	**$ (1.0)**
Diluted EPS	**$ (0.77)**	**$ 0.27**	**$ 0.28**	**$ (0.60)**	**$ (0.26)**

Excluding Non-cash Goodwill Impairment Charge

($ in billions, except per share amounts)	3Q10	2Q10	1Q10	4Q09 [1]	3Q09 [1]
Net interest income (FTE)	**$ 12.7**	$ 13.2	$ 14.1	$ 14.4	$ 14.3
Noninterest income	**14.3**	16.3	18.2	13.9	15.4
Total revenue, net of interest expense (FTE)	**27.0**	29.5	32.3	28.3	29.7
Total noninterest expense	**16.8**	17.3	17.8	16.4	16.3
Provision for credit losses	**5.4**	8.1	9.8	13.0	15.0
Income (loss) before income taxes	**4.8**	4.1	4.7	(1.1)	(1.6)
Income tax expense (benefit) FTE	**1.7**	1.0	1.5	(0.9)	(0.6)
Net income (loss)	**$ 3.1**	**$ 3.1**	**$ 3.2**	**$ (0.2)**	**$ (1.0)**
Diluted EPS	**$ 0.27**	**$ 0.27**	**$ 0.28**	**$ (0.60)**	**$ (0.26)**

[1] Periods prior to January 1, 2010 are presented on a managed basis and assumes that credit card loans that were securitized were not sold and presented earnings on these loans in a manner similar to the way loans that have not been sold (i.e., held loans) were presented. See page 46 for adjustments made.

3Q10 Results by Business Segment

($ in millions)	Total Corporation	Deposits	Global Card Services	Home Loans & Insurance	Global Commercial Banking	Global Banking & Markets	Global Wealth & Investment Management	All Other
Net interest income (FTE)	**$12,717**	$1,922	$4,361	$1,346	$1,874	$1,874	$1,292	$48
Card income	**1,982**	-	1,877	3	55	37	10	-
Service charges	**2,212**	1,138	-	5	528	520	19	2
Investment and brokerage services	**2,724**	(2)	-	-	11	581	2,134	-
Investment banking income	**1,371**	-	-	-	8	1,306	97	(40)
Equity investment income	**357**	3	1	5	(3)	77	180	94
Trading account profits	**2,596**	-	-	(1)	(2)	2,453	39	107
Mortgage banking income	**1,755**	-	-	1,756	-	19	4	(24)
Gains on sales of debt securities	**883**	-	-	38	-	52	(1)	794
All other income	**385**	(1)	(528)	592	88	257	298	(321)
Noninterest income	**14,265**	1,138	1,350	2,398	685	5,302	2,780	612
Total revenue, net of interest expense (FTE)	**26,982**	3,060	5,711	3,744	2,559	7,176	4,072	660
Total noninterest expense	**27,216**[1]	2,693	12,099[1]	2,979	1,000	4,446	3,449	550
Pre-tax, pre-provision earnings	**(234)**	367	(6,388)	765	1,559	2,730	623	110
Provision for credit losses	**5,396**	62	3,177	1,302	554	(157)	128	330
Income (loss) before income taxes	**(5,630)**	305	(9,565)	(537)	1,005	2,887	495	(220)
Income tax expense (benefit) FTE	**1,669**	110	306	(193)	368	1,439	182	(543)
Net income (loss)	**$(7,299)**	$195	$(9,871)	$(344)	$637	$1,448	$313	$323

[1] Includes goodwill impairment charge of $10.4B.

