BANK OF AMERICA CORP /DE/
Form DEF 14A
March 17, 2016
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

Bank of America Corporation

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

PAYMENT OF FILING FEE (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

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March 17, 2016

Dear Fellow Stockholders:

We cordially invite you to attend the 2016 Annual Meeting of Stockholders, to be held April 27, 2016 at 10:00 a.m., local time, at the Hilton Charlotte Center City, 222 East Third Street, Charlotte, North Carolina.

At the meeting we will discuss and vote on the matters described in the notice and proxy statement. I also will provide a report on our company s strategy and performance.

On behalf of our Board of Directors, I would like to thank Charles K. Gifford, who is retiring as a director, for his years of service and contributions. Mr. Gifford is the former Chairman of our Board and serves as chair of our Board s Credit Committee. We have greatly benefited from his judgment and experience.

Your vote is important; please read the documents with care and follow the voting instructions to ensure your shares are represented at the meeting. We look forward to your participation.

Sincerely,

Brian T. Moynihan

Chairman and Chief Executive Officer

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Notice of 2016 Annual Meeting of Stockholders

Date: April 27, 2016

Time: 10:00 a.m., local time

Place: Hilton Charlotte Center City

222 East Third Street, Charlotte, North Carolina 28202

Matters to be voted on:

- Electing the 13 directors named in the proxy statement
- A proposal approving our executive compensation (an advisory, non-binding Say on Pay resolution)
- A proposal ratifying the appointment of our independent registered public accounting firm for 2016
- A stockholder proposal, if it is properly presented at our annual meeting
- Any other business that may properly come before our annual meeting

Record date: Bank of America stockholders as of the close of business on March 2, 2016 will be entitled to vote at our annual meeting and any adjournments or postponements of the meeting.

Your vote is very important. Please submit your proxy as soon as possible by the Internet, telephone, or mail. Submitting your proxy by one of these methods will ensure your representation at the annual meeting regardless of whether you attend the meeting. Please refer to the following page for information on how to vote your shares and attend our annual meeting.

By order of the Board of Directors,

Ross E. Jeffries, Jr.

Corporate Secretary

March 17, 2016

Important Notice Regarding the Availability of Proxy Materials for the

Annual Meeting of Stockholders to Be Held on April 27, 2016:

Our Proxy Statement and 2015 Annual Report to Stockholders are available at

http://investor.bankofamerica.com

PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in the proxy statement or in our corporate governance documents published on our website at http://investor.bankofamerica.com. We encourage you to read the proxy statement in its entirety before voting.

VOTING YOUR SHARES

Your vote is important. Please exercise your right as a stockholder and submit your proxy as soon as possible.

You may vote if you were a stockholder as of the close of business on March 2, 2016. Stockholders may vote in person at the meeting or submit a proxy by the Internet, telephone, or mail as follows:

VIA THE INTERNET www.investorvote.com/bac (for registered holders) www.proxyvote.com (for beneficial owners)	**BY MAIL** Complete, sign, date, and return your proxy card in the envelope provided
BY TELEPHONE Call the phone number located on the top of your proxy card	**IN PERSON** Attend our annual meeting and vote by ballot

If you submit your proxy via the Internet or by telephone, you do not need to return your proxy card by mail.

Proposals for Your Vote	Board Voting Recommendation	Page
Proposal 1: Electing Directors	**FOR** each nominee	1
Proposal 2: Approving Our Executive Compensation (an advisory, non-binding Say on Pay resolution)	**FOR**	29
Proposal 3: Ratifying the Appointment of Our Independent Registered Public Accounting Firm for 2016	**FOR**	58

Proposal 4: Stockholder Proposal	**AGAINST**	60

See Voting and Other Information on page 63 for more information on voting your shares.

ANNUAL MEETING ADMISSION

Annual meeting admission is limited to our registered and beneficial stockholders as of the record date and persons holding valid proxies from stockholders. Admission to our annual meeting requires proof of your stock ownership as of the record date and valid, government-issued photo identification. Security measures may include bag, metal detector, and hand-wand searches. The use of cameras, recording devices, phones, and other electronic devices is strictly prohibited. See Attending our Annual Meeting on page 65.

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PROXY STATEMENT SUMMARY

2015 FINANCIAL AND OPERATING PERFORMANCE

Over the past several years, our company has undergone a strategic transformation. We have followed a strategy to simplify the company, rebuild our capital and liquidity, and invest in our company and our capabilities.

At the core of our strategy is the commitment we made to a clear purpose: to make financial lives better by connecting those we serve to the resources and expertise they need to achieve their goals. This is what drives us.

Bank of America has a straightforward model serving individual consumers, businesses of all sizes, and institutions. We made almost $16 billion in 2015 and returned nearly $4.5 billion to stockholders. We must build on that by growing within our stated risk limits, sustained by disciplined business practices and governance, by investing in our communities, and by being the best place to work for our employees.

Brian Moynihan, Chairman and CEO

Earned net income of $15.9 billion in 2015, versus $4.9 billion in 2014

Achieved record capital and liquidity levels

Tangible Common Equity of $162 billion, increased by $10.4 billion(1); Global Excess Liquidity Sources at $504 billion

Tangible book value per share increased 8% to $15.62(1)

Continued focus on expenses while investing in growth

Excluding litigation, noninterest expense down 5%[(1)]

Improved/increased client and customer activity in all areas, including: business referrals (increased 19% to 5 million); total loans (grew nearly $22 billion); and deposits (increased $78 billion)

Strong asset quality discipline drove continued low levels of net charge-offs and declines in delinquencies and nonperforming loans

$4.5 billion returned to common stockholders through repurchases and dividends

Consumer Banking	**Best U.S. Consumer Franchise**
	#1 retail deposit market share[(2)]
Global Wealth & Investment Management	**Top Wealth Management Brands**
	#1 U.S. wealth management market position across client assets, deposits, and loans[(3)]

Global Banking **Strong Global Banking Presence**

#3 in Global Investment Banking fees[(4)]

Global Markets **Leader in Research**

#1 global research team five years in a row[(5)]

1-year **3-year** **5-year**

See Compensation Discussion and Analysis on page 29 and our 2015 annual report.

(1) Not a financial measure under generally accepted accounting principles (GAAP). On a GAAP basis, common shareholders equity was $233.9 billion and increased by $9.8 billion; book value per share increased 6% to $22.54; and noninterest expense was down 24%.
(2) Source: SNL Branch data. U.S. retail deposit market share based on June 2015 FDIC deposit data, adjusted to remove commercial balances.
(3) Source: Competitor 3Q15 earnings releases.
(4) Source: Dealogic, as of January 5, 2016, for the quarter ended December 31, 2015.
(5) Source: Institutional Investor magazine.
(6) As of December 31, 2015. See page 42 for a list of the companies in our primary competitor group. G-SIBs are global systematically important banks designated by the Financial Stability Board as of November 3, 2015.

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COMPENSATION HIGHLIGHTS

Pay-for-Performance Compensation Philosophy

Our compensation philosophy ties our executive officers pay to company, line of business, and individual performance over the short and long term. Our executive compensation program provides a mix of salary, incentives, and benefits paid over time that we believe aligns executive officer and stockholder interests. A majority of total variable compensation granted to named executive officers is deferred equity-based awards, further encouraging long-term focus on generating sustainable results for our stockholders.

Our Compensation and Benefits Committee oversees a robust compensation risk management process that supports our enterprise risk management objectives through multiple checks and balances. We are focused on pay-for-performance, guided by our company s strategy of responsible growth.

