BANK OF AMERICA CORP /DE/
Form 424B2
May 31, 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 EQUITY INDICES STR-1 dated March 2, 2016)**

| | | | |
|---|---|---|---|
| 447,601 Units | | Pricing Date | May 26, 2016 |
| $10 principal amount per unit | | Settlement Date | June 3, 2016 |
| CUSIP No. 06053Y850 | | Maturity Date | June 5, 2017 |

**Strategic Accelerated Redemption Securities® Linked to the S&P 500® Index**

Automatically callable if the closing level of the Index on any Observation Date, occurring approximately six, nine, and twelve months after the pricing date, is at or above the Starting Value

In the event of an automatic call, the amount payable per unit will be:

$10.450 if called on the first Observation Date

$10.675 if called on the second Observation Date

$10.900 if called on the final Observation Date

If not called on the first or second Observation Dates, a maturity of approximately one year and one week

If not called, 1-to-1 downside exposure to decreases in the Index, with up to 100% of your principal at risk

All payments are subject to the credit risk of Bank of America Corporation

No periodic interest payments

In addition to the underwriting discount set forth below, the notes include a hedging-related charge of $0.05 per unit. See Structuring the Notes .

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 EQUITY INDICES STR-1.**

**The initial estimated value of the notes as of the pricing date is $9.76 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-10 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 | $4,476,010.00 |
| Underwriting discount | $0.12 | $55,950.12 |
| Proceeds, before expenses, to BAC | $9.88 | $4,420,059.88 |

**The notes:**

| | | |
|---|---|---|
| **Are Not FDIC Insured** | **Are Not Bank Guaranteed** | **May Lose Value** |

**Merrill Lynch & Co.**

May 26, 2016

Strategic Accelerated Redemption Securities®
Linked to the S&P 500® Index, due June 5, 2017
Summary

The Strategic Accelerated Redemption Securities® Linked to the S&P 500® Index, due June 5, 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 will be automatically called at the applicable Call Amount if the closing level of the Market Measure, which is the S&P 500® Index (the Index ), on any Observation Date is equal to or greater than the Starting Value. If your notes are not called, you will lose all or a portion of the principal amount of your notes. Payments on the notes, including the amount you receive at maturity or upon an automatic call, 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 Call Amounts and Call Premiums) 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. The notes are subject to an automatic call, and the initial estimated value is based on an assumed tenor of the notes. For more information about the initial estimated value and the structuring of the notes, see Structuring the Notes on page TS-10.

Terms of the Notes

| | |
|---|---|
| **Issuer:** | Bank of America Corporation ( BAC ) |
| **Principal Amount:** | $10.00 per unit |
| **Term:** | Approximately one year and one week, if not called on the first or second Observation Dates |
| **Market Measure:** | The S&P 500® Index (Bloomberg symbol: "SPX Index"), a price return index |
| **Starting Value:** | 2,090.10 |
| **Ending Value:** | The Observation Level of the Market Measure on the final Observation Date. |
| **Observation Level:** | The closing level of the Market Measure on any Observation Date |
| **Observation Dates:** | November 18, 2016, February 17, 2017 and May 26, 2017 (the final Observation Date)<br>The Observation Dates are subject to postponement in the event of Market Disruption Events, as described beginning on page PS-17 of product supplement EQUITY INDICES STR-1. |
| **Call Level:** | 100% of the Starting Value |
| **Call Amounts (per Unit)** | $10.45, representing a Call Premium of |

Payment Determination

**Automatic Call Provision:**

**Redemption Amount Determination:**

If the notes are not called you will receive the Redemption Amount per unit on the maturity date, determined as follows:

***Because the Threshold Value for the notes is equal to the Starting Value, you will lose all or a portion of your investment if the Ending Value is less than the Starting Value.***

| | |
|---|---|
| **and Call Premiums:** | 4.50% of the principal amount, if called on the first Observation Date; $10.675, representing a Call Premium of 6.75% of the principal amount, if called on the second Observation Date; and $10.90, representing a Call Premium of 9.00% of the principal amount, if called on the final Observation Date. |
| **Call Settlement Dates:** | Approximately the fifth business day following the applicable Observation Date, subject to postponement as described beginning on page PS-15 of product supplement EQUITY INDICES STR-1; provided however, that the Call Settlement Date related to the final Observation Date will be the maturity date. |
| **Threshold Value:** | 2,090.10 (100% of the Starting Value). |
| **Fees and Charges:** | The underwriting discount of $0.125 per unit listed on the cover page and the hedging related charge of $0.05 per unit described in Structuring the Notes on page TS-10. |
| **Calculation Agent:** | Merrill Lynch, Pierce, Fenner & Smith Incorporated ( MLPF&S ), a subsidiary of BAC. |

Strategic Accelerated Redemption Securities®
Linked to the S&P 500® Index, due June 5, 2017

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

Product supplement EQUITY INDICES STR-1 dated March 2, 2016:
http://www.sec.gov/Archives/edgar/data/70858/000119312516489985/d143686d424b5.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 STR-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:**

You anticipate that the closing level of the Index on any of the Observation Dates will be equal to or greater than the Starting Value and, in that case, you accept an early exit from your investment.

