

BANK OF AMERICA CORP /DE/
Form 424B2
February 29, 2016

**Filed Pursuant to Rule 424(b)(2)
Registration Statement No. 333-202354
(To Prospectus dated May 1, 2015,
Prospectus Supplement dated January 20, 2016 and
Product Supplement CBN-1 dated January 22, 2016**

1,012,497 Units
\$10 principal amount per unit
CUSIP No. 06053Y553

Pricing Date
Settlement Date
Maturity Date

February 25, 2016
March 3, 2016
March 10, 2017

Coupon Bearing Notes Linked to the Common Stock of E.I. du Pont de Nemours and Company

Maturity of approximately one year and one week

Interest payable quarterly at the rate of 8.25% per year

No participation in any increase in the price of the Underlying Stock, and the Redemption Amount at maturity will not exceed the principal amount per unit

1-to-1 downside exposure to decreases in the Underlying Stock beyond a 5.00% decline, with up to 95.00% of your principal at risk

All payments on the notes subject to the credit risk of Bank of America Corporation

Limited secondary market liquidity, with no exchange listing

The notes are being issued by Bank of America Corporation (BAC). There are important differences between the notes and a conventional debt security, including different investment risks and certain additional costs. See Risk Factors beginning on page TS-6 of this term sheet and beginning on page PS-6 of product supplement CBN-1.

The initial estimated value of the notes as of the pricing date is \$9.75 per unit, which is less than the public offering price listed below. See Summary on the following page, Risk Factors beginning on page TS-6 of this term sheet and Structuring the Notes on page TS-9 of this term sheet for additional information. The actual value of your notes at any time will reflect many factors and cannot be predicted with accuracy.

None of the Securities and Exchange Commission (the SEC), any state securities commission, or any other regulatory body has approved or disapproved of these securities or determined if this Note Prospectus (as defined below) is truthful or complete. Any representation to the contrary is a criminal offense.

Per Unit

Total

Public offering price(1)

\$10.000

\$10,124,970.000

Underwriting discount

\$0.175

\$177,186.975

Proceeds, before expenses, to BAC

\$9.825

\$9,947,783.025

(1)

Plus accrued interest from the scheduled settlement date, if settlement occurs after that date.

The notes:

Are Not FDIC Insured

Are Not Bank Guaranteed

May Lose Value

Merrill Lynch & Co.

February 25, 2016

Coupon Bearing Notes

Linked to the Common Stock of E.I. du Pont de Nemours and Company, due March 10, 2017

Summary

The Coupon Bearing Notes Linked to the Common Stock of E.I. du Pont de Nemours and Company, due March 10, 2017 (the notes) are our senior unsecured debt securities. The notes are not guaranteed or insured by the Federal Deposit Insurance Corporation or secured by collateral. **The notes will rank equally with all of our other unsecured and unsubordinated debt. Any payments due on the notes, including any repayment of principal, will be subject to the credit risk of BAC.** The notes provide quarterly interest payments. If the Ending Value of the Market Measure, which is the common stock of E.I. du Pont de Nemours and Company (the Underlying Stock), is at or above the Threshold Value, the Redemption Amount will equal the principal amount. If the Ending Value is less than the Threshold Value, the Redemption Amount will be less, and possibly significantly less, than the principal amount of your notes. Payments on the notes, including the amount you receive at maturity, will be calculated based on the \$10 principal amount per unit and will depend on the performance of the Underlying Stock, subject to our credit risk. See Terms of the Notes below.

The economic terms of the notes (including the interest rate) are based on our internal funding rate, which is the rate we would pay to borrow funds through the issuance of market-linked notes and the economic terms of certain related hedging arrangements. Our internal funding rate is typically lower than the rate we would pay when we issue conventional fixed or floating rate debt securities. This difference in funding rate, as well as the underwriting discount and the hedging related charge described below, reduced the economic terms of the notes to you and the initial estimated value of the notes on the pricing date. Due to these factors, the public offering price you pay to purchase the notes is greater than the initial estimated value of the notes.

On the cover page of this term sheet, we have provided the initial estimated value for the notes. This initial estimated value was determined based on our and our affiliates' pricing models, which take into consideration our internal funding rate and the market prices for the hedging arrangements related to the notes. For more information about the initial estimated value and the structuring of the notes, see Structuring the Notes on page TS-9.