Additional Asset Quality Information

FHA Insured Loans

Commentary vs. 2Q10

- We continue to repurchase delinquent FHA insured loans which masks the continued improvement in our 30+ delinquency trends
  - Total consumer 30+ delinquency excluding FHA improved by $883M driven by decline in Consumer Card of $613M

($ in millions)	3Q10	2Q10	1Q10	4Q09 [1]	3Q09 [1]
FHA insured 30+ delinquencies	**$ 18,178**	$ 16,988	$ 14,917	$ 12,241	$ 2,426
Change from prior period	***1,190***	*2,071*	*2,676*	*9,815*	*1,979*
30+ Delinquency Amounts					
Total consumer as reported	**36,167**	35,860	36,799	37,093	27,925
Total consumer excluding FHA [2]	***17,989***	*18,872*	*21,882*	*24,852*	*25,499*
Residential mortgages as reported	**23,573**	22,536	20,858	19,360	9,455
Residential mortgages excluding FHA [2]	***5,395***	*5,548*	*5,941*	*7,119*	*7,029*
30+ Delinquency Ratios					
Total consumer as reported	**5.70%**	5.52%	5.57%	5.56%	4.15%
Total consumer excluding FHA [2]	***3.21%***	*3.22%*	*3.64%*	*4.03%*	*4.04%*
Residential mortgages as reported	**9.69%**	9.18%	8.51%	8.00%	3.96%
Residential mortgages excluding FHA [2]	***2.77%***	*2.68%*	*2.81%*	*3.26%*	*3.13%*

[1] 2009 amounts shown on a managed basis.
[2] Excludes purchased credit-impaired loans.

Consumer Asset Quality Key Indicators

($ in millions)	Residential Mortgage				Home Equity				Discontinued Real Estate			
	3Q10		2Q10		3Q10		2Q10		3Q10		2Q10	
	As Reported	Excluding Countrywide Purchased Credit-Impaired and FHA Insured Portfolios	As Reported	Excluding Countrywide Purchased Credit-Impaired and FHA Insured Portfolios	As Reported	Excluding Countrywide Purchased Credit-Impaired	As Reported	Excluding Countrywide Purchased Credit-Impaired	As Reported	Excluding Countrywide Purchased Credit-Impaired	As Reported	Excluding Countrywide Purchased Credit-Impaired
Loans end of period	$ 243,141	$ 194,560	$ 245,502	$ 207,362	$ 141,558	$ 128,711	$ 146,274	$ 133,255	$ 13,442	$ 1,472	$ 13,780	$ 1,452
Loans average	237,292	196,074	247,715	210,750	143,083	130,192	148,219	135,126	13,632	1,544	13,972	1,543
Net charge-offs	$ 660	$ 660	$ 971	$ 971	$ 1,372	$ 1,372	$ 1,741	$ 1,741	$ 17	$ 17	$ 19	$ 19
% of average loans	1.10%	1.34%	1.57%	1.85%	3.80%	4.18%	4.71%	5.17%	0.48%	4.25%	0.54%	4.90%
Allowance for loan losses	$ 4,320	$ 4,318	$ 4,818	$ 4,816	$ 12,925	$ 8,489	$ 12,880	$ 8,701	$ 1,191	$ 95	$ 1,140	$ 60
% of Loans	1.78%	2.22%	1.96%	2.32%	9.13%	6.60%	8.81%	6.53%	8.86%	6.49%	8.27%	4.11%
Average refreshed (C)LTV [1]		81		79		84		85		80		77
90%+ refreshed (C)LTV [1]		34%		31%		41%		43%		28%		24%
Average refreshed FICO		718		719		723		723		641		645
% below 620 FICO		14%		13%		12%		12%		44%		43%

[1] Loan-to-value (LTV) calculations apply to the residential mortgage and discontinued real estate portfolio. Combined loan-to-value (CLTV) calculations apply to the home equity portfolio.

Consumer Asset Quality Key Indicators (cont'd)

($ in millions)	Credit Card		Other [1]		Total Consumer	
	3Q10	**2Q10**	**3Q10**	**2Q10**	**3Q10**	**2Q10**
Loans end of period	**$ 140,871**	$ 143,130	**$ 95,403**	$ 101,247	**$ 634,415**	$ 649,933
Loans average	**142,298**	146,444	**98,647**	101,507	**634,952**	657,857
Net charge-offs	**$ 3,270**	$ 4,459	**$ 787**	$ 952	**$ 6,106**	$ 8,142
% of average loans	**9.12%**	12.21%	**3.16%**	3.77%	**3.81%**	4.96%
Allowance for loan losses	**$ 14,093**	$ 14,581	**$ 2,832**	$ 3,111	**$ 35,361**	$ 36,530
% of Loans	**10.00%**	10.19%	**2.97%**	3.07%	**5.57%**	5.62%