Monica Lozano, Chair

Compensation and Benefits Committee

2015 Compensation Decisions for the CEO

For performance year 2015, the Compensation and Benefits Committee and the Board s independent directors determined the following compensation for our CEO, in recognition of his individual performance and the overall performance of our company:

l Total compensation, inclusive of base salary and equity-based incentives, of $16 million

l All CEO variable compensation awarded in equity (as it has been since 2010). Half of the CEO s variable compensation was awarded in the form of performance restricted stock units (PRSUs). For PRSUs to have value, they must be re-earned by our company achieving specific performance goals over a three-year period (2016-2018)

l The remainder of the CEO s variable pay was awarded as 30% cash-settled restricted stock units (CRSUs) and 20% time-based restricted stock units (TRSUs)

Compensation Risk Management	*Historical Say on Pay Votes*
l Mix of fixed and variable pay l Balanced, risk-adjusted performance measures l Pay-for-performance process that allocates individual awards based on actual results and how results were achieved l Review of feedback from independent control functions in performance evaluations and compensation decisions l Deferral of a majority of variable pay through equity-based awards l Use of multiple clawback and cancellation features for equity-based awards	Our Compensation and Benefits Committee believes the results of last year s Say on Pay vote affirmed our stockholders support of our company s executive compensation program. This informed our decision to maintain a consistent overall approach in setting executive compensation for 2015.

See Compensation Discussion and Analysis on page 29 and Executive Compensation on page 44.

PROXY STATEMENT SUMMARY

CORPORATE GOVERNANCE HIGHLIGHTS

Thoughtful, Interconnected Practices

Strengthen Our Board s Effectiveness

In recent years, the Board has implemented a number of measures to improve Board composition, oversight, and effectiveness.

Our Board regularly reviews management s strategy to create long-term value for stockholders and the progress our company is making. I ve spent a great deal of time in 2015 and 2016 meeting with many of our investors. This engagement has been instructive to our Board as we continue to drive our company s progress and add value to your investment. You are represented by a strong, independent Board with diversity of experience and perspective, and we welcome further dialogue with you.

Jack Bovender, Lead Independent Director

Governance Enhancements Informed by Stockholder Input

Our Board and management are committed to engaging with our stockholders. In 2015, our Board and management met with many of our major stockholders, soliciting their input on important performance, governance, compensation, and other matters. This process has led to governance enhancements that our Board believes are in the best interests of our company and our stockholders. See page 16.

Key Statistics about Our Director Nominees

(1) Our director nominees average tenure is calculated as of our annual meeting date; source for S&P 500 average: 2015 Spencer Stuart Board Index.

RESPONSIBLE SUSTAINABLE GROWTH:

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE HIGHLIGHTS

We define sustainable growth through an environmental, social, and governance (ESG) framework, ensuring that we are growing the right way from business policies and practices, to the way we treat our employees and manage our company.

Our ESG Committee, which is composed of members of senior management from every business line and support function, oversees our efforts in this area and routinely provides ESG reports to our Board s Corporate Governance Committee. In 2015, our ESG performance was recognized by the Dow Jones Sustainability Index, where we were named to the World and North American Indices.

Our Corporate Governance Committee oversees our company s ESG activities. We are very proud of the way the company integrates ESG into our business operations. It is not just an add-on or solely philanthropic it is core to our company s values, it is profitable, and it makes tremendous sense for our stockholders.

Tom May, Chair

Corporate Governance Committee

In addition to the corporate governance highlights summarized on the prior page, our recent ESG accomplishments include:

l Continued to foster a diverse and inclusive environment more than 50% of our global workforce is female and more than 40% of our U.S.-based workforce is from a racially or ethnically diverse background

l Began offering free FICO credit scores for online banking customers who have a Bank of America credit card. This further strengthens our existing suite of responsible financial products

- Continued our leadership as the largest investor in Community Development Financial Institutions, with over $1.2 billion in credit extended
- Continued to deliver local economic growth and development through more than $2 billion in spending with diverse suppliers

- Increased our environmental business initiative to provide $125 billion to low-carbon and other environmental businesses by 2025, including the continued growth of our Catalytic Finance Initiative and investments in clean energy projects around the globe
- Issued our second Green Bond in a $600 million offering, and continued our role as the leading underwriter of Green Bonds in the industry
- Reduced our greenhouse gas emissions by roughly one-third and our water consumption by more than 25% since 2010, as part of our overall focus on reducing the environmental impact of our operations

In 2016, we will continue to demonstrate our commitment to transparency by:

- Publishing a Business Standards Report about our corporate governance, our risk management and control functions, and how our relationships with customers and key stakeholders are deepening in ways that are unique to Bank of America
- Publishing an Environmental and Social Risk Framework that details how we identify, measure, monitor, and control risks related to environmental and social issues

See ESG Initiatives: Focus on Responsible, Sustainable Growth on page 17.

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PROXY STATEMENT

We are providing or making available this proxy statement to solicit your proxy to vote on the matters presented at our annual meeting. We commenced providing and making available this proxy statement on March 17, 2016. Our Board requests that you submit your proxy by the Internet, telephone, or mail so that your shares will be represented and voted at our annual meeting.

INTERNET AVAILABILITY OF PROXY MATERIALS

We mailed or emailed to most of our stockholders a Notice of Internet Availability of our proxy materials with instructions on how to access our proxy materials over the Internet and how to vote. If you are a registered stockholder and would like to change the method of delivery of your proxy materials, please contact our transfer agent, Computershare Trust Company, N.A., P.O. Box 43078, Providence, Rhode Island 02940-3078; Toll free: 800-642-9855; or at *www.computershare.com/bac*. You may do the same as a beneficial stockholder by calling the bank, broker, or other nominee where your shares are held.

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PROPOSAL 1: ELECTING DIRECTORS

Our Board is presenting 13 nominees for election as directors at our annual meeting. Other than Mr. Woods, who is a new nominee identified by a third-party search firm, all nominees currently serve as directors on our Board and were elected by you at our 2015 annual meeting. After more than a decade of valuable service, Charles K. Gifford will retire at our annual meeting. Each director elected at the meeting will serve until our 2017 annual meeting or until a successor is duly elected and qualified. Each director nominee has consented to being named in this proxy statement and to serve as a director if elected. If any nominee is unable to stand for election for any reason, the shares represented at our annual meeting may be voted for another candidate proposed by our Board, or our Board may choose to reduce its size.

				Other Public	Bank of America Corporation Board Committee				
minee/Principal Occupation	Age	Director Since	Independent	Company Boards	Audit	Compensation and Benefits	Corporate Governance	Credit	Enterpr Risk
aron L. Allen	64	2012	Yes	1	C		M		
mer Chairman, Deloitte LLP									
an S. Bies	68	2009	Yes	None	M				M
mer Member, ard of Governors of the eral Reserve System									
k O. Bovender, Jr.	70	2012	Yes	None			M		
d Independent Director, nk of America Corporation; mer Chairman and CEO, A Inc.									
ank P. Bramble, Sr.	67	2006	Yes	None			M		C

mer Executive Officer, NA Corporation									
rre J.P. de Weck	65	2013	Yes	None	M	M			
mer Chairman and Global ad of Private alth Management, Deutsche nk AG									
nold W. Donald	61	2013	Yes	2		M		M	
sident and CEO, nival Corporation and nival plc									
da P. Hudson	65	2012	Yes	2		M		M	
airman and CEO, Cardea Group, LLC; mer President and CEO, E Systems, Inc.									
nica C. Lozano	59	2006	Yes	1		C		M	
mer Chairman, Hispanic Media Inc.									
omas J. May	69	2004	Yes	1			C		M
airman, President, and CEO, ersource Energy									
an T. Moynihan	56	2010	No	None					
airman of the Board and CEO, nk of America Corporation									
nel L. Nowell, III	61	2013	Yes	3	M		M		
mer SVP and Treasurer, siCo, Inc.									
omas D. Woods	63		Yes	None					

mer Vice Chairman and VP, Canadian Imperial Bank Commerce									
David Yost mer CEO, erisourceBergen Corporation	68	2012	Yes	2	M	M			
Number of Meetings Held in 2015[(1)]				Board: 21	14	7	9	10	13

C = Chair; M = Member

(1) In addition to the number of formal meetings reflected above, from time to time the Board and/or its committees also held educational and/or informational sessions.

