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July 14, 2009

Mr. Kenneth D. Lewis
Chief Executive Officer and President
Bank of America Corporation
Bank of America Corporate Center
100 N. Tryon Street
Charlotte, NC 28202

Dear Mr. Lewis:

I am troubled by a Bloomberg News report issued today which states that Bank of America is refusing to compensate the Federal government for the \$118 billion in financial protection the U.S. provided to Bank of America in January 2009. By all accounts, this announcement of this so-called "ring-fencing" of Bank of America's toxic assets provided financial stability to Bank of America at a very crucial time for the company.

This agreement was obviously beneficial to Bank of America. You reported it to the public in your earnings press release issued on January 16, 2009, and it was discussed by you personally on a Bank of America earnings conference call with investors on the same date. In addition, documents that this Committee uncovered through its investigation of the Bank of America-Merrill Lynch acquisition suggest that Bank of America requested this backstop.

Apparently, Bank of America believes it has the right to back out of this deal with the government because the agreement was never signed. If this is true, I must note the irony of such an argument. As you have stated under oath, Federal Reserve Chairman Ben Bernanke and then-Treasury Secretary Hank Paulson made verbal commitments to you in December of 2008 to provide Bank of America with billions of taxpayer dollars to help your bank absorb the losses at Merrill Lynch. What would have happened to Bank of America if the government had not honored the verbal commitments you say were made to you? What would you have thought of Chairman Bernanke and Hank Paulson if they had backed out of their verbal commitment to you?

If you or anyone at Bank of America made a commitment, verbal or otherwise, to enter into this deal with the United States Government, I urge you to honor that commitment to the government and to the American people. It is the right thing to do.

Mr. Kenneth D. Lewis
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Please provide me with an update no later than July 16, 2009, as to the current status of this dispute with the government.

Should you have any questions regarding this request, please contact John Arlington or Christopher Staszak of the Committee staff at 202-225-5051.

Sincerely,



Edolphus Towns
Chairman

cc: Darrell Issa, Ranking Minority Member
Committee on Oversight and Government Reform