- The average refreshed FICO for the U.S. Credit Card portfolio was 700 at 3Q10 compared to 697 at 2Q10
- The percentage below 620 was 14% at 3Q10 compared to 15% at 2Q10
- The 3Q credit card loss rate of 9.12% is down by 205 bps from 11.17% in 2Q10, excluding the 2Q10 accelerated losses in the foreign credit card portfolio to align policies on renegotiated loans with the domestic portfolio.

[1] Other primarily consists of the Consumer Lending and Dealer Financial Services portfolios.

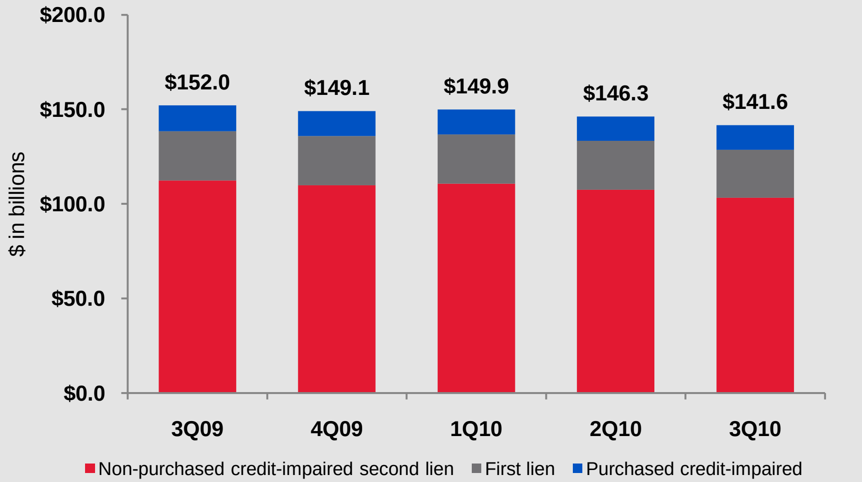
Commercial Asset Quality Key Indicators [1]

($ in millions)	Commercial and Industrial [2]		Commercial Real Estate		Small Business		Commercial Lease Financing		Total Commercial	
	3Q10	**2Q10**	**3Q10**	**2Q10**	**3Q10**	**2Q10**	**3Q10**	**2Q10**	**3Q10**	**2Q10**
Loans end of period	**$ 206,443**	$ 203,454	**$ 52,819**	$ 61,587	**$ 15,228**	$ 15,913	**$ 21,321**	$ 21,392	**$ 295,811**	$ 302,346
Loans average	**$ 203,651**	$ 203,280	**$ 55,596**	$ 64,116	**$ 15,503**	$ 16,329	**$ 21,402**	$ 21,271	**$ 296,152**	$ 304,996
Net Charge-offs	**$ 218**	$ 245	**$ 410**	$ 645	**$ 444**	$ 528	**$ 19**	$ (3)	**$ 1,091**	$ 1,415
% of average loans	**0.43%**	0.48%	**2.93%**	4.03%	**11.38%**	12.94%	**0.34%**	(0.06%)	**1.46%**	1.86%
90+ Performing DPD [3]	**$ 145**	$ 179	**$ 174**	$ 50	**$ 363**	$ 463	**$ 24**	$ 24	**$ 706**	$ 716
% of Loans [3]	**0.07%**	0.09%	**0.33%**	0.08%	**2.39%**	2.91%	**0.11%**	0.11%	**0.24%**	0.24%
Nonperforming loans [3]	**$ 4,166**	$ 4,347	**$ 6,376**	$ 6,704	**$ 202**	$ 222	**$ 123**	$ 140	**$ 10,867**	$ 11,413
% of Loans [3]	**2.02%**	2.14%	**12.07%**	10.88%	**1.33%**	1.40%	**0.58%**	0.65%	**3.67%**	3.77%
Allowance for loan losses	**$ 2,676**	$ 2,818	**$ 3,573**	$ 3,593	**$ 1,820**	$ 2,045	**$ 151**	$ 269	**$ 8,220**	$ 8,725
% of Loans	**1.30%**	1.38%	**6.77%**	5.83%	**11.95%**	12.85%	**0.71%**	1.26%	**2.78%**	2.89%
Reservable Criticized Utilized Exposure [1, 3]	**$ 22,486**	$ 24,100	**$ 21,974**	$ 22,918	**$ 1,741**	$ 1,467	**$ 1,497**	$ 1,834	**$ 47,698**	$ 50,319
% of Total Exposure [1, 3]	**8.25%**	8.92%	**39.00%**	34.87%	**11.40%**	9.19%	**7.02%**	8.57%	**13.06%**	13.48%

