

**THE FEDERAL RESERVE BANK OF RICHMOND**

RICHMOND • BALTIMORE • CHARLOTTE

Post Office Box 27622 - Richmond, VA 23261
Office 804-697-8000 - www.richmondfed.org

January 13, 2008

[REDACTED]
Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, N.Y. 10006

[REDACTED]
Re: Representation Guidelines

This letter confirms the arrangements regarding your representation of the Federal Reserve Bank of Richmond in documenting the loan and guaranty arrangement between the Federal Reserve Bank of Richmond, the U.S. Treasury, the Federal Deposit Insurance Corporation, and Bank of America Corporation. The Reserve Bank has both public and private features but contends that it is not a federal agency; in handling litigation for the Reserve Bank, unless instructed otherwise, you should proceed as you would in representing a private corporation. Furthermore, we request that you be mindful of the following principles of particular importance:

1. Cost-Effective Case Management

In most instances a cost-effective resolution is more important than winning at any cost. Cost in relation to benefit must be considered at every stage of the representation, and we expect management practices that maximize the efficiency of the engagement and minimize costs to the Reserve Bank. We ask that you consult us in advance about significant expense items, such as travel, investigative services, and expert witness retention.

The Reserve Bank does not have authority to incur or pay outside counsel fees in excess of \$50,000 without approval by the Board of Governors of the Federal Reserve System. We are notifying the Board that we anticipate fees will exceed that amount, but we ask that you consult us and assist us in obtaining any required review and approval, if necessary.

We ask that you identify the attorney or attorneys who will be providing services during this engagement. I will be the principal liaison between us and I provided you with my contact information in an e-mail earlier today. We expect to be kept informed of all important developments and will make final decisions on strategy in consultation with the attorneys you designate.

2. Litigation

a.) Prior Review/Approval. Unless otherwise agreed, you must provide a copy of each answer, response or brief to the Reserve Bank at least five business days, if possible, before filing.

b.) Discovery. When the Reserve Bank is involved in litigation in its regulatory capacity, opposing counsel often requests production of confidential information, such as bank

examination or inspection reports. Because the Board of Governors has legal control over this information, the Reserve Bank's position regarding production may be dictated by the Board. You should safeguard any such supervisory information with special care.

3. Return of Documents

At the conclusion of this matter or on our request, you should deliver all records, data, documents, and copies relating to the matter to us, and identify for us copies you have retained to accurately document the nature and scope of the service.

4. Billing

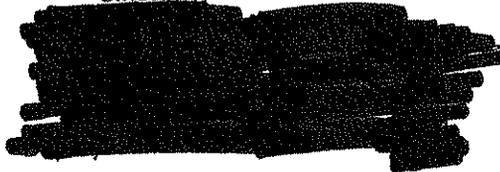
Each bill should reflect a detailed itemization of the services rendered, including the date services were rendered, the name or initials of the person performing the services, the hours charged (to the tenth of an hour), and a brief description of the services performed. The amount charged per hour and the total charged by each person working on the case should be shown at the end of each bill. There should also be a detailed list of any expenses for which the Reserve Bank is being charged. The bill should show total professional fees (and hours) plus total disbursements for expenses and a grand total.

Unless agreed in advance, the Reserve Bank will not pay for:

- a) administrative or clerical services including secretarial, word processing, accounting or other clerical staff time (overtime or otherwise);
- b) time charges for the preparation of a bill; and
- c) any expense labeled "miscellaneous."

I trust these guidelines are acceptable. We very much appreciate your assistance and look forward to working with you.

Sincerely,



Accepted:
Cleary Gottlieb Steen & Hamilton LLP

By: 

Date: 