

FLEETBOSTON FINANCIAL CORP  
Form 424B5  
March 05, 2002

FILED PURSUANT TO RULE 424(b) (5)  
REGISTRATION NO. 333-72912

PROSPECTUS SUPPLEMENT  
(TO PROSPECTUS DATED NOVEMBER 21, 2001)

[FLEETBOSTON FINANCIAL LOGO]  
20,000,000 PREFERRED SECURITIES

FLEET CAPITAL TRUST VIII  
7.20% PREFERRED SECURITIES  
(LIQUIDATION AMOUNT \$25 PER PREFERRED SECURITY)  
FULLY AND UNCONDITIONALLY GUARANTEED AS DESCRIBED HEREIN BY  
FLEETBOSTON FINANCIAL CORPORATION  
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Fleet Capital Trust VIII is a Delaware business trust. The trust will sell 7.20% Preferred Securities, the "preferred securities," representing undivided beneficial interests in the trust to the public and will sell common securities representing undivided beneficial interests in the trust to FleetBoston Financial Corporation. The trust will use the proceeds from these sales to buy an equal principal amount of junior subordinated debentures due March 15, 2032 of FleetBoston Financial Corporation and will distribute the cash payments it receives on the junior subordinated debentures it owns to the holders of the preferred and common securities. The trust will redeem the preferred securities on March 15, 2032, which date may be extended to a date not later than March 15, 2051, and may redeem them earlier, subject in the case of redemption to any required prior approval of the Federal Reserve Board.

For each preferred security that you own, you will receive cumulative cash distributions at an annual rate equal to 7.20% on the liquidation amount of \$25 per preferred security on March 15, June 15, September 15 and December 15 of each year, beginning June 15, 2002. FleetBoston Financial Corporation can defer interest payments on the junior subordinated debentures at any time for up to 20 consecutive quarterly periods. If FleetBoston Financial Corporation does defer interest payments, the trust will also defer payment of distributions on the preferred and common securities. However, deferred distributions will themselves accrue interest at an annual rate equal to 7.20%, compounded quarterly, to the extent permitted by law.

FleetBoston Financial Corporation will fully and unconditionally guarantee the payment by the trust of the preferred securities based on obligations discussed in the accompanying prospectus.

The preferred securities have been approved for listing on the New York Stock Exchange, subject to official notice of issuance, under the symbol "FBF PrM." Trading of the preferred securities is expected to commence within 30 days after the preferred securities are first issued.  
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INVESTING IN THE PREFERRED SECURITIES INVOLVES RISKS WHICH ARE DESCRIBED IN THE "RISK FACTORS" SECTION BEGINNING ON PAGE S-7 OF THIS PROSPECTUS SUPPLEMENT.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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The preferred securities are not deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

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	PER PREFERRED SECURITY	TOTAL
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Public offering price(1).....	\$25.00	\$500,000,000
Underwriting commission to be paid by FleetBoston Financial Corporation(2).....	\$.7875	\$ 15,750,000
Proceeds to Fleet Capital Trust VIII.....	\$25.00	\$500,000,000

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(1) Plus accumulated distributions from March 8, 2002, if settlement occurs after that date.

(2) Because Fleet Capital Trust VIII will use all of the proceeds from the sale of the preferred securities and its common securities to purchase junior subordinated debentures of FleetBoston Financial Corporation, FleetBoston Financial Corporation will pay all underwriting discounts and commissions.

The underwriters may also purchase up to an additional 3,000,000 preferred securities at the public offering price within 30 days from the date of this prospectus supplement to cover over-allotments.

The preferred securities will be ready for delivery in book-entry form through The Depository Trust Company on or about March 8, 2002.

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SALOMON SMITH BARNEY  
 FLEET SECURITIES, INC.  
 MERRILL LYNCH & CO.  
 MORGAN STANLEY  
 PRUDENTIAL SECURITIES  
 UBS WARBURG

The date of this prospectus supplement is March 1, 2002.

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You should rely only on the information contained in this document or that we have referred you to. We have not authorized anyone to provide you with any other information.

The trust may sell preferred securities after the date of this prospectus supplement, and this prospectus supplement and the prospectus may be delivered to you after the date of this prospectus supplement. However, you should realize that the affairs of FleetBoston Financial Corporation or the trust may have changed since the date of this prospectus supplement. This prospectus supplement will not reflect those changes.

You should not consider this prospectus supplement or the prospectus to be an offer or solicitation relating to the preferred securities in any jurisdiction in which such an offer or solicitation is not authorized. Furthermore, you should not consider this prospectus supplement or the prospectus to be an offer or solicitation relating to the preferred securities if the person making the offer or solicitation is not qualified to do so, or if it is unlawful for you to receive such an offer or solicitation.

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SUMMARY INFORMATION -- Q&A

The following information supplements, and should be read together with, the information contained in other parts of this prospectus supplement and in the accompanying prospectus. This summary highlights selected information from this prospectus supplement and the accompanying prospectus to help you understand the preferred securities. You should carefully read this prospectus supplement and the accompanying prospectus to understand fully the terms of the preferred securities, as well as the tax and other considerations that are important to you in making a decision about whether to invest in the preferred securities. You should pay special attention to the "Risk Factors" section beginning on page S-7 of this prospectus supplement to determine whether an investment in the preferred securities is appropriate for you. The preferred securities are one of the series of preferred securities referred to in the accompanying prospectus.

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For your convenience, we make reference to specific page numbers in this prospectus supplement and the accompanying prospectus for more detailed information on some of the terms and concepts used throughout this prospectus supplement.

### WHAT ARE THE PREFERRED SECURITIES?

Each preferred security represents an undivided beneficial interest in the assets of Fleet Capital Trust VIII, "FLEET CAPITAL." Each preferred security will entitle the holder to receive quarterly cash distributions as described in this prospectus supplement. The underwriters are offering preferred securities at a price of \$25 for each preferred security.