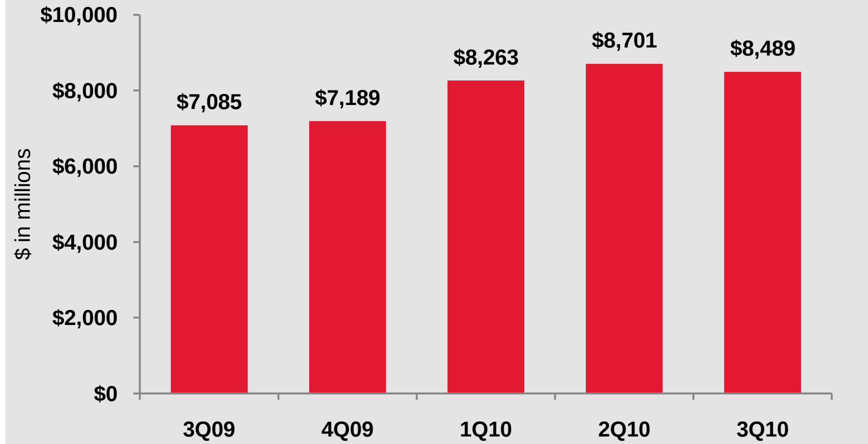
[1] Excludes derivatives, foreclosed property, assets held for sale, debt securities and FVO loans.
[2] Includes commercial domestic excluding small business and commercial foreign.
[3] Excludes the Merrill Lynch purchased credit-impaired loan portfolio.

Focus on Home Equity Loans

Loan Balances end of period



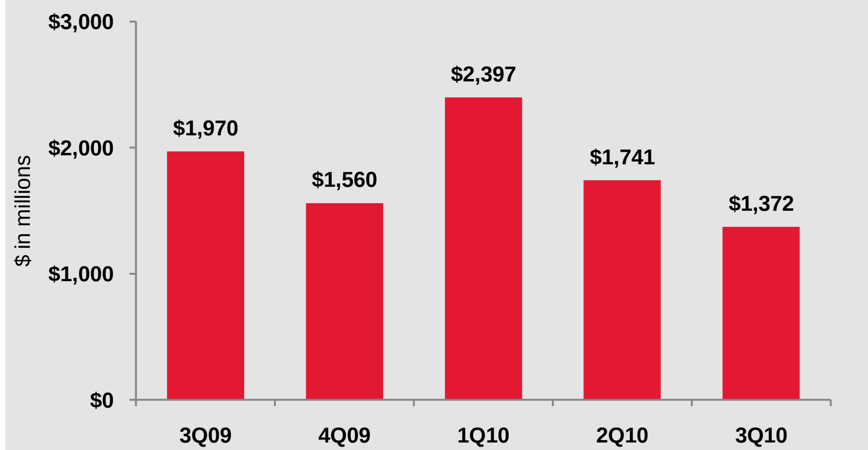
Allowance for Non-purchased Credit-Impaired Loans