You accept that the return on the notes will be limited to the return represented by the applicable Call Premium even if the percentage change in the level of the Index is significantly greater than the applicable Call Premium.

If the notes are not called, you accept that your investment will result in a loss, which could be significant, if the Ending Value is below the Threshold Value.

You are willing to forgo the interest payments that are paid on conventional interest bearing debt securities.

You are willing to forgo dividends or other benefits of owning the stocks included in the Index.

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 may not be an appropriate investment for you if:**

You wish to make an investment that cannot be automatically called prior to maturity.

You believe that the level of the Index will decrease from the Starting Value to the Ending Value.

You anticipate that the Observation Level will be less than the Call Level on each Observation Date.

You seek an uncapped return on your investment

You seek principal repayment or preservation of capital.

You seek interest payments or other current income on your investment.

You want to receive dividends or other distributions paid on the stocks included in the Index.

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.

the notes, for all payments under the notes, including
the Call Amounts and the Redemption Amount.

We urge you to consult your investment, legal, tax, accounting, and other advisors before you invest in the notes.

Strategic Accelerated Redemption Securities®
Linked to the S&P 500® Index, due June 5, 2017
Examples of Hypothetical Payments
The following examples are for purposes of illustration only. They are based on **hypothetical** values and show **hypothetical** returns on the notes. They illustrate the calculation of the Call Amount or Redemption Amount, as applicable, based on the hypothetical terms set forth below. **The actual amount you receive and the resulting return will depend on the actual Starting Value, Threshold Value, Call Level, Observation Levels, and the 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 100.00;
3) a Call Level of 100.00
4) the term of the notes from June 3, 2016 to June 5, 2017;
5) the Call Premium of 4.50% of the principal amount if the notes are called on the first Observation Date, 6.75% if called on the second Observation Date, and 9.00% if called on the final Observation Date
6) Observation Dates occurring on November 18, 2016, February 17, 2017 and May 26, 2017 (the final Observation Date)

The **hypothetical** Starting Value of 100.00 used in these examples has been chosen for illustrative purposes only. The actual Starting Value is 2,090.10, which was the closing level of the Market Measure on the pricing date. For recent actual levels of the Market Measure, see The Index section below. The Index is a price return index and as such the Ending Value will not include any income generated by dividends paid on the stocks included in the Index, which you would otherwise be entitled to receive if you invested in those stocks directly. In addition, all payments on the notes are subject to issuer credit risk.

Strategic Accelerated Redemption Securities®
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*Notes Are Called on an Observation Date*

The notes will be called at $10.000 plus the applicable Call Premium on one of the Observation Dates if the Observation Level is equal to or greater than the Call Level.

Example 1 - The Observation Level on the first Observation Date is 110.00. Therefore, the notes will be called at $10.000 plus the Call Premium of $0.450 = $10.450 per unit. After the notes are called, they will no longer remain outstanding and there will not be any further payments on the notes.

Example 2 - The Observation Level on the first Observation Date is below the Call Level, but the Observation Level on the second Observation Date is 105.00. Therefore, the notes will be called at $10.000 plus the Call Premium of $0.675 = $10.675 per unit. After the notes are called, they will no longer remain outstanding and there will not be any further payments on the notes.

***Example 3*** *- The Observation Levels on the first and second Observation Dates are below the Call Level, but the Observation Level on the third and final Observation Date is 105.00. Therefore, the notes will be called at $10.000 plus the Call Premium of $0.900 = $10.900 per unit.*

*Notes Are Not Called on Any Observation Date*

**Example 4** - The notes are not called on any Observation Date and the Ending Value is less than the Threshold Value. The Redemption Amount will be less, and possibly significantly less, than the principal amount. For example, if the Ending Value is 85.00, the Redemption Amount per unit will be:

**Summary of the Hypothetical Examples**

| | **Notes Are Called on an Observation Date** | | | **Notes Are Not Called on Any Observation Date** |
|---|---|---|---|---|
| | **Example 1** | **Example 2** | **Example 3** | **Example 4** |
| Starting Value | 100.00 | 100.00 | 100.00 | 100.00 |
| Call Level | 100.00 | 100.00 | 100.00 | 100.00 |
| Threshold Value | 100.00 | 100.00 | 100.00 | 100.00 |
| Observation Level on the First Observation Date | 110.00 | 90.00 | 90.00 | 88.00 |
| Observation Level on the Second Observation Date | N/A | 105.00 | 83.00 | 78.00 |
| Observation Level on the Final Observation Date | N/A | N/A | 105.00 | 85.00 |
| Return of the Index | 10.00% | 5.00% | 5.00% | -15.00% |
| Return of the Notes | 4.50% | 6.75% | 9.00% | -15.00% |
| Call Amount / Redemption Amount per Unit | $10.450 | $10.675 | $10.900 | $8.500 |