### WHO IS FLEET CAPITAL?

Fleet Capital is a Delaware business trust.

Fleet Capital will sell its preferred securities to the public and its common securities to FleetBoston Financial Corporation, "FLEETBOSTON." The preferred securities and the common securities together are referred to in this prospectus supplement and the accompanying prospectus as the "TRUST SECURITIES." Fleet Capital will use the proceeds from these sales to buy a series of junior subordinated debentures from FleetBoston with the same financial terms as the preferred securities. FleetBoston will, on a subordinated basis, fully and unconditionally guarantee the payment by Fleet Capital of the preferred securities, the "GUARANTEE."

There are five trustees of Fleet Capital. Three of the Fleet Capital trustees are officers of FleetBoston, the "REGULAR TRUSTEES." The Bank of New York will act as the institutional trustee of Fleet Capital and one of its affiliates will act as the Delaware trustee.

### WHO IS FLEETBOSTON?

FleetBoston is a diversified financial services company offering a comprehensive array of financial solutions to approximately 20 million customers in more than 20 countries. Among FleetBoston's key lines of business are:

- Consumer Financial Services -- includes domestic retail banking, community banking, student loan processing and credit card services;
  - Wholesale Banking -- composed of commercial finance, including asset-based lending and leasing; corporate banking, including specialized industry lending and institutional banking; commercial banking, including middle market commercial lending, trade services and cash management, as well as government banking services, including cash management, investment services and municipal, state and national government agency underwriting; and small business services, including lending, deposits and cash management;
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- Wealth Management and Brokerage -- composed of wealth management, including specialized asset management, estate settlement and deposit and credit products for high-net-worth customers, proprietary and third party mutual funds and other investment products for retail and institutional customers, and retirement planning, large institutional asset management and not-for-profit investment services; and retail brokerage and securities clearing;
  - International Banking -- includes FleetBoston's international operations

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in key Latin American markets, as well as in Asia; and

- Capital Markets -- includes investment banking services, brokerage market-making and principal investing.

On March 1, 2001, FleetBoston completed its acquisition of Summit Bancorp, which was accounted for as a pooling of interests. All financial information set forth or incorporated by reference in this prospectus supplement and the accompanying prospectus has been restated for all periods to give effect to the Summit acquisition.

At December 31, 2001, FleetBoston's total assets on a consolidated basis were \$203.6 billion, its consolidated total deposits were \$129.3 billion and its consolidated total stockholders' equity was \$17.6 billion. Based on total assets, FleetBoston is the seventh largest financial holding company in the United States.

FleetBoston's principal office is located at 100 Federal Street, Boston, Massachusetts 02110, telephone number (617) 434-2200.

### WHEN WILL YOU RECEIVE QUARTERLY DISTRIBUTIONS?

If you purchase the preferred securities, you are entitled to receive cumulative cash distributions at an annual rate of 7.20% of the liquidation amount of \$25 per preferred security. Distributions will accumulate from the date Fleet Capital issues the preferred securities and will be paid quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, beginning June 15, 2002.

### WHEN CAN PAYMENT OF YOUR DISTRIBUTIONS BE DEFERRED?

FleetBoston can, on one or more occasions, defer interest payments on the junior subordinated debentures for up to 20 consecutive quarterly periods, unless FleetBoston is in default in the payment of interest on the junior subordinated debentures (see page S-32). A deferral of interest payments cannot extend, however, beyond the maturity date of the junior subordinated debentures, which is March 15, 2032, which date may be accelerated under the limited circumstances described under "Conditional Right to Shorten Maturity" below or extended as described under "Option to Extend Maturity Date" below.

If FleetBoston defers interest payments on the junior subordinated debentures, Fleet Capital will also defer distributions on the preferred securities. During this deferral period, distributions will continue to accrue on the preferred securities at an annual rate of 7.20% of the liquidation amount of \$25 per preferred security. Also, the deferred distributions will themselves accrue interest (to the extent permitted by law) at an annual rate of 7.20%, compounded quarterly. Once FleetBoston makes all interest payments on the junior subordinated debentures, with accrued interest, it can again postpone interest payments on the junior subordinated debentures if FleetBoston is not in default in the payment of interest on the junior subordinated debentures.

During any period in which FleetBoston defers interest payments on the junior subordinated debentures, FleetBoston will not be permitted to:

- declare or pay a dividend or make any other payment or distribution on its capital stock;
- redeem, purchase or make a liquidation payment on any of its capital stock;

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- make an interest, principal or premium payment on, or repurchase or redeem, any of its debt securities that rank equal with or junior to the junior subordinated debentures; or
- make any guarantee payments relating to any of the above.

There are limited exceptions to these restrictions which are described beginning on page S-32.

If FleetBoston defers the payment of interest on the junior subordinated debentures, the preferred securities will be treated as being reissued with original issue discount for United States federal income tax purposes. This means that, beginning at the time of deferral, you will be required to recognize interest income with respect to distributions even during the period those distributions are deferred and include those amounts in your gross income for United States federal income tax purposes before you receive any cash distributions relating to those interest payments. See "United States Federal Income Taxation" beginning on page S-37.

### WHEN CAN FLEET CAPITAL REDEEM THE PREFERRED SECURITIES?

Fleet Capital will redeem all of the outstanding preferred securities when the junior subordinated debentures are paid at maturity on March 15, 2032, which date may be accelerated under the limited circumstances described under "Description of the Junior Subordinated Debentures -- Option to Accelerate the Maturity Date" below or extended as described under "-- Option to Extend Maturity Date" below. If FleetBoston redeems any junior subordinated debentures before their maturity, Fleet Capital will use the cash it receives on the redemption of the junior subordinated debentures to redeem, on a pro rata basis, preferred securities and common securities having an aggregate liquidation amount equal to the aggregate principal amount of the junior subordinated debentures redeemed.