IDENTIFYING AND EVALUATING DIRECTOR CANDIDATES

Our Board believes our directors should have the qualifications, skills, personal qualities, and diversity of backgrounds that, when taken together, best serve our company and our stockholders. These individuals should possess personal integrity and character, demonstrated management and leadership ability, have extensive experience within our industry and across sectors, and be able to exercise their sound and independent judgment in a collegial manner.

Our Board views diversity as a priority and seeks representation across a range of attributes, including race, gender, ethnicity, and professional experience, and regularly assesses our Board s diversity when identifying and evaluating director candidates. Our Corporate Governance Committee follows applicable regulations in ensuring our Board includes members who are independent, possess financial literacy and expertise, and have experience in identifying, assessing, and managing risk exposures and/or understanding of risk management principles, policies, and practices.

Core Attributes
l High Personal Integrity
l Strong Business Judgment
l Demonstrated Achievement in Public or Private Sectors
l Proven Leadership and Management Ability
l Dedicated; Able to Devote Necessary Time to Oversight Duties and Represent Stockholders Interests
l Free of Potential Conflicts of Interests
l Collegial Manner

Our Board seeks directors whose complementary knowledge, experience, and skills provide our company with a broad range of perspectives and leadership expertise in financial services and other highly complex and regulated industries, strategic planning and business development, business operations, marketing and distribution, risk management and financial controls, corporate governance and public policy, and other areas important to our company s strategy and oversight. This effort is embodied in our current Board composition and by our 13 director nominees. See Our Director Nominees on the following page.

Given our Board s commitment to regular renewal and refreshment, our Corporate Governance Committee is responsible for recommending director candidates to our Board for nomination. Candidates may be proposed by directors, management, third-party search firms, and our stockholders. The Committee considers candidates whose attributes and qualifications are additive to our overall Board composition. The Committee regularly reviews our Board s mix of directors and their experiences and considers the qualifications of candidates.

As part of this director recruitment process, the Committee has developed and is regularly reviewing a pipeline of director talent to consider for Board renewal and refreshment. The pool of candidates identified by the search firms is periodically refreshed to reflect currently available director talent and the Committee s review and feedback. In 2015, the Committee used two external search firms to present candidates having professional experience aligned with criteria the Committee specified and with the experiential diversity needs our Board identified in its 2014 and 2015 self-assessments. See Board Evaluation on page 14 for additional information on our Board s self-evaluation process.

The Committee has an established process for evaluating director candidates that it follows regardless of who recommends a candidate for consideration. Through its process, the Committee reviews available information regarding each candidate, including qualifications, experience, skills, and integrity, as well as race, gender, and ethnicity. The Committee also confirms the candidate s independence and absence of conflicts. In addition, the Committee adheres to our Corporate Governance Guidelines, which provide that a director who has reached the age of 72 shall not be nominated for initial election to our Board. However, the Board may nominate such an individual for re-election if, in light of circumstances at the time, it finds such nomination to be in the best interests of our company and its stockholders. Our director selection process has been reviewed and acknowledged by our primary bank regulators.

Any stockholder who wishes to recommend a director candidate for consideration by our Corporate Governance Committee must submit a written recommendation to the Corporate Secretary at Bank of America Corporation, Hearst Tower, 214 North Tryon Street, NC1-027-18-05, Charlotte, North Carolina 28255. For our 2017 annual meeting of stockholders, the Committee will consider recommendations received by October 15, 2016. The recommendation must include the information set forth in our Corporate Governance Guidelines, which are published on our website at *http://investor.bankofamerica.com*.

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OUR DIRECTOR NOMINEES

Our Board selected our 13 director nominees based on their high caliber and diverse array of expertise, experience, and leadership skills, and the belief that each can make substantial contributions to our company.

Range of Qualifications and Skills Represented by Our Nominees	
l Audit/Financial Reporting	l Cybersecurity Risk Management
l Financial Services Experience	l Succession Planning
l Strategic Planning	l Business Development
l Operational Risk Management	l Risk Management
l Marketing and Retail Distribution	l Global Perspective
l Leadership of Complex, Highly Regulated Businesses	l Public Company Board Service
l Consumer, Corporate, and Investment Banking	l Government, Public Policy, and Regulatory Affairs
l Corporate Governance	l Environmental, Social, and Governance (ESG)

Our nominees:

- are seasoned leaders who have held leadership positions in complex, highly regulated businesses (including banks and other financial services organizations) and with our primary regulator, and management roles as chief executives and in the areas of risk, operations, finance, technology, and human resources

- bring deep and diverse experience in public and private companies, financial services, the public sector, nonprofit organizations, and other domestic and international businesses

- are experienced in regulated, non-financial services industries, adding to our Board s understanding of overseeing a business subject to governmental oversight, and enhancing the diversity of our Board with valuable insights and fresh perspectives that complement those of our directors with specific experience in banking or financial services

- represent diverse viewpoints

- strengthen our Board s oversight capabilities by having varied lengths of tenure that provide historical and new perspectives about our company

Of our 13 nominees:

- **10** have international experience

- **8** have CEO experience

- **5** have senior executive experience at financial institutions

- **8** serve or have served on another U.S. public company board in the last five years

- **2** are African-American, 1 is Hispanic, and 4 are women

Our Board believes, in totality, that this mix of attributes among the nominees strengthens our Board s independent leadership and effectiveness in light of our company s businesses, our industry s operating environment, and our company s long-term strategy.

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PROPOSAL 1: ELECTING DIRECTORS

Our Board recommends a vote FOR each of the nominees

listed below for election as a director (Proposal 1).

Set forth below are each nominee s name, age as of our annual meeting date, principal occupation, business experience, and U.S. public company directorships held during the past five years. We also discuss the qualifications, attributes, and skills that led our Board to nominate each for election as a Bank of America director.

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

l Ms. Allen s responsibility for audit and consulting services in various positions with Deloitte LLP (Deloitte) provide her with extensive **audit, financial reporting, and corporate governance** experience

l Her leadership positions with Deloitte give her **broad management experience with large, complex businesses** and an **international perspective on risk management and strategic planning**

Professional Highlights:

l From 2003 until her retirement in 2011, Ms. Allen served as Chairman of Deloitte, a firm that provides audit, consulting, financial advisory, risk management, and tax services as the U.S. member firm of Deloitte Touche Tohmatsu Limited

o She worked at Deloitte for nearly 40 years in various leadership roles, including partner and regional managing partner

o She was responsible for audit and consulting services for a number of Fortune 500 and large private companies

o She was also a member of the Global Board of Directors, Chair of the Global Risk Committee, and U.S. representative on the Global Governance Committee of Deloitte

Touche Tohmatsu Limited from 2003 to 2011

- Ms. Allen serves on the board of a food and drug retailer seeking to become a public company under the name Albertsons Companies, Inc.

Other Leadership Experience and Service:

- Ms. Allen is a current director and former Chair of the National Board of Directors of the YMCA of the USA, a leading nonprofit organization for youth development, healthy living, and social responsibility
- She served as Chair of the Audit Committee and as a board member of Catalyst Inc., a leading nonprofit organization dedicated to expanding opportunities for women and business
- She was appointed by President George W. Bush to the President s Export Council

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- Ms. Bies s role as a Federal Reserve System Governor and her tenure with First Tennessee National Corporation (First Tennessee) provide her with deep experience in **risk management, consumer banking, and financial regulation**. In particular, Ms. Bies focused on **enterprise financial and risk management** during her career with First Tennessee and further developed her **regulatory expertise** by serving on the Financial Accounting Standards Board (FASB) Emerging Issues Task Force
- Her **experience working at a primary regulator of our industry,** along with her other regulatory and public policy experience, gives her a unique and valuable perspective relevant to our company s business, **financial performance**, and **risk oversight**
- She brings an **international perspective** through her service on the boards of Zurich Insurance Group Ltd. (Zurich Insurance) and Merrill Lynch International (MLI)

Professional Highlights:

