

COMPARATIVE SCHEDULE SHOWING INCREASE IN ADJUSTED
CAPITAL STRUCTURE OF BANK OF AMERICA N.T. & S.A.
FROM MARCH 31, 1932 TO AUGUST 31, 1939 ON
BASIS OF COMPUTATION PRESENTLY USED IN
REPORTS OF EXAMINATION

	<u>March 31, 1932</u>	<u>April 10, 1933</u>	<u>August 31, 1939</u>
Capital, Surplus and Undivided Profits	94,208,000	100,535,000	117,361,177
Reserves for Contingencies	<u>10,000,000</u>	<u>3,871,000</u>	<u>4,060,593</u>
Total Capital Structure shown by Books	104,208,000	104,406,000	121,421,771
Less:			
50% of Classification III and Classification IV	11,204,500	18,060,500	6,170,015 (2)
	<u>31,494,000</u>	<u>18,333,000</u>	<u>14,319,863</u> (3)
	<u>42,698,500</u>	<u>36,393,500</u>	<u>20,498,879</u>
Adjusted Capital Structure After above Deductions	61,509,500	68,012,500	100,922,892
Less: Depreciation in Bond Account	<u>12,497,000</u>	<u>17,108,000</u>	<u>---(1)</u>
Net	49,012,500	50,904,500	100,922,892
Deposits	666,423,000	641,900,000	1,321,334,237
Ratio Capital to Deposits	1 to 13.59	1 to 12.61	1 to 13.09

(1) Net appreciation in Bond Account of \$8,683,296 as of Feb. 13, 1940.

Note: The Bank does not accede to the method of computing capital structure used in reports of examination. The foregoing computation has been prepared, however, to show the improvement in the capital structure of the Bank since 1932 based upon the present method of computation.

- (2) Of this amount \$3,245,478.03 would be eliminated through the pledging of additional collateral for the California Lands and Capital Co. contracts.
- (3) Of this amount \$6,321,152.64 has been eliminated through charge offs, reserves or otherwise.

ESTIMATED NET SOUND ASSET VALUE
BANK OF AMERICA N.T. & S.A.

Adjusted Capital Structure shown by Report of Examination of August 31, 1939	\$100,922,892.28
Add: Losses charged off or otherwise eliminated since August 31, 1939	6,321,152.64
Items erroneously classified doubtful in Report of Examination of August 31, 1939. (One half of III classification on loans at branches or \$527,020.03 deducted. Balance of III Classification represents Real Estate contracts, Other Real Estate and banking premises upon which there is no loss.)	5,656,995.66
Items erroneously classified as loss in Report of Examination of August 31, 1939 (Consisting of National City Bank stock, Other Real Estate and Banking Premises upon which there is no loss)	7,997,711.01
Net appreciation in Securities Accounts (as of February 13, 1940)	<u>8,683,296.05</u>
Corrected Adjusted Capital Structure	129,582,047.64
Banking House and Furniture and Fixtures value in excess of Book Value as per American Appraisal Company figures based on Reproduction cost less depreciation, land at current low value.	6,788,458.50
Estimated minimum recovery anticipated from valuation reserves of \$15,564,000.00	<u>5,000,000.00</u>
Estimated Net Sound Asset Value	141,370,505.64
Ratio to Deposits, December 30, 1939	1 to 10.41