

The first reason for the merger's failure was the regulatory environment. Despite its best efforts, Bank of America struggled to integrate the two companies efficiently, leading to inefficient operations and customer service problems. Countrywide was notorious for offering subprime mortgages to people with low credit scores. Secondly, the cultural differences between the two companies played a significant role in the merger failure. Bank of America was known for its conservative management style and adherence to strict policies and procedures. The global financial meltdown of 2008 began shortly after the merger, causing significant financial stress to the industry overall. This made it difficult for Bank of America to manage the assets acquired in the merger, leading to significant write-downs. The government imposed stricter lending regulations after the 2008 financial crisis.