- Ms. Bies has served as a Senior Advisory Board Member to Oliver Wyman Group, a management consulting subsidiary of Marsh & McLennan Companies, Inc., since February 2009
- She served as a member of the Board of Governors of the Federal Reserve System from 2001 to 2007. During her service, Ms. Bies was Chairwoman of the Committee on Supervisory and Regulatory Affairs; she also represented the Federal Reserve Board on the Financial Stability Board and led the Federal Reserve Board s efforts to modernize the Basel capital accord
- Ms. Bies served as a member of the FASB Emerging Issues Task Force from 1996 to 2001
- Ms. Bies held various leadership roles, including Executive Vice President of Risk Management, Auditor, and Chief Financial Officer at First Tennessee, a regional bank holding company where she was employed from 1979 to 2001. At First Tennessee, she also served as Chair of the Asset Liability Management and the Executive Risk Management Committees
- Ms. Bies currently serves as a director of Zurich Insurance, where she chairs the Risk Committee
- Ms. Bies chairs the board of our U.K. broker-dealer, MLI
- She began her career as a regional and banking structure economist at the Federal Reserve Bank of St. Louis

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- As a former Chairman, Chief Executive Officer, President, and Chief Operating Officer of HCA Inc. (HCA), Mr. Bovender has **extensive experience leading a large, regulated, complex business**
- Mr. Bovender s experience with HCA and service on the Board of Trustees of Duke University, including as former Chair of its Audit Committee, provide him with insight into **risk management, operational risk, and strategic planning**, and valuable perspective on **corporate governance** issues

Professional Highlights:

- Mr. Bovender served as Chairman of HCA, the largest investor-owned hospital, and a Fortune 100 company owning and operating hospitals and surgery centers, from January 2002 to December 2009, and was Chief Executive Officer from January 2001 to January 2009. During his tenure at HCA, he also served as President and Chief Operating Officer
- Mr. Bovender began his career in hospital administration in the U.S. Navy

Other Leadership Experience and Service:

- Mr. Bovender is Vice Chair of the Duke University Board of Trustees and previously served as Chair of its Audit Committee
- He also serves on the Duke University Healthcare System s Board of Directors

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PROPOSAL 1: ELECTING DIRECTORS

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- Mr. Bramble brings **broad-ranging financial services experience, international experience, and historical insight** to our Board, having held leadership positions at two financial services companies acquired by our company (MBNA Corporation, acquired in 2006, and MNC Financial Inc., acquired in 1993)
- As a former executive officer of one of the largest credit card issuers in the U.S. and a major regional bank, he has dealt with a wide range of issues important to our company, including **risk management, credit cycles, sales and marketing to consumers, and audit and financial reporting**

Professional Highlights:

- Since July 2014, Mr. Bramble has served as Chairman of the Board of Trustees of Calvert Hall College High School (Baltimore, MD), where he served as Interim President from July 2013 to June 2014
- Mr. Bramble served as Vice Chairman, from July 2002 to April 2005, and advisor to the Executive Committee, from April 2005 to December 2005, of MBNA Corporation, a financial services company acquired by Bank of America in January 2006
- He previously served as the Chairman, President, and Chief Executive Officer at Allfirst Financial, Inc., MNC Financial Inc., Maryland National Bank, American Security Bank, and Virginia Federal Savings Bank
- Mr. Bramble also served as a director, from April 1994 to May 2002, and Chairman, from December 1999 to May 2002, of Allfirst Financial, Inc. and Allfirst Bank, U.S. subsidiaries of Allied Irish Banks, p.l.c.
- He began his career as an audit clerk at the First National Bank of Maryland

Other Leadership Experience and Service:

- He is an emeritus member of the Board of Visitors of Towson University, where he was also a lecturer in accounting from 2006 to 2008

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- Mr. de Weck s experience as an executive with UBS AG (UBS) and Deutsche Bank AG (Deutsche Bank) provides him with **extensive knowledge of the global financial services industry**
- As a former Chairman and Global Head of Private Wealth Management and member of the Group Executive Committee of Deutsche Bank, Mr. de Weck has broad experience in **risk management and strategic planning** and brings a valuable **international perspective** to our company s business activities
- Mr. de Weck s service as Chief Credit Officer of UBS provides him with further **credit risk management** experience

Professional Highlights:

- Mr. de Weck served as the Chairman and Global Head of Private Wealth Management and as a member of the Group Executive Committee of Deutsche Bank from 2002 to May 2012
- Prior to joining Deutsche Bank, Mr. de Weck served on the Management Board of UBS from 1994 to 2001, as Head of Institutional Banking from 1994 to 1997, as Chief Credit Officer and Head of Private Equity from 1998 to 1999, and as Head of Private Equity from 2000 to 2001
- He also held various senior management positions at Union Bank of Switzerland, a predecessor firm of UBS, from 1985 to 1994

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- As President and Chief Executive Officer of Carnival Corporation and Carnival plc (Carnival), as a former senior executive at Monsanto Company (Monsanto), and as the former Chairman and Chief Executive Officer of Merisant Company (Merisant), Mr. Donald has extensive experience in **strategic planning and operations in regulated, consumer, retail, and distribution businesses**
- His board service with public companies gives him experience with **risk management, global operations, and regulated businesses**
- His experience heading The Executive Leadership Council and the Juvenile Diabetes Research Foundation International gives him a distinct perspective on **governance matters, social responsibility, and diversity**

Professional Highlights:

- Mr. Donald has been President and Chief Executive Officer of Carnival, a cruise and vacation company, since July 2013
- Mr. Donald previously served as President and Chief Executive Officer from November 2010 to June 2012 of The Executive Leadership Council, a nonprofit organization providing a professional network and business forum to African-American executives at major U.S. companies
- Mr. Donald was President and Chief Executive Officer of the Juvenile Diabetes Research Foundation International from January 2006 to February 2008
- From 2000 to 2003, Mr. Donald served as Chairman and Chief Executive Officer of Merisant, a privately held global manufacturer of tabletop sweeteners, and he remained Chairman until 2005
- He joined Monsanto in 1977, where over his 20-year tenure he held several senior leadership positions with global responsibilities including President of its Agricultural Group and President of its Nutrition and Consumer Sector

Other Leadership Experience and Service:

- Mr. Donald was appointed by President Clinton and re-appointed by President George W. Bush to the President s Export Council

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- As a former President and Chief Executive Officer of BAE Systems, Inc. (BAE), Ms. Hudson has broad experience in **strategic planning and risk management**
- Further, with her service as an executive director of BAE Systems plc (BAE Systems), Ms. Hudson s experience provides her with **international perspective, geopolitical insights**, and skill as a **leader of a large, international,**

highly regulated, complex business

- Ms. Hudson s career in the defense and aerospace industry gives her knowledge of **technology risks** such as **cybersecurity risk**

Professional Highlights:

- Ms. Hudson has served as Chairman and Chief Executive Officer of The Cardea Group, LLC, a management consulting business, since May 2014
- Ms. Hudson served as CEO Emeritus of BAE, a U.S.-based subsidiary of BAE Systems, a global defense, aerospace, and security company headquartered in London, from February 2014 to May 2014, and as President and Chief Executive Officer of BAE from October 2009 until January 2014
- Ms. Hudson served as President of BAE Systems Land and Armaments operating group, the world s largest military vehicle and equipment business, from October 2006 to October 2009
- Prior to joining BAE, Ms. Hudson worked at General Dynamics Corporation and was President of its Armament and Technical Products business. During her career, she has held various positions in engineering, production operations, program management, and business development for defense and aerospace companies
- She served as a member of the Executive Committee and as an executive director of BAE Systems from 2009 until January 2014. She also served as a member of the Board of Directors of BAE from 2009 to April 2015
- As a director of The Southern Company, Ms. Hudson is a member of the Nuclear/Operations Committee and its Business Security Subcommittee

Other Leadership Experience and Service:

- Ms. Hudson is a member of the Board of Directors of the University of Florida Foundation, Inc. and the University of Florida Engineering Leadership Institute, and a member of the Charlotte Center Executive Board for the Wake Forest University School of Business
- She also is a member of the Board of Directors of the Center for a New American Security, a non-partisan research institute that develops national security and defense policies

