

Appendix 2.1

**FRB Consent Order (the "Order")
BANK OF AMERICA CORPORATION****Paragraph 3. Plan to Enhance Enterprise-wide Risk Management Program Action Steps****Action Plan as of November 30, 2011 for December 12, 2011 Submission****Subject to Federal Reserve Board/Reserve Bank Review and Approval**

The Plan and the corresponding action steps do not describe all the core elements of BAC's Enterprise-wide Risk Management ("ERM") program with respect to its oversight of residential mortgage loan servicing, Loss Mitigation, and foreclosure activities and operations. Prior to the issuance of the Order, BAC had made significant progress in enhancing its ERM program over these activities and operations in accordance with supervisory guidance and expectations. As required by the Order, the Plan was based on an evaluation of the effectiveness of the ERM program, which was completed in May 2011. Action steps presented in Appendix 2.1 reflect activity as of November 30, 2011. The action steps in the Plan are supplemental to the enhancements BAC had already implemented or had begun implementing and contribute to safe, sound, and compliant residential mortgage loan servicing, Loss Mitigation, and foreclosure activities and operations.

BANK OF AMERICA CORPORATION		
Paragraph 3. Plan to Enhance Enterprise-wide Risk Management Program		
FRB Consent Order (the "Order") Effective April 13, 2011		
Action Plan as of November 30, 2011 for December 12, 2011 Submission		
Area	Requirement	Action Steps
Paragraph 3. Risk Management Program		
1. Risk Management Program Fundamental Elements	Ensure that the fundamental elements of the risk management program and any enhancements or revisions thereto, including a comprehensive annual risk assessment, encompass residential mortgage loan servicing, Loss Mitigation, and foreclosure activities.	<p>A. Existing and Ongoing Practices</p> <p>A.1 The Board-approved Bank of America Corporation (BAC) Risk Management Framework articulates the bank's risk management goals. The Framework:</p> <ul style="list-style-type: none"> • States the Board's desire to maintain a strong and comprehensive risk management culture as well as governance and controls to implement that culture. • Informs all employees that they are responsible for understanding what risks impact BAC, are responsible for managing those risks, and ensuring an appropriate risk reward balance. • Highlights the risks inherent in BAC's businesses. • Identifies the processes for managing risk. • Describes the governance structure. • Defines roles and accountabilities for the business and oversight functions. <p>A.2 The Risk Management Framework provides that Risk Management is responsible for developing business level policies.</p> <p>A.3 The Risk Management Framework provides that Risk Management conducts risk assessments on the business activities it oversees.</p> <p>A.4 As part of its implementation of the Risk Management Framework, Risk Management continues to enhance its risk coverage model to provide comprehensive and consistent risk coverage of mortgage servicing.</p> <p>A.5 As part of its implementation of the Risk Management Framework, Risk Management continues to enhance its monitoring and testing program to assess the effectiveness of business controls, and compliance with policies, including satisfaction of actions required by the Order.</p> <p>A.6 Management level committees provide oversight and monitor a broad range of topics.</p> <p>A.7 Risk Management continues to provide risk training to employees and leaders.</p> <p>B. Completed Action Steps</p> <p>B.1 Risk Management worked with Compliance to enhance the governance framework for oversight of the mortgage business.</p> <p>B.2 Risk Management enhanced the process for escalation of residential mortgage loan servicing, loss mitigation, and foreclosure activities topics to appropriate oversight committees.</p> <p>B.3 The Risk Management group strengthened end-to-end coverage across risk functions.</p> <p>B.4 Risk Management continues to provide risk training to employees and leaders and deployed a Risk learning plan which includes mandatory enterprise, compliance and new hire training.</p> <p>B.5 A staffing assessment focused on mortgage servicing (mortgage loan servicing, loss mitigation, and foreclosure activities) was completed. The assessment included an analysis of staff size, skill sets, and staff locations.</p> <p>B.6 To provide enhanced guidance for mortgage servicing practices, Risk Management updated existing policies.</p> <p>B.7 Risk Management deployed the initial version of a new technology platform to provide enhanced quality and consistency of execution of the risk coverage model that includes analytical tools and data repositories. Development continues on the target state technology model.</p> <p>B.8 Risk Management has enhanced key testing resources and infrastructure, implemented a new testing platform and launched a new monitoring platform.</p> <p>C. Remaining Action Steps</p>

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Area	Requirement	Action Steps
Paragraph 3. Risk Management Program		
		C.1 Risk Management continues to implement a process to assess its monitoring, testing, and general oversight or "coverage."
		C.2 Risk Management continues to enhance existing policies and implement new policies for the mortgage business.
2. Compliance with Supervisory Guidance	Ensure that the risk management program complies with supervisory guidance of the Board of Governors, including, but not limited to, guidance entitled, "Compliance Risk Management Programs and Oversight at Large Banking Organizations with Complex Compliance Profiles," dated October 16, 2008.	See Risk Management Program Fundamental Elements Above for Existing Practices, Completed Action Steps, and Remaining Action Steps under this FRB Requirement.
3. Establish and Review Risk Limits	Establish limits for compliance, legal, and reputational risks and provide for regular review of risk limits by appropriate senior management and the board of directors or authorized committee of the board of directors.	A. Existing and Ongoing Practices
		A.1 Risk Management reports regularly on results compared to targets, tolerances, and limits as well as the business' risk culture.