FleetBoston can redeem some or all of the junior subordinated debentures before their maturity at 100% of their principal amount plus accrued interest to the date of redemption:

- in whole or in part, from time to time, on or after March 8, 2007; and
- at any time prior to March 8, 2007, in whole but not in part, if specified changes in tax or regulatory law occur (each of which is a "SPECIAL EVENT" and each of which is more fully described beginning on page S-31), and within 90 days of the occurrence of the special event.

Any redemption of the junior subordinated debentures may require approval of the Federal Reserve Board.

### WHEN CAN FLEETBOSTON SHORTEN THE MATURITY OF THE JUNIOR SUBORDINATED DEBENTURES?

If adverse changes in the tax law described on pages S-31 and S-34 occur, FleetBoston will have the right, prior to the termination of Fleet Capital, to shorten the maturity of the junior subordinated debentures. FleetBoston may only shorten the maturity to the extent necessary so that the interest paid on the junior subordinated debentures will continue to be tax deductible by FleetBoston, and only if it obtains any required prior approval of the Federal Reserve Board. The shortened term of the junior subordinated debentures may not be less than 15 years from the date of their original issuance.

### WHEN CAN FLEETBOSTON EXTEND THE MATURITY DATE OF THE JUNIOR SUBORDINATED DEBENTURES?

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FleetBoston can extend the maturity of the junior subordinated debentures to a date no later than March 15, 2051, so long as at the time the election is made and at the time the extension commences:

- no event of default under the indenture has occurred and is continuing;
- Fleet Capital is not in arrears on payments of distributions on the preferred securities and no deferred distributions on the preferred securities are accumulated; and

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- the junior subordinated debentures are and after the extension will be rated at least BBB- by Standard & Poor's Ratings Services, at least Baa3 by Moody's Investors Service, Inc. or at least the equivalent by any other nationally recognized statistical rating organization.

### WHAT IS FLEETBOSTON'S GUARANTEE OF THE PREFERRED SECURITIES?

FleetBoston will fully and unconditionally guarantee the preferred securities based on:

- its obligations under the guarantee;
- its obligations under the declaration of trust which governs the terms of the preferred securities (see page S-18); and
- its obligations under the indenture which governs the terms of the junior subordinated debentures (see page S-28).

If FleetBoston does not make a payment on the junior subordinated debentures, Fleet Capital will not have sufficient funds to make payments on the preferred securities. The guarantee does not cover payments when Fleet Capital does not have sufficient funds to make payments on the preferred securities. FleetBoston's obligations under the guarantee are subordinate to its obligations to make payments on all of its other liabilities except its obligations under similar guarantees.

### WHEN COULD THE JUNIOR SUBORDINATED DEBENTURES BE DISTRIBUTED TO YOU?

FleetBoston has the right to terminate Fleet Capital at any time. If FleetBoston decides to exercise its right to terminate Fleet Capital, Fleet Capital will redeem the preferred securities by distributing the junior subordinated debentures to holders of the preferred securities and the common securities on a pro rata basis.

Any distribution of the junior subordinated debentures may require approval of the Federal Reserve Board.

### WILL THE PREFERRED SECURITIES BE LISTED ON A STOCK EXCHANGE?

The preferred securities have been approved for listing on the New York Stock Exchange, "NYSE," subject to official notice of issuance, under the symbol "FBF PrM." Trading is expected to commence within 30 days after the preferred securities are first issued. You should be aware that the listing of the preferred securities will not necessarily assure that a liquid trading market will be available for the preferred securities. If Fleet Capital distributes the junior subordinated debentures, FleetBoston will use its best efforts to list the junior subordinated debentures on the NYSE or any other exchange or other organization on which the preferred securities are then listed.

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WHAT HAPPENS IF FLEET CAPITAL IS TERMINATED AND THE JUNIOR SUBORDINATED DEBENTURES ARE NOT DISTRIBUTED?

Fleet Capital may also terminate in circumstances where the junior subordinated debentures will not be distributed. In those situations, Fleet Capital will pay the liquidation amount of \$25 for each preferred security, plus unpaid distributions to the date the payment is made. Fleet Capital will be able to make this distribution of cash only if the junior subordinated debentures are redeemed by FleetBoston.

IN WHAT FORM WILL THE PREFERRED SECURITIES BE ISSUED?

The preferred securities will be represented by one or more global certificates that will be deposited with and registered in the name of The Depository Trust Company, New York, New York, "DTC," or its nominee. This means that you will not receive a certificate for your preferred securities. Fleet Capital expects that the preferred securities will be ready for delivery through DTC on or about March 8, 2002.

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### RISK FACTORS

Your investment in the preferred securities will involve some risks. You should carefully consider the following discussion of risks, and the other information in this prospectus supplement and the accompanying prospectus, before deciding whether an investment in the preferred securities is suitable for you.

FLEETBOSTON'S OBLIGATIONS UNDER THE GUARANTEE AND THE JUNIOR SUBORDINATED DEBENTURES ARE SUBORDINATED

FleetBoston's obligations under the guarantee are unsecured and will rank in priority of payment:

- junior to all of FleetBoston's other liabilities, except those liabilities made equal or junior to the guarantee by their terms;
- equal with all of FleetBoston's senior most preferred and preference stock now or in the future issued by it, and with any guarantee now or in the future issued by it in respect of any preferred or preference stock of any of its affiliates, including FleetBoston's guarantee of the outstanding preferred or capital securities of Fleet Capital Trust I, Fleet Capital Trust II, Fleet Capital Trust III, Fleet Capital Trust IV, Fleet Capital Trust V, Fleet Capital Trust VI, Fleet Capital Trust VII, BankBoston Capital Trust I, BankBoston Capital Trust II, BankBoston Capital Trust III, BankBoston Capital Trust IV and Summit Capital Trust I; and
- senior to FleetBoston's common stock.