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PROPOSAL 1: ELECTING DIRECTORS

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- As the former Chairman and Chief Executive Officer of ImpreMedia LLC (ImpreMedia), a leading Hispanic news and information company, Ms. Lozano provided broad leadership management over areas such as **operations, marketing, and strategic planning**. Ms. Lozano has a **deep understanding of issues that are important** to the Hispanic community, a growing U.S. demographic
- Her public company board service for The Walt Disney Company and her roles with the University of California and the University of Southern California give her board-level experience overseeing large organizations with diversified operations on matters such as **governance, executive compensation, risk management, and financial reporting**
- Ms. Lozano s experience as a member of President Obama s Council on Jobs and Competitiveness also gives her **valuable perspective on important public policy, societal, and economic issues** relevant to our company

Professional Highlights:

- Ms. Lozano served as Chair of the Board of US Hispanic Media Inc., the parent company of ImpreMedia, from June 2014 to January 2016. For ImpreMedia, she served as Chairman from July 2012 to January 2016 and served as Chief Executive Officer from May 2010 to May 2014. She was also Senior Vice President of ImpreMedia from January 2004 to May 2010
- Ms. Lozano served as Publisher of La Opinion, a subsidiary of ImpreMedia and the leading Spanish-language daily newspaper in the country, reaching 2 million readers monthly in print and online, from 2004 to May 2014, and was Chief Executive Officer from 2004 to July 2012

Other Leadership Experience and Service:

- She served as a member of President Obama s Council on Jobs and Competitiveness from 2011 to 2012 and served on President Obama s Economic Recovery Advisory Board from 2009 to 2011
- Ms. Lozano serves as a member of the Board of Regents of the University of California and a member of the US Partnership on Mobility from Poverty, and served as a member of the Board of Trustees of the University of Southern California and as a member of the State of California Commission on the 21st Century Economy

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- As Chairman, President, and Chief Executive Officer of Eversource Energy, Mr. May has experience with **regulated businesses, operations, risk management, business development, strategic planning, and corporate**

governance matters, which gives him insight into the issues facing our company s businesses

- Having experience as a Certified Public Accountant, Mr. May brings strong accounting and financial skills, and a professional perspective on **financial reporting** and **enterprise and operational risk management**

Professional Highlights:

- Mr. May became President and Chief Executive Officer of Eversource Energy, one of the nation s largest utilities, serving 3.6 million customers in three states, in April 2012, and has been Chairman since October 2013
- He was the Chairman and Chief Executive Officer of NSTAR, which merged with Northeast Utilities (now known as Eversource Energy), from 1999 to April 2012, and was President from 2002 to April 2012. He also served as Chief Financial Officer and Chief Operating Officer during his tenure at NSTAR
- Mr. May currently serves as a director of Liberty Mutual Holding Company, Inc.

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QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- As our Chief Executive Officer, Mr. Moynihan has **led the transformation of our company** by rebuilding capital and liquidity, streamlining and simplifying our business model to focus on three core customer and client groups, divesting non-core businesses and products, resolving mortgage-related issues from the financial crisis, and reducing core expenses
- Mr. Moynihan has **demonstrated leadership qualities, management capability, knowledge of our business and industry, and a long-term strategic perspective**
- In addition, he has many years of **broad international and domestic financial services experience**, including wholesale and retail businesses

Professional Highlights:

- Mr. Moynihan was appointed Chairman of the Board of Bank of America Corporation in October 2014 and President and Chief Executive Officer in January 2010. Prior to becoming Chief Executive Officer, Mr. Moynihan ran each of our company s operating units

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- As former Treasurer of PepsiCo, Inc. (Pepsi), Mr. Nowell has **strong financial expertise** and **extensive global perspective in risk management and strategic planning**
- Through his public company board service, he has experience in **governance, financial reporting, and accounting with large international and regulated businesses**
- Mr. Nowell s experience on the advisory board at a large, public university provides him with further **experience with large, complex organizations**

Professional Highlights:

- Mr. Nowell served as Senior Vice President and Treasurer of Pepsi, a leading global food, snack, and beverage company, from 2001 to May 2009. He previously served as Chief Financial Officer of The Pepsi Bottling Group and as Controller of Pepsi
- Prior to joining Pepsi, Mr. Nowell served as Senior Vice President, Strategy and Business Development at RJR Nabisco, Inc. from 1998 to 1999
-

He held various senior financial roles at the Pillsbury division of Diageo Plc, including Chief Financial Officer of its Pillsbury North America, Pillsbury Foodservice, and Haagen-Dazs divisions, and also served as Controller and Vice President of Internal Audit of the Pillsbury Company

Other Leadership Experience and Service:

l Mr. Nowell serves on the Dean s Advisory Council at The Ohio State University Fisher College of Business

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PROPOSAL 1: ELECTING DIRECTORS

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- Mr. Woods s career at Canadian Imperial Bank of Commerce (CIBC) provides him with deep experience in **risk management, corporate strategy, finance,** and the **corporate and investment banking** businesses
- As Senior Executive Vice President (SEVP) and Chief Risk Officer of CIBC during the financial crisis, Mr. Woods **focused on risk management** and CIBC s **risk culture**
- Mr. Woods chaired CIBC s Asset Liability Committee, served as CIBC s **lead liaison with regulators**, and was an active member of CIBC s **business strategy** group

Professional Highlights:

- Mr. Woods served as a Vice Chairman and SEVP of CIBC, a leading Canada-based global financial institution, from July 2013 until his retirement in December 2014
- He served as SEVP and Chief Risk Officer of CIBC from 2008 to July 2013, and SEVP and Chief Financial Officer of CIBC from 2000 to 2008
- Mr. Woods joined Wood Gundy, a CIBC predecessor firm, in 1977. During his tenure, Mr. Woods served in various senior leadership positions, including as Controller of CIBC, as CFO of CIBC World Markets (CIBC s investment banking division), and as the Head of CIBC s Canadian Corporate Banking division

Other Leadership Experience and Service:

- Mr. Woods serves as a member of the boards of DBRS Limited and DBRS Inc., an international credit rating agency, and previously served as a member of the board of TMX Group Inc., a Canada-based financial services company, from 2012 to 2014
- He serves on the board of advisors of the University of Toronto s Department of Mechanical and Industrial Engineering
- Mr. Woods also serves as a member of the board of Alberta Investment Management Corporation (AIMCo), a Canadian institutional investment fund manager, and on the investment committee of Cordiant Capital Inc., a fund manager specializing in emerging markets

QUALIFICATIONS, ATTRIBUTES, AND SKILLS:

- As the former Chief Executive Officer of AmerisourceBergen Corporation (AmerisourceBergen) and its predecessor company, Mr. Yost has broad experience in **strategic planning, risk management, and operational risk**. Mr. Yost has experience leading a large, complex business
-

Through his service on public company boards, he has board-level **experience overseeing large, complex public companies** in various industries, which provides him with valuable insights on **corporate governance and risk management**

Professional Highlights:

- Mr. Yost served as Chief Executive Officer of AmerisourceBergen, a pharmaceutical services company providing drug distribution and related services to healthcare providers and pharmaceutical manufacturers, from 2001 until his retirement in July 2011, and as President from 2001 to 2002 and again from September 2007 to November 2010
- He has held various positions at AmerisourceBergen and its predecessor companies during a nearly 40-year career, including Chief Executive Officer from 1997 to 2001 and Chairman from 2000 to 2001 of Amerisource Health Corporation

CORPORATE GOVERNANCE

OUR BOARD OF DIRECTORS

Our Board is responsible for overseeing our company s management. Our Board and its committees oversee:

- management s identification, measurement, monitoring, and control of our company s material risks, including operational, credit, market, liquidity, compliance, strategic, and reputational risks
- our company s maintenance of high ethical standards and effective policies and practices to protect our reputation, assets, and business
- management s development and implementation of an annual financial operating plan and a multi-year strategic business plan, and our progress meeting these financial and strategic plans
- our corporate audit function, our independent registered public accounting firm, and the integrity of our consolidated financial statements
- our company s establishment, maintenance, and administration of appropriately designed compensation programs and plans

