

**Exhibit 63**  
**to**  
**Affidavit of Daniel M. Reilly**  
**in Support of Joint Memorandum of**  
**Law in Opposition to Proposed Settlement**

Table of Contents

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

**FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the Quarterly Period Ended March 31, 2011

or  
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
For the transition period from to

**Commission file number:**  
1-6523

**Exact Name of Registrant as Specified in its Charter:**  
Bank of America Corporation

**State or Other Jurisdiction of Incorporation or Organization:**  
Delaware

**IRS Employer Identification Number:**  
56-0906609

**Address of Principal Executive Offices:**  
Bank of America Corporate Center  
100 N. Tryon Street  
Charlotte, North Carolina 28255

**Registrant's telephone number, including area code:**  
(704) 386-5681

**Former name, former address and former fiscal year, if changed since last report:**

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

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

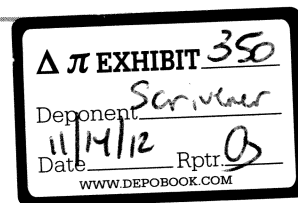
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one).

Large accelerated filer  Accelerated filer Non-accelerated filer Smaller reporting company  
(do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2).

Yes No

On April 30, 2011, there were 10,132,963,189 shares of Bank of America Corporation Common Stock outstanding.



## Table of Contents

### *Assured Guaranty Settlement*

On April 14, 2011, we, including our legacy Countrywide affiliates, entered into an agreement with one of the monolines, Assured Guaranty to resolve all of the monoline insurer's outstanding and potential repurchase claims related to alleged representations and warranties breaches involving 29 first- and second-lien RMBS trusts where Assured Guaranty provided financial guarantee insurance. The agreement also resolves historical loan servicing issues and other potential liabilities with respect to these trusts. The agreement covers 21 first-lien RMBS trusts and eight second-lien RMBS trusts, representing total original collateral exposure of approximately \$35.8 billion, with total principal at-risk (which is the sum of outstanding principal balance on severely delinquent loans and the principal balance on previously defaulted loans) of approximately \$10.9 billion, which includes principal at-risk previously resolved. The agreement includes cash payments totaling approximately \$1.1 billion to Assured Guaranty, as well as a loss-sharing reinsurance arrangement that has an expected value of approximately \$470 million, and other terms, including termination of certain derivative contracts. The cash payments consist of \$850 million paid on April 14, 2011, with the remainder payable in four equal installments at the end of each quarter through March 31, 2012. The total cost of the agreement is currently estimated to be approximately \$1.6 billion, which we have provided for in our liability for representations and warranties as of March 31, 2011.

### *Whole Loan Sales and Private-label Securitizations*

Legacy entities, and to a lesser extent Bank of America, sold loans in whole loan sales or via private-label securitizations with a total principal balance of \$777.1 billion originated between 2004 and 2008, which are included in Table 11, of which \$391.3 billion have been paid off and \$173.1 billion are considered principal at-risk at March 31, 2011. At least 25 payments have been made on approximately 61 percent of the loans included in principal at-risk. We have received approximately \$8.4 billion of representations and warranties claims from whole-loan investors and private-label securitization investors related to these vintages, including \$5.9 billion from whole-loan investors, \$800 million from one private-label securitization counterparty which were submitted prior to 2008 and \$1.7 billion in recent demands from private-label securitization investors received in the third quarter of 2010. Private-label securitization investors generally do not have the contractual right to demand repurchase of loans directly or the right to access loan files. The inclusion of the \$1.7 billion in outstanding claims does not mean that we believe these claims have satisfied the contractual thresholds required for these investors to direct the securitization trustee to take action or that these claims are otherwise procedurally or substantively valid. One of these claimants has filed litigation against us relating to certain of these claims. Additionally, certain private-label securitizations are insured by the monoline insurers, which are not reflected in these figures regarding whole loan sales and private-label securitizations. For additional information, refer to Litigation and Regulatory Matters – Repurchase Litigation on page 180 of *Note 11 – Commitments and Contingencies* to the Consolidated Financial Statements.

We have resolved \$5.5 billion of the claims received from whole-loan investors and private-label securitization investors with losses of \$1.2 billion. Approximately \$2.3 billion of these claims were resolved through repurchase or indemnification and \$3.2 billion were rescinded by the investor. Claims outstanding related to these vintages totaled \$2.9 billion at March 31, 2011, \$2.8 billion of which we have reviewed and declined to repurchase based on an assessment of whether a material breach exists and \$126 million of which are in the process of review. The majority of the claims that we have received outside of the GSEs and monolines are from whole-loan investors, and until we have meaningful repurchase experience with counterparties other than whole-loan investors, it is not possible to determine whether a loss related to our private-label securitizations has occurred or is probable. However, certain whole-loan investors have engaged with us in a consistent repurchase process and we have used that experience to record a liability related to existing and future claims from such counterparties.

On October 18, 2010, Countrywide Home Loans Servicing, LP (which changed its name to BAC Home Loans Servicing, LP), a wholly-owned subsidiary of the Corporation, in its capacity as servicer on 115 private-label RMBS securitizations received a letter from Gibbs & Bruns LLP (the Law Firm) on behalf of certain investors in those securitizations that alleged a servicer event of default and asserted breaches of certain loan servicing obligations, including an alleged failure to provide notice to the trustee and other parties to the pooling and servicing agreements of breaches of representations and warranties with respect to mortgage loans included in the securitization transactions. The Law Firm has stated that it now represents security holders who hold at least 25 percent with respect to approximately 230 securitizations, representing original collateral exposure of approximately \$177.1 billion. To permit the parties to discuss the issues raised by the letter, BAC Home Loans Servicing, LP and the Law Firm on behalf of certain investors including those who signed the letter, as well as The Bank of New York Mellon, as trustee, have entered into multiple extensions to toll as of the 59th day of a 60 day period commenced by the letter. We are in discussions with the Law Firm, the investors and the trustee regarding the issues raised and more recently the parties have discussed possible concepts for resolution of any potential representations and warranties, servicing or other claims. However, there can be no assurances that any resolution will be reached.