This means that FleetBoston cannot make any payments on the guarantee if it defaults on a payment of any of its other liabilities, except those liabilities made equal or junior to the guarantee by their terms. In the event of the bankruptcy, liquidation or dissolution of FleetBoston, its assets would be available to pay obligations under the guarantee only after all payments had been made on its other liabilities, except those liabilities made equal or junior to the guarantee by their terms.

FleetBoston's obligations under the junior subordinated debentures are unsecured and will rank junior in priority of payment to FleetBoston's "SENIOR



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INDEBTEDNESS" and "OTHER FINANCIAL OBLIGATIONS" (see pages S-29 and S-30 for definitions of these terms). FleetBoston cannot make any payments of principal, including redemption payments, or interest on the junior subordinated debentures if it defaults on a payment on its senior indebtedness. In the event of the bankruptcy, liquidation or dissolution of FleetBoston, its assets would be available to pay obligations under the junior subordinated debentures only after all payments had been made on its senior indebtedness and other financial obligations. As of December 31, 2001, senior indebtedness and other financial obligations of FleetBoston aggregated approximately \$11.1 billion (holding company only). In addition, because FleetBoston is a financial holding company, the junior subordinated debentures are effectively subordinated to all existing and future liabilities of FleetBoston's subsidiaries, including depositors.

The preferred securities, the guarantee and the junior subordinated debentures do not limit the ability of FleetBoston and its subsidiaries to incur additional indebtedness, including indebtedness that ranks senior in priority of payment to the junior subordinated debentures and the guarantee.

For more information please refer to "Description of the Junior Subordinated Debentures -- Subordination" beginning on page S-29 and "Description of the Preferred Securities Guarantees" beginning on page 16 of the accompanying prospectus.

### GUARANTEE ONLY COVERS PAYMENTS IF FLEET CAPITAL HAS CASH AVAILABLE

The ability of Fleet Capital to pay scheduled distributions on the preferred securities, the redemption price of the preferred securities and the liquidation amount of each preferred security is solely dependent upon FleetBoston making the related payments on the junior subordinated debentures when due.

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If FleetBoston defaults on its obligation to pay principal or interest on the junior subordinated debentures, Fleet Capital will not have sufficient funds to pay distributions, the redemption price or the liquidation amount of each preferred security. In those circumstances, you will not be able to rely upon the guarantee for payment of these amounts.

Instead, you:

- may directly sue FleetBoston or seek other remedies to collect your pro rata share of payments owed; or
- rely on the institutional trustee to enforce Fleet Capital's rights under the junior subordinated debentures.

FLEETBOSTON'S ABILITY TO DEFER INTEREST PAYMENTS ON THE JUNIOR SUBORDINATED DEBENTURES WILL CAUSE DISTRIBUTIONS ON THE PREFERRED SECURITIES TO CEASE, WILL HAVE FEDERAL INCOME TAX CONSEQUENCES FOR YOU AND MAY AFFECT THE TRADING PRICE OF THE PREFERRED SECURITIES

So long as FleetBoston is not in default in the payment of interest on the junior subordinated debentures, FleetBoston can, on one or more occasions, defer interest payments on the junior subordinated debentures for up to 20 consecutive quarterly periods. If FleetBoston defers interest payments on the junior subordinated debentures, Fleet Capital will defer distributions on the preferred securities during any deferral period. However, distributions would still accumulate and those deferred distributions will themselves accrue interest at an annual rate of 7.20%, to the extent permitted by law.

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If FleetBoston defers the payment of interest on the junior subordinated debentures, you will be required to recognize interest income for United States federal income tax purposes in respect of your pro rata share of the interest on the junior subordinated debentures held by Fleet Capital before you receive any cash distributions relating to those interest payments. In addition, if you sell the preferred securities before the end of any deferral period or before the record date relating to distributions which are paid, you will not receive the cash distributions relating to any accrued and unpaid interest even though you will be required to recognize that interest in income for United States federal income tax purposes.

FleetBoston has no current intention of deferring interest payments on the junior subordinated debentures. However, if FleetBoston exercises its right in the future, the preferred securities may trade at a price that does not fully reflect the value of accrued but unpaid interest on the junior subordinated debentures. If you sell the preferred securities during an interest deferral period, you may not receive the same return on your investment as someone who continues to hold the preferred securities. In addition, the existence of FleetBoston's right to defer payments of interest on the junior subordinated debentures may mean that the market price for the preferred securities, which represent an undivided beneficial interest in the junior subordinated debentures, may be more volatile than other securities that do not have these rights.

See "United States Federal Income Taxation" beginning on page S-37 for more information regarding the United States federal income tax consequences of purchasing, holding and selling the preferred securities.

### PREFERRED SECURITIES MAY BE REDEEMED BEFORE MARCH 8, 2007 IF A SPECIAL EVENT OCCURS

If a special event occurs and is continuing, FleetBoston has the right to redeem all of the junior subordinated debentures. The term "special event" is defined on page S-31. If such a redemption happens, Fleet Capital will use the cash it receives on the redemption of the junior subordinated debentures to redeem all of the preferred and common securities within 90 days of the event. The redemption price would be \$25 per preferred security plus unpaid distributions to the date of redemption. The redemption of the preferred securities would be a taxable event to you for United States federal income tax purposes.

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Please see "Description of the Preferred Securities -- Redemption Procedures" on page S-21 and "Description of the Junior Subordinated Debentures -- Optional Redemption" on page S-31 for more information.