Terms of the Notes

Redemption Amount Determination

Issuer:

Bank of America Corporation (BAC)

In addition to interest payable, on the maturity date, you will receive a cash payment per unit determined as follows:

Principal Amount:

\$10 per unit

Term:

Approximately one year and one week

Underlying Stock:

Common stock of E.I. du Pont de Nemours and Company (the Underlying Company) (NYSE symbol: DD)

Starting Value:

59.71 (the Volume Weighted Average Price on the pricing date).

Volume Weighted Average Price:

The volume weighted average price (rounded to two decimal places) shown on page AQR on Bloomberg L.P. for trading in shares of the Underlying Stock taking place from approximately 9:30 a.m. to 4:02 p.m. on all U.S. exchanges.

Ending Value:

The Closing Market Price of the Underlying Stock on the valuation date, multiplied by the Price Multiplier. The valuation date is subject to postponement in the event of Market Disruption Events, as described beginning on page PS-18 of product supplement CBN-1.

Valuation Date:

March 3, 2017

Interest Payment Dates:

June 10, 2016, September 10, 2016, December 10, 2016 and the maturity date

Interest Rate:

8.25% per year

Threshold Value:

56.72 (95% of the Starting Value)

Fees and Charges:

The underwriting discount of \$0.175 per unit listed on the cover page and the hedging related charge of \$0.075 per unit described in Structuring the Notes on page TS-9.

Price Multiplier:

1, subject to adjustment for certain corporate events relating to the Underlying Stock described beginning on page PS-21 of product supplement CBN-1.

Calculation Agent:

Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S), a subsidiary of BAC.

Coupon Bearing Notes

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Coupon Bearing Notes

Linked to the Common Stock of E.I. du Pont de Nemours and Company, due March 10, 2017

The terms and risks of the notes are contained in this term sheet and in the following:

Product supplement CBN-1 dated January 22, 2016:

<http://www.sec.gov/Archives/edgar/data/70858/000119312516435376/d124017d424b5.htm>

Series L MTN prospectus supplement dated January 20, 2016 and prospectus dated May 1, 2015:

<http://www.sec.gov/Archives/edgar/data/70858/000119312516433708/d122981d424b3.htm>

These documents (together, the Note Prospectus) have been filed as part of a registration statement with the SEC, which may, without cost, be accessed on the SEC website as indicated above or obtained from MLPF&S by calling 1-800-294-1322.

Before you invest, you should read the Note Prospectus, including this term sheet, for information about us and this offering. Any prior or contemporaneous oral statements and any other written materials you may have received are superseded by the Note Prospectus. Capitalized terms used but not defined in this term sheet have the meanings set forth in product supplement CBN-1. Unless otherwise indicated or unless the context requires otherwise, all references in this document to we, us, our, or similar references are to BAC.

Investor Considerations

You may wish to consider an investment in the notes if:

The notes may not be an appropriate investment for you if:

You anticipate that the Ending Value will be greater than or equal to the Threshold Value.

You seek interest payments on your investment.

You accept that the maximum return on the notes is limited to the sum of the quarterly interest payments, and that you will not participate in any increases in the price of the Underlying Stock.

You are willing to risk a loss of principal and return, if the Ending Value is below the Threshold Value.

You are willing to forgo dividends or other benefits of owning shares of the Underlying Stock.

You are willing to accept a limited or no market for sales prior to maturity, and understand that the market prices for the notes, if any, will be affected by various factors, including our actual and perceived creditworthiness, our internal funding rate and fees and charges on the notes.

You are willing to assume our credit risk, as issuer of the notes, for all payments under the notes, including the Redemption Amount.

You anticipate that the Ending Value will be less than the Threshold Value.

You anticipate that the price of the Underlying Stock will increase and seek to participate in that increase.

You seek 100% principal repayment or preservation of capital.

In addition to interest payments, you seek an additional return above the principal amount.

You seek to receive dividends or other distributions paid on the Underlying Stock.

You seek an investment for which there will be a liquid secondary market.

You are unwilling or are unable to take market risk on the notes or to take our credit risk as issuer of the notes. We urge you to consult your investment, legal, tax, accounting, and other advisors before you invest in the notes.