Our Board is also responsible for:

- reviewing, monitoring, and approving succession plans for its Chairman and Lead Independent Director, and for our CEO and other key executives to promote senior management continuity
- conducting an annual self-evaluation of our Board and its committees
- identifying and evaluating director candidates and nominating qualified individuals for election to serve on our Board
- reviewing our CEO s performance and approving the total annual compensation for our CEO and other executive officers

DIRECTOR INDEPENDENCE

The New York Stock Exchange (NYSE) listing standards require a majority of our directors and each member of our Audit, Compensation and Benefits, and Corporate Governance Committees to be independent. The Federal Reserve Board s Enhanced Prudential Standards require the chair of our Enterprise Risk Committee to be independent. In addition, our Corporate Governance Guidelines require a substantial majority of our directors to be independent. Our

Board has adopted Director Independence Categorical Standards (Categorical Standards), published on our website at *http://investor.bankofamerica.com*, to assist it in determining each director s independence. Our Board considers a director independent if he or she meets the criteria for independence in both the NYSE listing standards and our Categorical Standards.

In early 2016, our Board, in coordination with our Corporate Governance Committee, evaluated the relevant relationships between each director nominee (and his or her immediate family members and affiliates) and Bank of America Corporation and its subsidiaries and affirmatively determined that all of our director nominees are independent, except for Mr. Moynihan due to his employment by our company. Specifically, the following 12 of our 13 director nominees are independent under the NYSE listing standards and our Categorical Standards: Ms. Allen, Ms. Bies, Mr. Bovender, Mr. Bramble, Mr. de Weck, Mr. Donald, Ms. Hudson, Ms. Lozano, Mr. May, Mr. Nowell, Mr. Woods, and Mr. Yost. In addition, in 2015 our Board affirmatively determined that our former directors Charles O. Holliday, Jr. and Clayton S. Rose were independent under the NYSE listing standards and our Categorical Standards prior to their retirement from our Board at our 2015 annual meeting. Mr. Gifford, who will retire as a director at the annual meeting, is not an independent director. He is a former Chairman of Bank of America Corporation and receives office space and secretarial support from our company with an aggregate incremental cost exceeding the thresholds of the NYSE listing standards and our Categorical Standards.

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CORPORATE GOVERNANCE

In making its independence determinations, our Board considered the following ordinary course, non-preferential relationships that existed during the preceding three years and determined that none of the relationships constituted a material relationship between the applicable director or nominee and our company:

- Our company or its subsidiaries provided ordinary course financial products and services to all of our directors. Our company or its subsidiaries also provided ordinary course financial products and services to some of their immediate family members and entities affiliated with some of our directors or their immediate family members (Mr. Donald, Mr. May, and Dr. Rose). In each case, the fees we received for these products and services were below the thresholds of the NYSE listing standards and our Categorical Standards, and were less than 2% of the consolidated gross annual revenues of our company and of the other entity

- Our company or its subsidiaries purchased products or services in the ordinary course from entities where some of our directors or our director nominees are executive officers or employees or their immediate family members serve as executive officers (Mr. Donald, Mr. May, Mr. Woods, and Dr. Rose). In each case, the fees paid to each of these entities were below the thresholds of the NYSE listing standards and our Categorical Standards

BOARD LEADERSHIP

Under our Board s current leadership structure, we have an executive Chairman and a Lead Independent Director. Our Lead Independent Director is empowered with robust, well-defined duties. Our Board is composed of experienced and committed independent directors (with all non-management nominees being independent), and our Board committees have strong, experienced chairs and members. Our Board believes that these factors, taken together, provide for strong, independent Board leadership, and effective engagement with and oversight of management.

Our Board is committed to strong, independent leadership for our Board and its committees. Our Board views the independent, objective oversight of management as central to effective Board governance, and to serving the best interests of our company and our stockholders. This commitment is reflected in our company s governing documents, our Bylaws, and Corporate Governance Guidelines.

Our Board believes that its optimal leadership structure can and should change over time to reflect our company s evolving needs, strategy, and operating environment; changes in our Board s composition and leadership needs; and other factors, including the perspectives of stockholders and other stakeholders. In accordance with a 2014 amendment to our Bylaws, which our stockholders ratified at a special meeting in 2015, our Board has the flexibility to determine the Board leadership structure best suited to the circumstances of our company and our Board.

At least annually, our Board, in coordination with our Corporate Governance Committee, deliberates on and discusses the appropriate Board leadership structure, including the considerations described above. Based on that assessment and input from stockholders, our Board believes that the existing structure, with Mr. Moynihan as executive Chairman and Mr. Bovender as Lead Independent Director, is the optimal leadership framework at this time. As a highly regulated global financial services company, we benefit from an executive Chairman with deep experience in and knowledge of the financial services industry, our company, and its businesses, and a Lead Independent Director with robust, well-defined duties. Our Lead Independent Director, together with the other independent directors, instills objective independent Board leadership, and effectively engages and oversees management.

Our Board unanimously elected Mr. Moynihan as Chairman of our Board based on his leadership qualities, management capability, knowledge of the business and industry, and the long-term, strategic perspective he has demonstrated as CEO for the past five years, and in running our company s operating units in previous years. Mr. Moynihan has led the transformation of our company out of the financial crisis and is focused on driving growth. The independent directors unanimously elected Mr. Bovender as Lead Independent Director. As the former chairman, chief executive officer, and chief operating officer of a complex, highly regulated company, Mr. Bovender has the qualities and experience the independent directors desired for a Lead Independent Director high personal integrity, a breadth of knowledge in management, operations, and corporate governance, and a willingness to engage management. The independent directors believe Mr. Bovender, as Lead Independent Director, effectively leads the Board s management oversight responsibilities.

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Robust and Well-defined Lead Director Duties

Our Corporate Governance Guidelines establish robust and well-defined duties for the independent director who leads our Board, regardless of whether that individual s title is independent Chairman of the Board or Lead Independent Director. Our Board s support of the current leadership structure is premised on these duties being transparently disclosed and comprehensive in nature, extending well beyond those of a traditional lead director.

The articulated Lead Independent Director duties do not fully capture Mr. Bovender s active role in serving as our independent directors Board leader. For example, Mr. Bovender holds monthly calls with our primary bank regulators to discuss any issues of concern. He regularly speaks with Mr. Moynihan and holds bi-weekly calls to discuss Board meeting agendas and discussion topics, schedules, and other Board governance matters. He is a member of the Corporate Governance Committee and he also attends meetings of all of the other Board committees. He speaks with each Board member at least quarterly to receive input on Board agendas, Board planning matters, and other related topics of management oversight. He also meets at least quarterly with management members, including the Chief Administrative Officer, Chief Financial Officer, Chief Risk Officer, Global Compliance Executive, and Global Human Resources Executive. Mr. Bovender also plays a leading role in our stockholder engagement process, representing our Board and independent directors in investor meetings. In 2015 and early 2016, Mr. Bovender met with many of our largest stockholders, often in person; in aggregate, Mr. Bovender met with investors who own approximately 28% of our outstanding shares.

