

BANK OF AMERICA CORP /DE/
Form 424B2
February 01, 2016

9,249,964 Units
\$10 principal amount per unit
CUSIP No. 06053Y405

Pricing Date
Settlement Date
Maturity Date

January 28, 2016
February 4, 2016
January 26, 2018

Capped Leveraged Index Return Notes® Linked to the S&P 500® Index

Maturity of approximately two years

2-to-1 upside exposure to increases in the Index, subject to a capped return of 19.34%

1-to-1 downside exposure to decreases in the Index beyond a 10.00% decline, with up to 90.00% of your principal at risk

All payments occur at maturity and are subject to the credit risk of Bank of America Corporation

No periodic interest payments

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-5 of this term sheet and beginning on page PS-6 of product supplement EQUITY INDICES LIRN-1.

The initial estimated value of the notes as of the pricing date is \$9.66 per unit, which is less than the public offering price listed below. See Summary on the following page, Risk Factors beginning on page TS-5 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

\$10.00

\$92,499,640.00

Underwriting discount

\$0.20

\$1,849,992.80

Proceeds, before expenses, to BAC

\$9.80

\$90,649,647.20

The notes:

Are Not FDIC Insured

Are Not Bank Guaranteed

May Lose Value

Capped Leveraged Index Return Notes®

Linked to the S&P 500® Index, due January 26, 2018

Summary

The Capped Leveraged Index Return Notes® Linked to the S&P 500® Index, due January 26, 2018 (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 you a leveraged return, subject to a cap, if the Ending Value of the Market Measure, which is the S&P 500® Index (the Index), is greater than its Starting Value. If the Ending Value is less than the Threshold Value, you will lose a portion, which could be significant, of 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 Index, subject to our credit risk. See Terms of the Notes below.

The economic terms of the notes (including the Capped Value) 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)

On the maturity date, you will receive a cash payment per unit determined as follows:

Principal Amount:

\$10.00 per unit

Term:

Approximately two years

Market Measure:

The S&P 500® Index (Bloomberg symbol: SPX), a price return index.

Starting Value:

1,893.36

Ending Value:

The average of the closing levels of the Market Measure on each scheduled calculation day occurring during the maturity valuation period. The calculation days are subject to postponement in the event of Market Disruption Events, as described beginning on page PS-18 of product supplement EQUITY INDICES LIRN-1.

Threshold Value:

1,704.02 (90% of the Starting Value, rounded to two decimal places).

Participation Rate:

200%

Capped Value:

\$11.934 per unit of the notes, which represents a return of 19.34% over the principal amount.

Maturity Valuation Period:

January 17, 2018, January 18, 2018, January 19, 2018, January 22, 2018 and January 23, 2018

Fees and Charges:

The underwriting discount of \$0.20 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.

Calculation Agent:

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

Capped Leveraged Index Return Notes®

TS-1

Capped Leveraged Index Return Notes®

Linked to the S&P 500® Index, due January 26, 2018

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

Product supplement EQUITY INDICES LIRN-1 dated January 22, 2016:

<http://www.sec.gov/Archives/edgar/data/70858/000119312516435395/d129294d424b5.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 EQUITY INDICES LIRN-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