FLEETBOSTON MAY SHORTEN THE MATURITY OF THE JUNIOR SUBORDINATED DEBENTURES, WHICH WILL RESULT IN EARLY REDEMPTION OF THE PREFERRED SECURITIES; YOU MAY BE TAXED ON THE PROCEEDS AND YOU MAY NOT BE ABLE TO REINVEST THE PROCEEDS AT THE SAME OR A HIGHER RATE OF RETURN

Upon the occurrence and continuation of adverse tax events as explained in "Description of the Junior Subordinated Debentures -- Option to Accelerate the Maturity Date" on page S-34, FleetBoston may, instead of redeeming the junior subordinated debentures, shorten the stated maturity of the junior subordinated debentures to a date not less than 15 years from the date of original issuance, subject to any required approval of the Federal Reserve Board. In that event, the mandatory redemption date for the preferred securities will be correspondingly shortened.

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Under current United States federal income tax law, the redemption of the preferred securities would be a taxable event to you.

In addition, you may not be able to reinvest the money you receive upon redemption at a rate that is equal to or higher than the rate of return you received on the preferred securities.

FLEETBOSTON MAY EXTEND THE MATURITY OF THE JUNIOR SUBORDINATED DEBENTURES, WHICH WILL DELAY THE MANDATORY REDEMPTION DATE FOR THE PREFERRED SECURITIES BY UP TO 19 YEARS

FleetBoston can extend the maturity of the junior subordinated debentures to a date no later than March 15, 2051, so long as at the time the election is made and at the time the extension commences:

- no event of default under the indenture has occurred and is continuing;
- Fleet Capital is not in arrears on payments of distributions on the preferred securities and no deferred distributions on the preferred securities are accumulated; and
- the junior subordinated debentures are and after the extension will be rated at least BBB- by Standard & Poor's Ratings Services, at least Baa3 by Moody's Investors Service, Inc. or at least the equivalent by any other nationally recognized statistical rating organization.

DISTRIBUTION OF JUNIOR SUBORDINATED DEBENTURES MAY HAVE A POSSIBLE ADVERSE EFFECT ON TRADING PRICE

FleetBoston has the right to terminate Fleet Capital at any time. If FleetBoston decides to exercise its right to terminate Fleet Capital, Fleet Capital will redeem the preferred and common securities by distributing the junior subordinated debentures to holders of the preferred securities and common securities on a pro rata basis. Any distribution of the junior subordinated debentures may require approval of the Federal Reserve Board.

Under current United States federal income tax laws, a distribution of junior subordinated debentures to you on the dissolution of Fleet Capital should not be a taxable event to you. However, if Fleet Capital is characterized for United States federal income tax purposes as an association taxable as a corporation or there is a change in law at the time Fleet Capital is dissolved, the distribution of junior subordinated debentures to you may be a taxable event to you.

FleetBoston has no current intention of causing the termination of Fleet Capital and the distribution of the junior subordinated debentures. FleetBoston anticipates that it would consider exercising this right in the event that expenses associated with maintaining Fleet Capital were substantially greater than currently expected, such as if a special event occurred. FleetBoston cannot predict the other circumstances under which this right would be exercised.

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FleetBoston cannot predict the market prices for the junior subordinated debentures that may be distributed. Accordingly, the junior subordinated debentures that you receive on a distribution, or the preferred securities you hold pending such a distribution, may trade at a discount to the price that you paid to purchase the preferred securities.

Because you may receive junior subordinated debentures, you should make an investment decision with regard to the junior subordinated debentures, in

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addition to the preferred securities. You should carefully review all the information regarding the junior subordinated debentures contained in this prospectus supplement and the accompanying prospectus.

### LIMITED VOTING RIGHTS

You will have limited voting rights. In particular, only FleetBoston can elect or remove any of Fleet Capital's trustees.

See "Fleet Capital" beginning on page S-11 and "Description of the Preferred Securities -- Voting Rights" beginning on page 14 in the accompanying prospectus.

### TRADING PRICE OF THE PREFERRED SECURITIES MAY NOT REFLECT THE VALUE OF ACCRUED BUT UNPAID INTEREST

If you use the accrual method of accounting for tax purposes and dispose of your preferred securities between quarterly distributions, you will be required to:

- include accrued but unpaid interest as ordinary income for United States federal tax purposes; and
- add the accrued but unpaid income to your adjusted tax basis in the preferred securities disposed of.

If you sell the preferred securities for less than your adjusted tax basis in the preferred securities, you will recognize a capital loss which generally may not be used to offset ordinary income for United States federal tax purposes. See "United States Federal Income Taxation" beginning on page S-37.

### THERE IS NOT AN ESTABLISHED TRADING MARKET FOR THE PREFERRED SECURITIES

Prior to this offering, there has been no public market for the preferred securities. The preferred securities have been approved for listing on the NYSE, subject to official notice of issuance. Trading of the preferred securities on the NYSE is expected to commence within a 30-day period after the initial delivery of the preferred securities. The underwriters have advised FleetBoston and Fleet Capital that they intend to make a market in the preferred securities prior to commencement of trading on the NYSE, but are not obligated to do so and may discontinue market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the preferred securities.

### NO PROTECTION IN HIGHLY LEVERAGED TRANSACTIONS

Under the indenture which governs the terms of the junior subordinated debentures, you will not be protected from a highly leveraged transaction, including a change of control of FleetBoston or other similar transaction. Such a transaction may have the effect of increasing FleetBoston's liabilities that are senior to the junior subordinated debentures.

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### FLEET CAPITAL

This section supplements, and to the extent inconsistent with, replaces, the section entitled "The Trusts" in the accompanying prospectus.

Fleet Capital is a statutory business trust formed under Delaware law pursuant to:

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- a declaration of trust, dated as of March 16, 1998, as amended, executed by FleetBoston, as sponsor, and the trustees of Fleet Capital, the "FLEET CAPITAL TRUSTEES"; and
- the filing of a certificate of trust with the Secretary of State of the State of Delaware on March 16, 1998, as amended.