Duties of the Lead Independent Director or Independent Chairman

Board Leadership

- In the case of the Chairman, presiding at all meetings of our Board and, in the case of the Lead Independent Director, presiding at all meetings of our Board at which the Chairman is not present, including at executive sessions of the independent directors
- Calling meetings of the independent directors, as appropriate
- In the case of the Lead Independent Director, if the CEO of our company is also Chairman, providing Board leadership if the CEO/Chairman s role may be (or may be perceived to be) in conflict

Board Culture

- Serving as a liaison between the CEO and the independent directors
- Establishing a close relationship and trust with the CEO, providing support, advice, and feedback from our Board while respecting executive responsibility
- Acting as a sounding board and advisor to the CEO

Board Focus

- *Board Focus:* In consultation with our Board and executive management, ensuring that our Board focuses on key issues and tasks facing our company, and on topics of interest to our Board

- *Corporate Governance:* Assisting our Board, our Corporate Governance Committee, and management in complying with our Corporate Governance Guidelines and promoting corporate governance best practices
- *CEO Performance Review and Succession Planning:* Working with our Corporate Governance Committee, our Compensation and Benefits Committee, and members of our Board, contributing to the annual performance review of the CEO and participating in CEO succession planning

Board Meetings

- In coordination with the CEO and the other members of our Board, planning, reviewing, and approving meeting agendas for our Board
- In coordination with the CEO and the other members of our Board, approving meeting schedules to assure there is sufficient time for discussion of all agenda items
- Advising the CEO of the information needs of our Board and approving information sent to our Board
- Developing topics of discussion for executive sessions of our Board

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CORPORATE GOVERNANCE

Board Performance and Development

- *Board Performance:* Together with the CEO and the other members of our Board, ensuring the efficient and effective performance and functioning of our Board
- *Board Assessment:* Consulting with our Corporate Governance Committee on our Board s annual self-assessment
- *Director Development:* Providing guidance on the ongoing development of directors
- *Director Assessment/Nomination:* With our Corporate Governance Committee and the CEO, consulting in the identification and evaluation of director candidates qualifications (including candidates recommended by directors, management, third-party search firms, and stockholders) and consulting on committee membership and committee chairs

Stockholders and Other Stakeholders

- Being available for consultation and direct communication, to the extent requested by major stockholders
- Having regular communication with primary bank regulators (with or without management present) to discuss the appropriateness of our Board s oversight of management and our company

BOARD EVALUATION

Each year, our Board and our Board s Audit, Compensation and Benefits, Corporate Governance, Credit, and Enterprise Risk Committees evaluate their own effectiveness. This self-assessment may be in the form of written or oral questionnaires, administered by Board members, management, or third parties. Directors respond to questions designed to elicit information to be used in improving Board and committee effectiveness. Director feedback solicited from the self-evaluation process is discussed during Board and committee executive sessions and, where appropriate, addressed with management.

In 2014, our Board commissioned research into the characteristics of effective and efficient boards. Using that research, our Corporate Governance Committee developed the 2014 self-evaluation to solicit director feedback on the five key areas where the research suggested high functioning boards and committees excelled: board and committee composition; board culture; board and committee focus; board process; and information and resources. For the 2015 self-assessment, our Corporate Governance Committee solicited director views on actions taken in response to the prior year s feedback, and sought additional input on our Board composition, our committee composition and structure, and our Board s implementation of the Federal Reserve Board s new Enhanced Prudential Standards related to risk management.

DIRECTOR EDUCATION

Our Board encourages directors to annually participate in continuing director education programs outside of the Boardroom, and our company reimburses directors for their expenses associated with this participation. Continuing director education is also provided during Board meetings and other Board discussions as part of the formal meetings and as standalone presentations outside of meetings. During 2015, our Board heard from: our key banking regulators, including senior officials of the Federal Reserve Board and the Office of the Comptroller of the Currency, on regulatory developments; third-party advisors on topics ranging from current global macroeconomic trends to social justice issues; and management on, among other things, payments systems, mobile technology, and cybersecurity.

All new directors also participate in our director orientation program during their first six months on our Board. New directors have a series of meetings with management representatives from all of our business and staff areas to review and discuss, with increasing detail, information about our company, industry, and regulatory framework. Based on input from our directors, we believe this graduated on-boarding approach over the first six months of Board service, coupled with participation in regular Board and committee meetings, provides new directors a strong foundation in our company s businesses and accelerates their effectiveness to fully engage in Board deliberations.

STOCKHOLDER ENGAGEMENT

Our Board and management are committed to engaging with our stockholders and soliciting their views and input on important performance, governance, environmental, social, executive compensation, and other matters.

Commitment Codified in Governing Documents. Reflecting our Board s understanding of the critical role stockholder engagement plays in our governance, this commitment and our Board s oversight of stockholder engagement is codified in our Corporate Governance Guidelines and our Corporate Governance Committee s charter.

Board-Driven Engagement. Our Corporate Governance Committee is responsible for overseeing the stockholder engagement process and the periodic review and assessment of stockholder input. Our Lead Independent Director plays a central role in our Board s stockholder engagement efforts, and our directors regularly participate in meetings with stockholders.

Year-Round Engagement and Board Reporting. Our corporate secretary and investor relations teams, together with executive management members and directors, conduct stockholder outreach throughout the year and inform our management and our Board about the issues that our stockholders tell us matter most to them.

Transparency and Informed Governance Enhancements. Our Board regularly reviews our governance practices and policies, including our stockholder engagement practices, with an eye towards continual improvement. Stockholder input is shared with our Board and its committees, facilitating a dialogue that provides stockholders with insight into our governance practices and informs our company s enhancement of those practices. In addition to considering stockholder sentiments, our Board regularly reviews the voting results of our stockholders meetings, the governance practices of our peers and other large companies, and current trends in governance.

The Board-Driven Stockholder Engagement Process

Throughout 2015 into early 2016, our directors and management met with our major stockholders, who collectively own approximately 37% of our outstanding shares, to discuss their views on our Board s independent oversight of management, our Board s composition, director and management succession planning, risk management, ESG activities, and other issues important to our stockholders. These views were shared with our Board and Corporate Governance Committee for their consideration.

GOVERNANCE ENHANCEMENTS INFORMED BY STOCKHOLDER INPUT

As part of our commitment to constructive engagement with investors, we listen to the views voiced by our stockholders. Our dialogue has led to enhancements in our corporate governance, environmental, social, and executive compensation work, which our Board believes are in the best interest of our company and our stockholders. After considering input from stockholders and other stakeholders, our company:

- **Enhanced our stockholder engagement process** to include stockholder meetings with our Lead Independent Director, other Board members, and executive management

- **Adopted a proxy access Bylaw provision** to permit a stockholder, or a group of up to 20 stockholders who, in aggregate, own continuously for at least three years, shares of our company representing at least 3% of the voting power entitled to vote in the election of directors, to nominate and include in our proxy materials director nominees constituting up to 20% of our Board, provided that the stockholder(s) and the nominee(s) satisfy the requirements in our Bylaws. At the time of adoption in 2015, our company was one of the first U.S. public companies to establish this right

- **Developed an Incentive Compensation Forfeiture & Recoupment Disclosure Policy** that became effective in 2016. See page 35

- **Expanded our political activities disclosures** to include a more detailed discussion of our participation in the political process; current and historical reports of our political action committee contributions; a list of trade associations to which we paid more than a *de minimis* amount; and a list of the U.S. Internal Revenue Code (IRC) Section 527 tax exempt organizations to which we made contributions. In 2016, we will begin disclosing the contribution amounts to these Section 527 tax exempt organizations. We will also begin disclosing the IRC Section 504(c)(1) tax exempt organizations and ballot initiatives to which we made contributions and the amounts of such contributions. Our political activities disclosures also provide information regarding the management, compliance, and monitoring of our political activities, including our Corporate Governance Committee s oversight of our significant policies and practices. See the Political Activities page of our website at *http://investor.bankofamerica.com*

- **Will publish a Business Standards Report** in 2016 to provide increased transparency about our processes and standards, corporate culture, governance, risk management, and business practices, which will be available on our website at *http://about.bankofamerica.com*

- **Expanded our 2016 proxy statement disclosures** regarding our Board leadership structure, including a discussion of the robust and transparent independent Board leader duties, our director selection and succession planning, our Board self-assessment process, our commitment to engage with stockholders, our ESG initiatives, and our position on equity vesting for employees who leave our company to enter government service. See Identifying and Evaluating Director Candidates, Board Leadership, Board Evaluation, Stockholder Engagement, ESG Initiatives, and Compensation Discussion and Analysis, beginning on pages 2, 12, 14, 15, 17, and 29, respectively, for a detailed discussion

Also see Stockholder Outreach & Say on Pay Results on page 30 for a discussion of our compensation-related stockholder engagement and our historical Say on Pay vote results.

