

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

-----X
THE PEOPLE OF THE STATE OF NEW YORK
By ERIC SCHNEIDERMAN, Attorney General of
the State of New York,

Plaintiff,

– against –

BANK OF AMERICA CORPORATION,
KENNETH D. LEWIS and JOE L. PRICE,

Defendants.
-----X

Index No.: 450115/2010
Assigned to Friedman, S.J.C.

STIPULATION OF SETTLEMENT

THIS STIPULATION OF SETTLEMENT (“Settlement Agreement”) is entered into this 17th day of April, 2014, by and between the Attorney General of the State of New York (the “Attorney General” or “OAG”) and Joe L. Price (“Price”). The Attorney General and Price are collectively referred to herein as the “Parties” or individually as a “Party.” This Settlement Agreement is entered voluntarily by the Parties.

WHEREAS, on September 15, 2008, Bank of America Corp. (“BAC”) agreed to acquire Merrill Lynch & Co., Inc. (“Merrill”) in a stock-for-stock transaction (“the Merger”); BAC issued a Definitive Proxy Statement on or about November 3, 2008 to shareholders recommending that they approve the issuance of shares to effect the transaction and, on December 5, 2008, BAC shareholders voted to approve the issuance of these shares;

WHEREAS, in or about January 2009, the Attorney General commenced an investigation, pursuant to Executive Law § 63(12) and General Business Law § § 352 *et seq.* (the "Martin Act"), into the conduct of Price and others related to the Merger, including BAC's alleged failure to disclose Merrill's fourth-quarter losses prior to the shareholder vote;

WHEREAS, in the course of the investigation, the Attorney General examined over 70 persons and reviewed voluminous documentary evidence;

WHEREAS, on February 4, 2010, the Attorney General filed a complaint ("the Complaint") in Supreme Court, New York County ("the Court"), Index No. 450115/2010 ("the Action"), asserting, *inter alia*, that Price and others violated the Martin Act and the Executive Law by allegedly failing to disclose financial losses at Merrill known to it prior to the shareholder vote;

WHEREAS, on August 18, 2010, Price filed his answer denying the allegations of the Complaint;

WHEREAS, the parties wish to resolve the Action and provide for the dismissal of the Action;

NOW, THEREFORE, in consideration of the mutual covenants, promises and obligations set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

For purposes of this Settlement Agreement, the following terms shall have the following meaning:

- a) "Effective Date" shall mean the date this Stipulation of Settlement is signed by both parties;
- b) "Public Company" shall mean any company, corporation, or other business entity which has issued, or is in the process of issuing any Securities to the public or whose Securities are traded on any public exchange;
- c) "Securities" shall mean and include any security registered pursuant to Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act") or any security for which reports are required to be filed pursuant to Section 13(a) of the Exchange Act.

I. PROHIBITED PRACTICES

1. Price agrees that for a period of eighteen (18) months from the Effective Date he will not act, engage, or be employed, or attempt to act, engage, or be employed, as an officer or director of any Public Company.

2. Price agrees not to engage in any deceptive, fraudulent or illegal practice in violation of Article 23-A of the General Business Law and Executive Law Section 63(12) in connection with the issuance, offer for sale, negotiation, purchase, sale, promotion, distribution, investment, and/or trading in any Securities within, to, or from the State of New York.

II. PAYMENT BY PRICE

3. Price shall pay \$7.5 million to the Office of the New York State Attorney General ("OAG") in payment of the OAG's fees and costs in connection with the investigation and prosecution of this matter, including Price's role as an officer of Bank of America. The payment shall be made by wire transfer to the State of New York no later than ten days from the effective date.

III. DISMISSAL OF CLAIMS AGAINST PRICE

4. Upon receipt by the OAG of the payment specified in Paragraph 3 above, and in consideration for this payment, the Action against Price shall be discontinued with prejudice. Upon receipt of the payment, the OAG shall deliver to counsel for Price an executed Stipulation of Discontinuance with Prejudice as against Price in the form annexed hereto as Exhibit A and shall concurrently file said Stipulation of Discontinuance with Prejudice with the Clerk of the Court.

IV. GENERAL PROVISIONS

5. To the extent not already provided under this Settlement Agreement, Price shall, upon request by the OAG, provide all documentation and information reasonably necessary for the OAG to verify compliance with this Settlement Agreement.

6. This Settlement Agreement may not be amended except by an instrument in writing signed on behalf of all the Parties.

7. This Settlement Agreement and any dispute related thereto shall be governed by the laws of the State of New York without regard to any conflicts of laws principles.

8. Any action arising under this Settlement Agreement shall be heard by the courts of the State of New York. Price consents to the jurisdiction of the courts of the State of New York in any proceeding or action to enforce this Settlement Agreement.

9. No failure or delay by the OAG in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

10. Price enters into this Settlement Agreement voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the OAG or any member, officer, employee, agent or representative of the OAG to induce Price to enter into this Settlement Agreement.

11. This Settlement Agreement constitutes the entire agreement between the OAG and Price and supersedes any prior communication, understanding or agreement, whether written or oral, concerning the subject matter of this Settlement Agreement.