The declaration will be amended and restated in its entirety, as so amended and restated, the "DECLARATION," substantially in the form filed as an exhibit to the registration statement which contains this prospectus supplement and the accompanying prospectus. The declaration will be qualified as an indenture under the Trust Indenture Act of 1939, as amended, the "TRUST INDENTURE ACT."

Fleet Capital exists for the exclusive purposes of:

- (1) issuing the trust securities representing undivided beneficial interests in the assets of Fleet Capital;
- (2) investing the gross proceeds of the trust securities in the junior subordinated debentures; and
- (3) engaging only in other necessary or incidental activities.

Upon issuance of the preferred securities, the purchasers will own all of the preferred securities. See "Description of the Preferred Securities -- Book-Entry Only Issuance -- The Depository Trust Company" beginning on page S-25. FleetBoston will directly or indirectly acquire common securities in an aggregate liquidation amount equal to at least 3% of the total capital of Fleet Capital.

Pursuant to the declaration, the number of Fleet Capital trustees will initially be five. FleetBoston, as the direct or indirect holder of all the common securities, will have the right to appoint, remove or replace any Fleet Capital trustee and to increase or decrease the number of Fleet Capital trustees, unless an event of default under the indenture occurs. In that case, the holders of a majority in liquidation amount of the preferred securities will have the right to remove and appoint the institutional trustee and the Delaware trustee. Three of the Fleet Capital trustees, the "REGULAR TRUSTEES," will be persons who are employees or officers of, or who are affiliated with, FleetBoston. The fourth trustee will be a financial institution that is unaffiliated with FleetBoston which will serve as institutional trustee under the declaration and as indenture trustee for the purposes of compliance with the provisions of the Trust Indenture Act, the "INSTITUTIONAL TRUSTEE." Initially, The Bank of New York will be the institutional trustee until removed or replaced by the holder of the common securities. For purposes of compliance with the provisions of the Trust Indenture Act, The Bank of New York will act as trustee under the guarantee, the "GUARANTEE TRUSTEE," and as trustee under the indenture which governs the junior subordinated debentures, the "DEBT TRUSTEE." The fifth trustee will be an entity that maintains its principal place of business in the state of Delaware. Initially, The Bank of New York (Delaware), an affiliate of the institutional trustee, will act as Delaware trustee.

The institutional trustee will hold title to the junior subordinated debentures for the benefit of the holders of the trust securities and will have the power to exercise all rights, powers and privileges under the indenture as the holder of the junior subordinated debentures. In addition, the institutional trustee will maintain exclusive control of a segregated non-interest bearing bank account to hold all payments made in respect of the junior subordinated debentures for the benefit of the holders of the trust securities. The

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institutional trustee will make payments of distributions and payments on liquidation, redemption and otherwise to the holders of the trust securities out of funds from that account.

The guarantee trustee will hold the guarantee for the benefit of the holders of the preferred securities.

FleetBoston will pay all fees and expenses related to Fleet Capital and the offering of the trust securities. See "Description of the Junior Subordinated Debentures -- Miscellaneous" on page S-36.

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### FLEETBOSTON FINANCIAL CORPORATION SELECTED CONSOLIDATED FINANCIAL DATA

The following summary sets forth selected consolidated financial data for FleetBoston and its subsidiaries for each of the years in the five-year period ended December 31, 2001. The following summary should be read in conjunction with the financial information incorporated herein by reference to other documents. See "Where You Can Find More Information" in the accompanying prospectus. All data has been restated to reflect the Summit acquisition. Certain amounts in prior periods have been reclassified to conform to current-year presentation.

	YEARS ENDED DECEMBER 31,			
	2001	2000	1999	1998
(DOLLARS IN MILLIONS, EXCEPT PER SHARE)				
<b>CONSOLIDATED SUMMARY OF OPERATIONS:</b>				
Interest income (fully taxable equivalent).....	\$ 13,850	\$ 16,472	\$ 15,491	\$ 14,600
Interest expense.....	6,396	8,497	7,400	6,940
Net interest income (fully taxable equivalent).....	7,454	7,975	8,091	7,650
Provision for credit losses.....	2,330 (a)	1,295	1,061	910
Net interest income after provision for credit losses (fully taxable equivalent).....	5,124	6,680	7,030	6,730
Noninterest income.....	5,340	9,461	7,366	5,620
Noninterest expense.....	8,913	9,610	10,253	7,840
Net income.....	\$ 931 (b)	\$ 3,910 (c)	\$ 2,476 (d)	\$ 2,770
<b>PER COMMON SHARE:</b>				
Basic earnings per share.....	\$ .84 (b)	\$ 3.58 (c)	\$ 2.21 (d)	\$ 2.40
Diluted earnings per share.....	.83 (b)	3.52 (c)	2.16 (d)	2.40
Weighted average basic shares outstanding (in millions).....	1,074.2	1,081.4	1,095.7	1,094.0
Weighted average diluted shares outstanding (in millions).....	1,083.7	1,098.7	1,121.5	1,119.0
Book value.....	\$ 16.61	\$ 17.31	\$ 15.92	\$ 14.70
Cash dividends declared.....	1.34	1.23	1.11	1.00
<b>RATIO OF EARNINGS TO FIXED CHARGES (g):</b>				
Excluding interest on deposits.....	1.51x	2.58x	2.23x	2.60x
Including interest on deposits.....	1.23	1.75	1.54	1.60x

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CONSOLIDATED BALANCE SHEET -- AVERAGE BALANCES:

Total assets.....	\$208,882	\$223,887	\$223,232	\$201,03
Securities held to maturity.....	577	5,907	7,820	6,63
Securities available for sale.....	25,648	29,391	27,403	24,46
Loans and leases, net of unearned income.....	129,925	139,518	139,268	130,69
Due from brokers/dealers.....	4,122	3,603	3,240	3,76
Interest bearing deposit liabilities.....	98,219	102,069	109,756	106,43
Short-term borrowings.....	20,950	25,796	26,819	25,38
Due to brokers/dealers.....	3,854	4,829	4,150	4,50
Long-term debt (h).....	27,855	31,191	26,198	13,06
Stockholders' equity.....	19,330	18,134	17,479	16,31

