BANK OF AMERICA CORP /DE/
Form 424B2
February 22, 2016

Subject to Completion
Preliminary Term Sheet dated February 19, 2016
Filed Pursuant to Rule 424(b)(2)
Registration Statement No. 333-202354
(To Prospectus dated May 1, 2015,
Prospectus Supplement dated May 4, 2015 and
Product Supplement STOCK OL-1 dated February 19, 2016)

Units
$10 principal amount per unit
CUSIP No.

Pricing Date*
Settlement Date*
Maturity Date*

February , 2016
February , 2016
March , 2017
*Subject to change based on the actual date the notes are priced for initial sale to the public (the "pricing date")
Notes Linked to the Common Stock of Apple Inc.

Maturity of approximately one year and one week

A conditional payment of [$2.10 - $2.50] per unit if the Underlying Stock is flat or increases

1-to-1 downside exposure to decreases in the Underlying Stock with up to 100% of your investment 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-6 of this term sheet and beginning on page PS-6 of product supplement STOCK OL-1.
The initial estimated value of the notes as of the pricing date is expected to be between $9.48 and $9.71 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	$
Underwriting discount	$0.125	$
Proceeds, before expenses, to BAC	$9.875	$

The notes:
Are Not FDIC Insured
Are Not Bank Guaranteed
May Lose Value
Merrill Lynch & Co.
February , 2016

Notes

Linked to the Common Stock of Apple Inc., due March , 2017

Summary

The Notes Linked to the Common Stock of Apple Inc., due March , 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.** If the Ending Value of the Market Measure, which is the common stock of Apple Inc. (the Underlying Stock), is at or above the Starting Value, the notes will provide a payment at maturity of the principal amount per unit plus an additional fixed payment of [$2.10 to $2.50] per unit. If the Ending Value is less than the Starting Value, the Redemption Amount will be less than the principal amount of your notes, and may be as low as zero. 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 Conditional Payment) 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, will reduce 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 will be greater than the initial estimated value of the notes.

On the cover page of this term sheet, we have provided the initial estimated value range for the notes. This initial estimated value range 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 initial estimated value of the notes calculated on the pricing date will be set forth in the final term sheet made available to investors in 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

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 one year and one week

Underlying Stock:

Common stock of Apple Inc. (the "Underlying Company") (NASDAQ symbol: "AAPL")
Starting Value:
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 4:05 p.m. on all U.S. exchanges.
Ending Value:
The Closing Market Price of the Underlying Stock on the calculation day, multiplied by the Price Multiplier. The calculation day is subject to postponement in the event of Market Disruption Events, as described beginning on page PS-18 of product supplement STOCK OL-1.
Calculation Day:
Approximately the fifth scheduled trading day immediately preceding the maturity date.
Conditional Payment (per Unit)
[$2.10 to $2.50], representing a return of [21.0% to 25.0%] of the principal amount. The actual Conditional Payment will be determined on the pricing date.
Threshold Value:
100% of the Starting Value
Price Multiplier:
1, subject to adjustment for certain corporate events relating to the Underlying Stock described beginning on page PS-19 of product supplement STOCK OL-1.
Fees and Charges::
The underwriting discount of $0.125 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-10.
Calculation Agent::
Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a subsidiary of BAC.

Notes
TS-2

Notes
Linked to the Common Stock of Apple Inc., due March , 2017
The terms and risks of the notes are contained in this term sheet and in the following:

Product supplement STOCK OL-1 dated February 19, 2016:
https://www.sec.gov/Archives/edgar/data/70858/000119312516470091/d134532d424b5.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 STOCK OL-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 equal to or greater than the Starting Value.

You accept that the return on the notes will be limited to the return represented by the Conditional Payment even if the percentage change in the price of the Underlying Stock is significantly greater than the Conditional Payment.

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 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 believe that the price of the Underlying Stock will decrease from the Starting Value to the Ending Value.

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 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.

Notes
Linked to the Common Stock of Apple Inc., due March , 2017
Hypothetical Payout Profile
The below graph is based on **hypothetical** numbers and values.
This graph reflects the returns on the notes, based on a Conditional Payment of $2.30, the midpoint of the Conditional Payment range of [$2.10 to $2.50] per unit. The green line reflects the returns on the notes, while the dotted gray line reflects the returns of a direct investment in the Underlying Stock, excluding dividends.
This graph has been prepared for purposes of illustration only.
Hypothetical Payments at Maturity
The following table and 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 total rate of return will depend on the actual Starting Value, Threshold Value, Ending Value, Conditional Payment, and term of your investment.**
The following table is based on a hypothetical Starting Value of 100 and a Conditional Payment of $2.30 per unit. It illustrates the effect of a range of Ending Values on the Redemption Amount per unit of the notes and the total rate of return to holders of the notes. The following examples do not take into account any tax consequences from investing in the notes.

Ending Value	**Percentage Change from the Starting Value to the Ending Value**	**Redemption Amount per Unit**	**Total Rate of Return on the Notes**
50.00	-50.00%	$5.00	-50.00%
60.00	-40.00%	$6.00	-40.00%
70.00	-30.00%	$7.00	-30.00%
80.00	-20.00%	$8.00	-20.00%
90.00	-10.00%	$9.00	-10.00%
95.00	-5.00%	$9.50	-5.00%
98.00	-2.00%		

$9.80
-2.00%
100.00 (1) (2)
0.00%
$12.30 (3)
23.00%
102.00
2.00%
$12.30
23.00%
105.00
5.00%
$12.30
23.00%
110.00
10.00%
$12.30
23.00%
120.00
20.00%
$12.30
23.00%
130.00
30.00%
$12.30
23.00%
140.00
40.00%
$12.30
23.00%
150.00
50.00%
$12.30
23.00%
(1)
The **hypothetical** Starting Value of 100 used in these examples has been chosen for illustrative purposes only, and does not represent a likely actual Starting Value for the Underlying Stock. 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.
(2)
This is the **hypothetical** Threshold Value.
(3)
The Redemption Amount per unit cannot exceed the sum of the principal amount and the **hypothetical** Conditional Payment.

Notes
Linked to the Common Stock of Apple Inc., due March , 2017

Redemption Amount Calculation Examples

Example 1

The Ending Value is 80.00, or 80.00% of the Starting Value:
Starting Value: 100.00
Ending Value: 80.00

= $8.00 Redemption Amount per unit

Example 2

The Ending Value is 105.00, or 105.00% of the Starting Value:
Starting Value: 100.00
Ending Value: 105.00
$10 + $2.30
= $12.30 Redemption Amount per unit

Example 3

The Ending Value is 140.00, or 140.00% of the Starting Value:
Starting Value: 100.00
Ending Value: 140.00
$10 + $2.30
= $12.30 Redemption Amount per unit

In this example, even though the Ending Value is significantly higher than the Starting Value, your return on the notes will be limited to the return represented by the Conditional Payment.

Notes
TS-5

Notes
Linked to the Common Stock of Apple Inc., due March , 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 STOCK OL-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.

Your investment return is limited to the return represented by the Conditional Payment and may be less than a comparable investment directly in the Underlying Stock.

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.

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 will exceed 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-10. 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 Redemption Amount 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-19 of product supplement STOCK OL-1.

There may be potential conflicts of interest involving the calculation agent, which is an affiliate of ours. 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 STOCK OL-1.

Notes