



STATE OF CONNECTICUT **NEWS RELEASE**

ATTORNEY GENERAL RICHARD BLUMENTHAL
TREASURER DENISE L. NAPPIER

FOR IMMEDIATE RELEASE

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ATTORNEY GENERAL, TREASURER ANNOUNCE BANK OF AMERICA PLAN FOR COMMUNITY DEVELOPMENT TO BENEFIT CONNECTICUT RESIDENTS

*Funding for affordable housing, economic development, small business lending,
consumer lending and financial education*

State Treasurer Denise L. Nappier and Attorney General Richard Blumenthal said today that Bank of America has plans for \$4.63 billion in lending and investment over the next three years to include small business lending, consumer lending, affordable housing and economic development in Connecticut, and will also establish a three-year, \$1 million technical assistance community development fund to promote financial literacy and asset building programs and support the development of low- or moderate-income housing.

The announcement came following months of discussions between Nappier, Blumenthal and Bank of America officials that began last year during the Bank's merger process with Fleet Bank, and is similar in scope to a previous commitment developed by Fleet Bank officials in 1999 when Fleet merged with BankBoston.

Bank of America has also agreed to maintain, through at least the end of this year, the current minimum interest rates for Interest on Lawyers Trust Accounts (IOLTA) that support legal aid services in the state. The Bank will continue to work with the Attorney General's office and Connecticut's legal community to establish an ongoing funding mechanism that will assure the Bank's leadership position in support of legal aid services.

"This is a significant starting point – and hopefully only a signal of what's to come," Blumenthal said. "Bank of America is sending an important message that it understands both the opportunities and obligations of increased power and presence – opportunities to better its bottom line and obligations to better serve the public's interest."

The Bank's commitment to a goal of \$4.63 billion over the next three years will be focused on four broad community development lending and investment categories: 1) small business lending, 2) consumer lending, 3) affordable housing and 4) economic development. Although the specific

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breakdown of lending and investment activity differs somewhat from the model employed by Fleet, Nappier and Blumenthal welcomed Bank of America's plan to provide much-needed funding in those areas.

"Bank of America has a tremendous opportunity to be a vigorous and dynamic force for economic growth in our state," Nappier said, "providing much-needed capital and expertise to assist Connecticut businesses and families. I believe the Bank may now be poised to make good on that opportunity in a manner that truly reflects responsible corporate citizenship."

The \$1 million corporate citizenship commitment related to financial education is to include technical assistance and new grants in asset wealth-building strategies such as IDAs, as well as financial education assistance for adults and youth and the development of low- and moderate-income housing in Connecticut.

Blumenthal's and Nappier's discussions with Bank officials were informed by a six-hour public hearing they conducted in Hartford last February, shortly after the merger plan was announced. More than 60 individuals and representatives of community and business organizations testified, highlighting the track record of the former Fleet Bank in the market and stating their hopes for the merged banks' responsiveness to community needs.

"We worked collaboratively with Fleet on a range of programs that have made a difference in people's lives, and helped them make progress toward economic self-sufficiency. Many of those efforts will continue, and it is noteworthy that Bank of America will continue to be a real partner in that important work," Nappier said. "I look forward to working with Bank of America as they strive to meet the financial service needs of our residents and businesses -- as well as maintain its position as a leading corporate citizen."

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