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YEARS ENDED DECEMBER 31,

2001	2000	1999	1998
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(DOLLARS IN MILLIONS, EXCEPT PER SHARE)

CONSOLIDATED RATIOS:

Net interest margin (fully taxable equivalent).....	4.15%	4.17%	4.19%	4.3
Return on average assets.....	.45 (b)	1.75 (c)	1.11 (d)	1.3
Return on average common stockholders' equity.....	4.77 (b)	22.04 (c)	14.45 (d)	17.5
Average stockholders' equity to average assets.....	9.25	8.10	7.83	8.1
Tier 1 risk-based capital ratio.....	7.37	8.08	7.15	7.5
Total risk-based capital ratio.....	10.95	11.87	11.44	11.6
Period-end reserve for credit losses to period-end loans and leases, net of unearned income.....	2.83	2.01	1.97	1.9
Net charge-offs to average loans and leases, net of unearned income.....	1.07	.89	.74	.6
Period-end nonperforming assets to related assets...	1.44	.84	.69	.6

(a) Includes impact of charges related to Argentina (\$725 million pre-tax, \$434 million post-tax), the domestic economic downturn (\$175 million pre-tax, \$105 million post-tax) and the transfer of problem credits to accelerated disposition status (\$150 million pre-tax, \$89 million post-tax) recorded in 2001.

(b) Includes, in addition to the charges described in note (a), impact of merger-related and restructuring charges (\$1 billion pre-tax, \$657 million post-tax); write-downs taken against the carrying value of the principal investing portfolio (\$1.1 billion pre-tax, \$679 million post-tax); charges related to the estimated impact of Argentine government actions with respect to FleetBoston's Argentine operations (\$200 million pre-tax, \$120 million post-tax); write-downs taken against the carrying value of Argentine government bonds (\$175 million pre-tax, \$105 million post-tax); and a loss from the sale of the mortgage banking business (\$428 million pre-tax, \$285 million post-tax) recorded in 2001. Also includes impact of gains on branch divestitures (\$410 million pre-tax, \$252 million post-tax) and the sale of an investment in the NYCE Corporation (\$146 million pre-tax, \$91 million post-tax) recorded in 2001.

(c) Includes impact of gains on branch divestitures (\$843 million pre-tax, \$420 million post-tax) and merger-related and restructuring charges (\$249 million

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pre-tax, \$151 million post-tax) recorded in 2000.

- (d) Includes impact of merger- and restructuring-related charges and other costs (\$1.1 billion pre-tax, \$777 million post-tax) recorded in 1999.
- (e) Includes impact of merger- and restructuring-related charges and other costs (\$220 million pre-tax, \$135 million post-tax) recorded in 1998.
- (f) Includes impact of merger- and restructuring-related charges (\$83 million pre-tax, \$54 million post-tax) recorded in 1997.
- (g) For the purpose of computing the ratio of earnings to fixed charges, "EARNINGS" consist of income before income taxes plus fixed charges, excluding capitalized interest. "FIXED CHARGES" consist of interest on short-term debt and long-term debt, including interest related to capitalized leases and capitalized interest, and one-third of rent expense, which approximates the interest component of such expense. In addition, where indicated, fixed charges include interest on deposits.
- (h) Amounts include guaranteed preferred beneficial interests in FleetBoston's junior subordinated debentures.

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### CAPITALIZATION

The following table sets forth the actual consolidated capitalization of FleetBoston and its subsidiaries at December 31, 2001, and FleetBoston's capitalization as of that date as adjusted to reflect (1) the issuance on February 19, 2002 of \$505 million of senior notes and (2) the sale of the preferred securities offered hereby. The table should be read in conjunction with FleetBoston's consolidated financial statements and notes thereto included in the documents incorporated by reference herein. See "Where You Can Find More Information" in the accompanying prospectus. The information in the following table assumes that the underwriters do not exercise their over-allotment option.

	AT DECEMBER 31, 2001	
	ACTUAL	AS ADJUSTED
	(DOLLARS IN MILLIONS)	
Senior and subordinated debt(1).....	\$22,726	\$23,231
Company-obligated mandatorily redeemable preferred securities of Fleet Capital Trust I(2).....	84	84
Company-obligated mandatorily redeemable capital securities of Fleet Capital Trust II(3).....	250	250
Company-obligated mandatorily redeemable preferred securities of Fleet Capital Trust III(4).....	120	120
Company-obligated mandatorily redeemable preferred securities of Fleet Capital Trust IV(5).....	150	150
Company-obligated mandatorily redeemable capital securities of Fleet Capital Trust V(6).....	250	250
Company-obligated mandatorily redeemable preferred securities of Fleet Capital Trust VI(7).....	300	300
Company-obligated mandatorily redeemable capital securities of Fleet Capital Trust VII(8).....	500	500
Company-obligated mandatorily redeemable preferred securities of Fleet Capital Trust VIII(9).....	--	500



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Company-obligated mandatorily redeemable capital securities of BankBoston Capital Trust I(10).....	250	250
Company-obligated mandatorily redeemable capital securities of BankBoston Capital Trust II(11).....	250	250
Company-obligated mandatorily redeemable capital securities of BankBoston Capital Trust III(12).....	250	250
Company-obligated mandatorily redeemable capital securities of BankBoston Capital Trust IV(13).....	250	250
Company-obligated mandatorily redeemable capital securities of Summit Capital Trust I(14).....	150	150
	-----	-----
Total long-term debt.....	25,530	26,535
STOCKHOLDERS' EQUITY		
Preferred stock, \$1.00 par value.....	271	271
Common stock, \$.01 par value.....	11	11
Common surplus.....	4,055	4,055
Retained earnings.....	14,078	14,078
Accumulated other comprehensive income.....	774	774
Treasury stock.....	(1,581)	(1,581)
	-----	-----
Total stockholders' equity.....	17,608	17,608
	-----	-----
Total long-term debt and stockholders' equity.....	\$43,138	\$44,143
	=====	=====

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 (1) Not adjusted to reflect the issuance by FleetBoston of \$111 million of senior medium-term notes expected to close on March 5, 2002.