Coupon Bearing Notes

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Coupon Bearing Notes

Linked to the Common Stock of E.I. du Pont de Nemours and Company, due March 10, 2017

Hypothetical Payments at Maturity

The following examples are for purposes of illustration only. They are based on **hypothetical** values and show **hypothetical** returns on the notes. **The actual amount you receive and the resulting return will depend on the actual Starting Value, Threshold Value, Ending Value, and term of your investment.** The following examples do not take into account any tax consequences from investing in the notes. These examples are based on:

- 1)
a Starting Value of 100.00;
- 2)
a Threshold Value of 95.00 (95.00% of the Starting Value);
- 3)
an expected term of the notes of approximately one year and one week; and
- 4)
the interest rate of 8.25% per year.

The **hypothetical** Starting Value of 100.00 used in these examples has been chosen for illustrative purposes only. The actual Starting Value is 59.71, which was the Volume Weighted Average Price on the pricing date. For recent actual prices of the Underlying Stock, see The Underlying Stock section below. In addition, all payments on the notes are subject to issuer credit risk.

Example 1

The Ending Value is 115 (115% of the Starting Value)

The Ending Value is greater than the Starting Value and the Threshold Value. Consequently, in addition to the quarterly interest payments, you will receive the principal amount of \$10.00 on the maturity date. You will not participate in the increase of the value of the Underlying Stock.

Example 2

The Ending Value is 98 (98% of the Starting Value)

The Ending Value is less than the Starting Value but greater than the Threshold Value. Consequently, in addition to the quarterly interest payments, you will receive the principal amount of \$10.00 on the maturity date.

Example 3

The Ending Value is 70 (70% of the Starting Value)

The Ending Value is less than the Starting Value and the Threshold Value. Consequently, you will receive the quarterly interest payments, however, you will also participate on a 1-for-1 basis in the decrease in the price of the Underlying Stock below the Threshold Value. The Redemption Amount per unit will equal:

On the maturity date, you will receive the Redemption Amount per unit of \$7.50

Coupon Bearing Notes

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Coupon Bearing Notes

Linked to the Common Stock of E.I. du Pont de Nemours and Company, due March 10, 2017

Summary of the Hypothetical Examples

Example 1

Example 2

Example 3

The Ending Value is greater than or equal to the Starting Value and the Threshold Value

The Ending Value is less than the Starting Value but greater than or equal to the Threshold Value

The Ending Value is less than the Starting Value and the Threshold Value

Starting Value

100.00

100.00

100.00

Ending Value

115.00

98.00

70.00

Threshold Value

95.00

95.00

95.00

Interest Rate (per year)

8.25%

8.25%

8.25%

Redemption Amount per Unit

\$10.00

\$10.00

\$7.50

Total Return of

the Underlying Stock (1)

17.99%

0.99%

-27.01%

Total Return on the Notes (2)

8.41%

8.41%

-16.59%

(1)

The total return of the Underlying Stock assumes:

(a) the percentage change in the price of the Underlying Stock from the Starting Value to the Ending Value;

(b) a constant dividend yield of 2.57% per year; and

(c) no transaction fees or expenses.

(2)

The total return on the notes includes interest paid on the notes from March 3, 2016 to March 10, 2017.

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Coupon Bearing Notes

Linked to the Common Stock of E.I. du Pont de Nemours and Company, due March 10, 2017

Risk Factors

There are important differences between the notes and a conventional debt security. An investment in the notes involves significant risks, including those listed below. You should carefully review the more detailed explanation of risks relating to the notes in the Risk Factors sections beginning on page PS-6 of product supplement CBN-1, page S-5 of the Series L MTN prospectus supplement, and page 9 of the prospectus identified above. We also urge you to consult your investment, legal, tax, accounting, and other advisors before you invest in the notes.

Depending on the performance of the Underlying Stock as measured shortly before the maturity date, your investment may result in a loss; there is no guaranteed return of principal.

Your return on the notes may be less than the yield you could earn by owning a conventional fixed or floating rate debt security of comparable maturity.

Payments on the notes are subject to our credit risk, and actual or perceived changes in our creditworthiness are expected to affect the value of the notes. If we become insolvent or are unable to pay our obligations, you may lose your entire investment.

You will not participate in any increase in the price of the Underlying Stock.

Your investment return is limited to the return represented by the periodic interest payments over the term of the notes, and may be less than a comparable investment directly in the Underlying Stock.

The initial estimated value of the notes is an estimate only, determined as of a particular point in time by reference to our and our affiliates' pricing models. These pricing models consider certain assumptions and variables, including our credit spreads, our internal funding rate on the pricing date, mid-market terms on hedging transactions, expectations on interest rates and volatility, price-sensitivity analysis, and the expected term of the notes. These pricing models rely in part on certain forecasts about future events, which may prove to be incorrect.