12. This Settlement Agreement may be executed in one or more counterparts, each of which shall be considered the same as if a single document shall have been executed, but shall become effective and binding only when such counterparts have been signed by each of the Parties.

13. Price and his counsel represent and warrant, through the signatures below, that Price has duly approved the terms and conditions, and execution of this Settlement Agreement. Neither this Settlement Agreement nor any acts performed or documents executed in furtherance of this Settlement Agreement may be deemed or used as an admission of, or evidence of, the validity of any alleged wrongdoing, liability or omission of Price in any civil, criminal or administrative proceeding in any court or administrative or other tribunal. Nothing in this Settlement Agreement shall be construed as an admission or denial by Price of any liability, wrongdoing or legal or factual issue.

14. Entry into this Settlement Agreement by OAG shall not be deemed or construed as approval by OAG of any of the practices, acts, or conduct alleged in the Complaint. Price shall not state or imply or cause to be stated or implied that the OAG has approved, sanctioned, or authorized any practice, act or conduct of Price alleged in the Complaint.

15. In the event that any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Settlement Agreement.

16. The OAG retains the right under New York Executive Law Section 63(15) to compel compliance with this Settlement Agreement. Evidence of a violation of this Settlement Agreement shall constitute *prima facie* proof of violation of the applicable law in any civil action or proceeding thereafter commenced by the OAG.

17. Should the OAG prove in a court of competent jurisdiction that a material breach of this Settlement Agreement by Price has occurred, Price shall pay to the OAG all costs, expenses and reasonable attorney's fees of enforcing this Settlement Agreement.

Dated: New York, New York
April 17, 2014

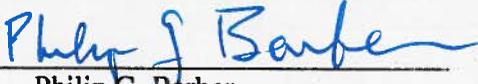
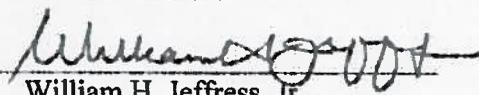
<p>THE PEOPLE OF THE STATE OF NEW YORK BY ERIC T. SCHNEIDERMAN, ATTORNEY GENERAL OF THE STATE OF NEW YORK</p> <p>BY:  Philip G. Barber Office of the Attorney General of the State of New York 120 Broadway, 23rd Floor New York, NY 10271 Telephone: (212) 416-4000</p> <p><i>Counsel for Plaintiff</i></p>	<p>BAKER BOTTS L.L.P.</p> <p>BY:  William H. Jeffress, Jr. 1299 Pennsylvania Avenue, NW Washington, D. C. 20004 Telephone: (202) 639-7700</p> <p><i>Counsel for Defendant Joe L. Price</i></p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

EXHIBIT A

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

THE PEOPLE OF THE STATE OF NEW YORK
By ERIC T. SCHNEIDERMAN, Attorney General
Of the State of New York,

Plaintiff,

- against -

BANK OF AMERICA CORPORATION,
KENNETH D. LEWIS and JOE L. PRICE,

Defendants.

Index No. 450115 / 2010

(Friedman, J.)

STIPULATION OF DISCONTINUANCE

IT IS HEREBY STIPULATED AND AGREED, by and between all parties, through their undersigned counsel, that all claims asserted against Defendant Joe L. Price in the above-captioned action be and hereby are discontinued with prejudice in their entirety, and that each of Plaintiff the People of the State of New York by Eric T. Schneiderman, Attorney General of the State of New York, and Defendant Joe L. Price will bear its own fees and costs. No party hereto is an infant or incompetent person for whom a committee has been appointed or conservatee, and no person not a party has an interest in the subject matter of this action.

IT IS HEREBY FURTHER STIPULATED AND AGREED that a copy of this Stipulation may be filed with the Clerk of the Court without further notification or court order.

ERIC T. SCHNEIDERMAN
Attorney General of the State of New York

By: _____
Philip G. Barber

Date

Office of the Attorney General of the
State of New York
120 Broadway, 23rd Floor
New York, NY 10271
Tel. (212) 416-6381

Attorneys for Plaintiff

BAKER BOTTS LLP

By: _____
William H. Jeffress

Date

1299 Pennsylvania Avenue, NW
Washington, D. C. 20004-2400
Tel. (202) 639-7700

Attorneys for Defendant Joe L. Price

DEBEVOISE & PLIMPTON LLP

By: _____
Colby A. Smith

Date

555 13th Street, N.W.
Washington, D. C. 20004
Tel. (202) 383-8000

Attorneys for Defendant Kenneth D. Lewis

**PAUL, WEISS, RIFKIND, WHARTON &
GARRISON LLP**

By: _____

Brad S. Karp
Daniel J. Kramer
Audra Soloway

_____ Date

1285 Avenue of the Americas
New York, NY 10019-6064
Tel. (212) 373-3000

**CLEARY GOTTlieb STEEN &
HAMILTON LLP**

Mitchell A. Lowenthal
Lewis J. Liman
Jennifer Kennedy Park

One Liberty Plaza
New York, NY 10006
Tel. (212) 225-2000

*Attorneys for Defendant
Bank of America Corporation*