(2) Issued on February 4, 1997. The sole assets of Fleet Capital Trust I are 8.00% Junior Subordinated Deferrable Interest Debentures due 2027 with a principal amount of approximately \$86.3 million.

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Those debentures mature on February 15, 2027, which may be (i) shortened to a date not earlier than April 15, 2001 or (ii) extended to a date not later than February 15, 2046. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the preferred securities are mandatorily redeemable.

(3) Issued on December 11, 1996. The sole assets of Fleet Capital Trust II are 7.92% Junior Subordinated Deferrable Interest Debentures due 2026 with a principal amount of approximately \$257.7 million. Those debentures mature on December 11, 2026. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the capital securities are mandatorily redeemable.

(4) Issued on January 29, 1998. The sole assets of Fleet Capital Trust III are 7.05% Junior Subordinated Deferrable Interest Debentures due 2028 with a principal amount of approximately \$123.7 million. Those debentures mature on March 31, 2028. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the preferred securities are mandatorily redeemable.

(5) Issued on April 28, 1998. The sole assets of Fleet Capital Trust IV are 7.17% Junior Subordinated Deferrable Interest Debentures with a principal amount of approximately \$154.6 million. Those debentures mature on March 31, 2028. FleetBoston owns all of the common securities of this trust. Upon

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redemption of the debentures, the preferred securities are mandatorily redeemable.

- (6) Issued on December 18, 1998. The sole assets of Fleet Capital Trust V are Floating Rate Junior Subordinated Deferrable Interest Debentures due 2028 with a principal amount of approximately \$257.7 million. Those debentures mature on December 18, 2028. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the capital securities are mandatorily redeemable.
- (7) Issued on June 30, 2000. The sole assets of Fleet Capital Trust VI are 8.80% Junior Subordinated Deferrable Interest Debentures due 2030 with a principal amount of approximately \$309.3 million. Those debentures mature on June 30, 2030. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the preferred securities are mandatorily redeemable.
- (8) Issued on September 17, 2001. The sole assets of Fleet Capital Trust VII are 7.20% Junior Subordinated Deferrable Interest Debentures due 2031 with a principal amount of approximately \$515.5 million. Those debentures mature on December 15, 2031, unless extended to a date not later than December 15, 2050, or redeemed earlier. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the capital securities are mandatorily redeemable.
- (9) As described in this prospectus supplement, the sole assets of Fleet Capital Trust VIII will be the junior subordinated debentures with a principal amount of approximately \$515.5 million (or approximately \$592.8 million if the underwriters' over-allotment option is exercised in full). The junior subordinated debentures will bear interest at an annual rate equal to 7.20% and will mature on March 15, 2032, unless extended to a date not later than March 15, 2051, or redeemed earlier. FleetBoston owns all of the common securities of Fleet Capital. Upon redemption of the junior subordinated debentures, the preferred securities will be mandatorily redeemable.
- (10) Issued on November 26, 1996. The sole assets of BankBoston Capital Trust I are 8.25% Series A Junior Subordinated Deferrable Interest Debentures due December 15, 2026 with a principal amount of approximately \$257.7 million. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the capital securities are mandatorily redeemable.
- (11) Issued on December 10, 1996. The sole assets of BankBoston Capital Trust II are 7.75% Series A Junior Subordinated Deferrable Interest Debentures due December 15, 2026 with a principal amount of approximately \$257.7 million. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the capital securities are mandatorily redeemable.
- (12) Issued on June 4, 1997. The sole assets of BankBoston Capital Trust III are Floating Rate Junior Subordinated Deferrable Interest Debentures due June 15, 2027 with a principal amount of approximately \$257.7 million. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the capital securities are mandatorily redeemable.
- (13) Issued on June 8, 1998. The sole assets of BankBoston Capital Trust IV are Floating Rate Junior Subordinated Deferrable Interest Debentures due June

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8, 2028 with a principal amount of approximately \$257.7 million. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the capital securities are mandatorily redeemable.

- (14) Issued on March 20, 1997. The sole assets of Summit Capital Trust I are 8.40% Junior Subordinated Deferrable Interest Debentures due March 15, 2027 with a principal amount of approximately \$154.6 million. FleetBoston owns all of the common securities of this trust. Upon redemption of the debentures, the capital securities are mandatorily redeemable.

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### ACCOUNTING TREATMENT

The financial statements of Fleet Capital will be consolidated into FleetBoston's consolidated financial statements, with the preferred securities classified as a component of long-term debt of FleetBoston. The financial statement footnotes of FleetBoston will include appropriate disclosures about the preferred securities, the guarantee and the junior subordinated debentures. FleetBoston will record distributions that Fleet Capital pays on the preferred securities as interest expense in FleetBoston's consolidated statement of income.

### DESCRIPTION OF THE PREFERRED SECURITIES

The preferred securities will be issued pursuant to the terms of an amended and restated declaration of trust. The declaration has been qualified as an indenture under the Trust Indenture Act. The institutional trustee, The Bank of New York, will act as trustee for the preferred securities under the declaration for purposes of compliance with the provisions of the Trust Indenture Act. The terms of the preferred securities will include those stated in the declaration and those made part of the declaration by the Trust Indenture Act.

Set forth below is a summary of the material terms and provisions of the preferred securities. This summary supplements, and to the extent inconsistent, replaces, the description set forth under the caption "Description of the