The public offering price you pay for the notes exceeds the initial estimated value. If you attempt to sell the notes prior to maturity, their market value may be lower than the price you paid for them and lower than the initial estimated value. This is due to, among other things, changes in the price of the Underlying Stock, our internal funding rate, and the inclusion in the public offering price of the underwriting discount and the hedging related charge, all as further described in Structuring the Notes on page TS-9. These factors, together with various credit, market and economic factors over the term of the notes, are expected to reduce the price at which you may be able to sell the notes in any secondary market and will affect the value of the notes in complex and unpredictable ways.

The initial estimated value does not represent a minimum or maximum price at which we, MLPF&S or any of our affiliates would be willing to purchase your notes in any secondary market (if any exists) at any time. The value of your notes at any time after issuance will vary based on many factors that cannot be predicted with accuracy, including the performance of the Underlying Stock, our creditworthiness and changes in market conditions.

A trading market is not expected to develop for the notes. Neither we nor MLPF&S is obligated to make a market for, or to repurchase, the notes. There is no assurance that any party will be willing to purchase your notes at any price in any secondary market.

Our business activities as a full service financial institution, including our commercial and investment banking activities, our hedging and trading activities (including trading in shares of the Underlying Stock) and any hedging

and trading activities we engage in for our clients' accounts, may affect the market value of the notes and their return and may create conflicts of interest with you.

The Underlying Company will have no obligations relating to the notes, and neither we nor MLPF&S will perform any due diligence procedures with respect to the Underlying Company in connection with this offering.

You will have no rights of a holder of the Underlying Stock, and you will not be entitled to receive shares of the Underlying Stock or dividends or other distributions by the Underlying Company.

While we or our affiliates may from time to time own securities of the Underlying Company, we do not control the Underlying Company, and have not verified any disclosure made by the Underlying Company.

The payments on the notes will not be adjusted for all corporate events that could affect the Underlying Stock. See Description of the Notes—Anti-Dilution Adjustments beginning on page PS-21 of product supplement CBN-1.

There may be potential conflicts of interest involving the calculation agent. We have the right to appoint and remove the calculation agent.

The U.S. federal income tax consequences of the notes are uncertain, and may be adverse to a holder of the notes. See Summary Tax Consequences below and U.S. Federal Income Tax Summary beginning on page PS-29 of product supplement CBN-1.

Coupon Bearing Notes

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Coupon Bearing Notes

Linked to the Common Stock of E.I. du Pont de Nemours and Company, due March 10, 2017

The Underlying Stock

We have derived the following information from publicly available documents. We have not independently verified the accuracy or completeness of the following information. E. I. du Pont de Nemours and Company is a chemical and life sciences company, with businesses that include agriculture and industrial biotechnology, chemistry, biology, materials science and manufacturing. The company offers products and services for markets including agriculture and food, building and construction, electronics and communications.

Because the Underlying Stock is registered under the Securities Exchange Act of 1934, the Underlying Company is required to file periodically certain financial and other information specified by the SEC. Information provided to or filed with the SEC by the Underlying Company can be located at the Public Reference Section of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549 or through the SEC's website at <http://www.sec.gov> by reference to SEC CIK number 30554.

This term sheet relates only to the notes and does not relate to the Underlying Stock or to any other securities of the Underlying Company. Neither we nor any of our affiliates have participated or will participate in the preparation of the Underlying Company's publicly available documents. Neither we nor any of our affiliates have made any due diligence inquiry with respect to the Underlying Company in connection with the offering of the notes. Neither we nor any of our affiliates make any representation that the publicly available documents or any other publicly available information regarding the Underlying Company are accurate or complete. Furthermore, there can be no assurance that all events occurring prior to the date of this term sheet, including events that would affect the accuracy or completeness of these publicly available documents that would affect the trading price of the Underlying Stock, have been or will be publicly disclosed. Subsequent disclosure of any events or the disclosure of or failure to disclose material future events concerning the Underlying Company could affect the value of the Underlying Stock and therefore could affect your return on the notes. The selection of the Underlying Stock is not a recommendation to buy or sell the Underlying Stock.

The Underlying Stock trades on the New York Stock Exchange under the symbol DD.