



Press Release

FOR IMMEDIATE RELEASE

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**SETTLEMENT REACHED IN LAWSUIT
REGARDING COUNTRYWIDE'S SERIES B FLOATING RATE
CONVERTIBLE SENIOR DEBENTURES DUE 2037**
Countrywide agrees to commence tender offer for the Debentures

New York, NY, October 10, 2008 – Brown Rudnick LLP, a premier international law firm, today announced that The Bank of New York Mellon (the “Trustee”), solely in its capacity as Indenture Trustee, and Countrywide Financial Corporation (“Countrywide”) settled their ongoing litigation filed in the Delaware Chancery Court. Under the settlement agreement, Countrywide has agreed to commence a tender offer for Countrywide’s Series B Floating Rate Convertible Senior Debentures Due 2037 on or before October 20, 2008. The purchase price for the tender offer will be \$980 per \$1,000 principal amount of bonds, plus accrued interest. Upon commencement of the tender offer, the Trustee has agreed to dismiss the pending lawsuit. Two billion dollars principal amount of the bonds are outstanding. The tender offer is subject to any necessary regulatory approvals.

On July 31, 2008, Brown Rudnick, on behalf of the Trustee, commenced the litigation in the Delaware Court of Chancery. The complaint alleged that Bank of America’s recent acquisition of Countrywide was a Change of Control of Countrywide under the bond indenture. According to the Trustee’s complaint, this Change of Control triggered an obligation by Countrywide to repurchase all bonds at par at the option of holders. Sigmund S. Wissner-Gross, of Brown Rudnick, counsel to the Trustee and an Ad Hoc Committee of Series B bondholders, stated: “The bondholders are quite satisfied with the settlement which is designed to quickly provide them with the means to liquidate this investment at close to par.”

About Brown Rudnick LLP

Brown Rudnick is an international law firm with offices in the United States and Europe. The firm represents clients from around the world, providing business-focused solutions that address today’s ever-changing, ever-demanding competitive marketplace. With an



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entrepreneurial and collaborative mindset, Brown Rudnick offers a broad slate of capabilities and talents in areas that include: Bankruptcy & Corporate Restructuring, Complex Litigation, Corporate & Securities, Energy, Finance, Government Law & Strategies, Health Law, Intellectual Property and Real Estate. For more information, please visit www.brownrudnick.com.

The Brown Rudnick Center for the Public Interest is a measure of the Firm's strong commitment to the community and serves as an umbrella entity encompassing the Firm's pro bono legal work, charitable giving, community involvement and public interest efforts. For more information, please visit www.brownrudnickcenter.com.

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