

Testimony of Charles K. Gifford
Member, Board of Directors
Bank of America

House Committee on Oversight and Government Reform
and Subcommittee on Domestic Policy

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Chairman Towns, Ranking Member Issa, Subcommittee Chairman

Kucinich and Ranking Member Jordan, my name is Chad Gifford. I have been a member of the Bank of America Board of Directors since 2004, when Bank of America acquired FleetBoston, where I had served as Chairman and Chief Executive Officer. I was Chairman of the Bank of America Board from April 2004 to January 2005, and I have continued to serve as a member of the Board since then.

Mr. Chairman, I understand the Committee's interest in gaining my perspective on Bank of America's acquisition of Merrill Lynch and stand ready to answer your questions. I would only like to make two observations at this point. First, I believe the Bank of America - Merrill Lynch combination is already bearing fruit. Merrill Lynch has been accretive to Bank of America's earnings for the year to date, and the systematic benefits envisioned when the Board approved the merger are already beginning to take hold. Although it is fair to say I had a number of tough questions about the transaction at the start, I firmly believe that over the long haul, Merrill Lynch will continue to be an important contributor to Bank of America's profitability.

Second, as someone who has spent his entire professional career in the banking sector, I can attest that the financial crisis of 2008 was simply unprecedented in its depth, breadth and velocity. Even in the midst of it, predictions for how bad it would get consistently understated the scope, severity, and duration. Our government – elected and appointed officials – took bold action and made extraordinary decisions to stabilize the financial system. For those measures, those of us in the banking industry should be grateful. I want to take this opportunity to personally say “Thank You” to the American people. As the process of recovery moves forward, we at Bank of America will always remain mindful of what was done to stabilize our system, and of our important role in helping ensure those decisions work for our customers – families, businesses and investors.

Thank you again for the opportunity to participate in today’s hearing, and I look forward to your questions.