Home Equity Portfolio Characteristics

- 90% of portfolio are stand-alone originations versus piggy-back loans
- $12.8B legacy Countrywide purchased credit-impaired loan portfolio
- For the non-purchased credit-impaired portfolio
  - $25.3B are in first lien position
  - $103.5B are second lien positions
  - Approximately 36% or $37.1B have CLTVs greater than 100%
    - Does not mean that entire second lien position is a loss in the event of default
    - Assuming proceeds of 85% of the collateral value, we estimate collateral value of $11.6B available for second liens
    - Additionally, on 93% of second liens with CLTVs greater than 100%, the customer is current

Net Charge-offs [1]



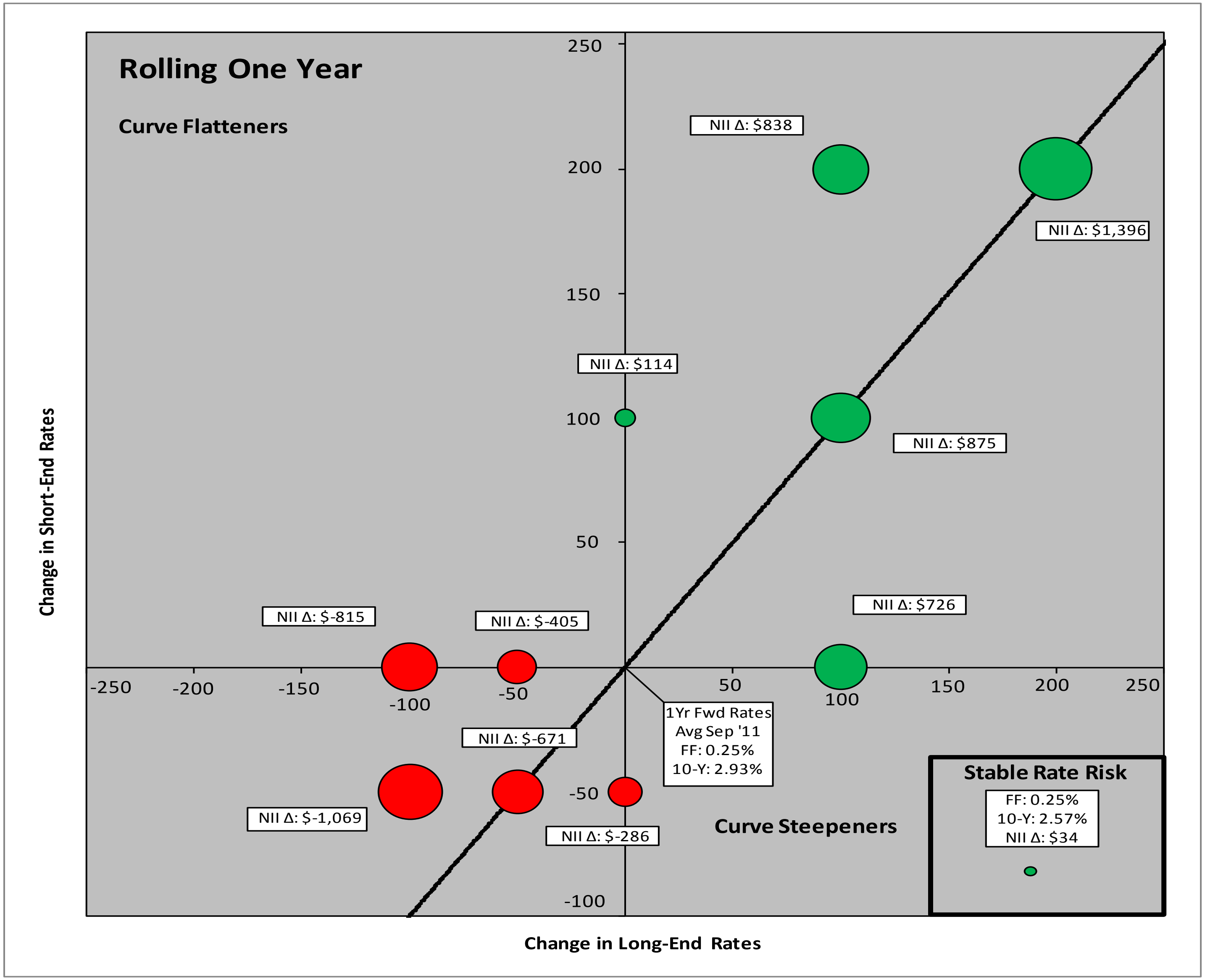
Net charge-offs include $643M in 1Q10 and $128M in 2Q10 on collateral dependent modified loans, and $170M in 1Q10, $126M in 2Q10 and $92M in 3Q10 from consolidation of loans under FAS 166/167

[1] Charge-offs do not include Countrywide purchased credit-impaired portfolio as they were considered part of the original purchase accounting.

Additional
Balance Sheet Management
Information

Net Interest Income Sensitivity at September 30, 2010[1]

($ in millions)



[1] Due to the absolute low level of rates, the bubble chart sensitivities illustrate short-end shock scenarios of -50 bps. Prior presentations included both -100 bps and -200 bps sensitivities to short-end rates.

NII Sensitivity (continued) [1]

($ in millions)	Rolling One Year	
	September 30, 2010	June 30, 2010
Forward curve interest rate scenarios		
+ 100 bp parallel shift	$875	$977
- 50 bp parallel shift	(671)	(697)
Flattening scenarios from forward curve		
+ 100 bp flattening on short end	114	260
- 100 bp flattening on long end	(815)	(846)
Steepening scenarios from forward curve		
+ 100 bp steepening on long end	726	673
- 50 bp steepening on short end	(286)	(316)

[1] Due to the absolute low level of rates, the bubble chart sensitivities illustrate short-end shock scenarios of -50 bps. Prior presentations included -100 bps sensitivity to short-end rates.

Phase-In Rules on Basel III

Tier 1 Common Phase-in Details

	Tier 1 Common Minimum	Capital Conservation Buffer	Counter-Cyclical Buffer (?)	Systemic Buffer (?)	Total	Basel III Deduction Phase-in
1/1/2011	2.0%	0.0%	0.0%	0.0%	2.0%	0.0%
1/1/2012	2.0%	0.0%	0.0%	0.0%	2.0%	0.0%
1/1/2013	3.5%	0.0%	0.0%	0.0%	3.5%	0.0%
1/1/2014	4.0%	0.0%	0.0%	0.0%	4.0%	20.0%
1/1/2015	4.5%	0.0%	0.0%	0.0%	4.5%	40.0%
1/1/2016	4.5%	0.6%	0.0%	0.0%	5.1%	60.0%
1/1/2017	4.5%	1.3%	0.0%	0.0%	5.8%	80.0%
1/1/2018	4.5%	1.9%	0.0%	0.0%	6.4%	100.0%
1/1/2019	4.5%	2.5%	0.0%	0.0%	7.0%	100.0%

Reconciliation of Reported to Managed Results

Fourth Quarter 2009

($ in millions)	Reported Basis	Securitization Impact [2]	As Adjusted
Net interest income [1]	$11,896	$2,474	$14,370
Card income	1,782	381	2,163
Other income	(1,884)	71	(1,813)
Total revenue [1]	$25,413	$2,926	$28,339
Provision expense	$10,110	$2,926	$13,036
Net (loss)	$(194)	$0	$(194)

Third Quarter 2009

($ in millions)	Reported Basis	Securitization Impact [2]	As Adjusted
Net interest income [1]	$11,753	$2,567	$14,320
Card income	1,557	660	2,217
Other income	(1,167)	81	(1,086)
Total revenue [1]	$26,365	$3,308	$29,673
Provision expense	$11,705	$3,308	$15,013
Net (loss)	$(1,001)	$0	$(1,001)

[1] Fully taxable-equivalent basis.

[2] Includes conforming adjustments and represents the impact of securitizations utilizing actual bond costs. This is different from the business segment view which utilizes funds transfer pricing methodologies.