COMMUNICATIONS WITH OUR BOARD

Stockholders and other parties may communicate with our Board, any director (including our Chairman of the Board or Lead Independent Director), non-management members of our Board as a group, or any committee. Communications should be addressed to our Corporate Secretary at Bank of America Corporation, Hearst Tower, 214 North Tryon Street, NC1-027-18-05, Charlotte, North Carolina 28255. Depending on the nature of the communication, the correspondence either will be forwarded to the director(s) named or the matters will be presented periodically to our Board. The Corporate Secretary or the secretary of the designated committee may sort or summarize the communications as appropriate. Communications that are commercial solicitations, customer complaints, incoherent, or obscene will not be communicated to our Board or any director or committee of our Board. For further information, refer to the Contact the Board of Directors section on our website at *http://investor.bankofamerica.com*.

ESG INITIATIVES: FOCUS ON RESPONSIBLE, SUSTAINABLE GROWTH

Our commitment to responsible, sustainable growth can be seen in the way we run our company, the inclusive and supportive workplace we create for our employees, the responsible products and services we offer our customers, and the impact we make around the world in helping local economies thrive.

We measure our progress in these areas through an environmental, social, and governance (ESG) framework. The ESG Committee, composed of members of senior management from across every line of business and support function, provides oversight and governance in these areas and continues to strengthen this framework. The ESG Committee regularly reports on these efforts to our Board s Corporate Governance Committee.

In addition to the governance enhancements informed by stockholder input described on the prior page, highlights of our ESG efforts include:

An Inclusive and Supportive Workplace

- We are a diverse and inclusive company where our employees are actively encouraged to bring their full selves to work. Currently, more than 50% of our global workforce is female and more than 40% of our U.S.-based workforce is from a racially or ethnically diverse background. Our senior leadership is also diverse, with six of our CEO s 14 direct reports and six of our 13 Board members being female and/or persons of color.
- We support the professional growth of our employees through programs like Manager Excellence, providing more than 35,000 employees with practical tips on professional topics, and through broadly accessible tools such as the myCareer site, where approximately 90,000 employees have researched opportunities to develop their skills and advance their careers
- We are focused on supporting our employees physical, financial, and emotional well-being. In 2015, we offered U.S.-based employees additional medical coverage options. We continue to offer health insurance benefits to U.S.-based employees who regularly work 20 or more hours per week
- We have helped our employees become more knowledgeable about their health. In 2015, nearly 90% of our employees completed voluntary health screenings and assessments, and approximately 80,000 employees enrolled in our Get Active! program

Responsible Products and Services

- We began offering free FICO credit scores to our online banking customers who have a Bank of America credit card. This further strengthens our suite of responsible products, such as SafeBalance Banking® accounts
- We continued to build our social impact investing options in 2015, with ESG assets under management of $10 billion, an 11% increase from 2014
- Through *BetterMoneyHabits.com*, we provide simple, easy to understand personal finance content that is available to anyone, anywhere through our partnership with non-profit online education innovator Khan Academy. In 2015, based on user and partner feedback, we added content to address topics relevant to those living paycheck to paycheck, transitioning from the military to civilian life, and preparing to talk to their children about money. Since its launch in 2013, this content has been viewed over 90 million times through *BetterMoneyHabits.com* and other distribution channels

Our Impact on Communities

- We have continued our leadership as the largest investor in Community Development Financial Institution (CDFI) lending, with the extension of more than $1.2 billion in credit to over 240 CDFIs
- Through the ongoing promotion, support, and advancement of minority- and women-owned businesses, we continue to support economic growth and development in local communities. In 2015, our supplier diversity and development team continued to collaborate with external and internal constituents to support the inclusion of diverse suppliers in our supplier portfolio, which resulted in over $2 billion of procurement spending with these businesses

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- We provided more than $180 million in global philanthropic investments to address needs in communities around the world. In addition, our employees donated approximately two million volunteer hours, gave approximately $30 million in philanthropic donations, which were matched by our company, and pledged more than $17 million to non-profit organizations through our Employee Giving Campaign

Environmental Initiatives

- We announced an industry-leading initiative to provide $125 billion to low-carbon and other environmental businesses and projects by 2025 through lending, investing, capital raising, advisory services, and financing solutions for clients around the world
- We continued to demonstrate our leadership in cross-sector engagement efforts, including being one of the first companies to sign the White House s American Business Act on Climate Pledge, and taking an active role in the U.N. Climate Change Summit in Paris (COP21)
- We continued our leadership in the Green Bond market. In 2015, we issued our second Green Bond in a $600 million offering. We were the top underwriter of Green Bond issuances in 2014, and remained so in 2015
- We are focused on reducing the environmental impact of our operations, and have reduced our greenhouse gas emissions by roughly one third and our water consumption by more than 25% since 2010

In 2016, we continue to demonstrate our commitment to sustainable growth through our ESG efforts, and will:

- Publish an Environmental and Social Risk Framework, which details how we identify, measure, monitor, and control risks related to environmental and social issues
- Announce a new suite of aggressive goals to ensure our operations are environmentally sustainable

CEO AND SENIOR MANAGEMENT SUCCESSION PLANNING

Our Board oversees CEO and senior management succession planning, which is formally reviewed at least annually; two such planning sessions were held in 2015. Our CEO and our Global Human Resources Executive provide our Board with recommendations and evaluations of potential CEO successors, and review their development plans. Our Board reviews potential internal senior management candidates with our CEO and our Global Human Resources Executive, including the qualifications, experience, and development priorities for these individuals. Directors engage with potential CEO and senior management successors at Board and committee meetings and in less formal settings to allow directors to personally assess candidates. Further, our Board periodically reviews the overall composition of our senior management s qualifications, tenure, and experience. In 2015, we followed this process when implementing succession plans for our executive officers, including when appointing a new Chief Financial Officer, Chief Administrative Officer, Global Human Resources Executive, and Vice Chairman and Head of Global Wealth & Investment Management.

Our Board also establishes steps to address emergency CEO and senior management succession planning in extraordinary circumstances. Our emergency CEO succession planning is intended to enable our company to respond to unexpected position vacancies, including those resulting from a major catastrophe, by continuing our company s safe and sound operation and minimizing potential disruption or loss of continuity to our company s business and operations.

BOARD OVERSIGHT OF RISK

Risk is inherent in all of our business activities. Our business exposes us to strategic, credit, market, liquidity, compliance, operational, and reputational risks. Our company takes a comprehensive approach to risk management with a defined Risk Framework and an articulated Risk Appetite Statement. The Risk Framework sets forth clear roles, responsibilities, and accountability for the management of risk and describes how our Board oversees the establishment of our risk appetite and associated limits for our activities. This framework of strong, independent Board oversight and robust risk management enables us to better serve our customers and deliver for our stockholders.

The governance structure outlined in our Risk Framework includes our Board, our Enterprise Risk Committee, and other Board committees. Our Enterprise Risk Committee has primary committee responsibility for overseeing the Risk Framework and material risks facing our company, and our Audit Committee and Credit Committee provide additional risk management oversight for compliance and credit risks, respectively. Also, our Compensation and Benefits Committee oversees the development of compensation policies and practices, which are designed to balance risk and rewards in a way that does not encourage unnecessary or excessive risk-taking by our employees. Our Chief Risk Officer, the company s senior-most risk manager, reports jointly to the CEO and Enterprise Risk Committee, and participates in Board, Credit Committee, and Enterprise Risk Committee meetings. This governance structure is designed to complement our Board s commitment to maintaining a strong, independent Board and committee leadership structure, and to fostering integrity over risk management throughout our company.

Each of our Audit, Credit, and Enterprise Risk Committees regularly receives updates from management on risk-related matters within each committee s responsibilities and reports on these updates to our Board. These committee reports provide our Board with integrated, thorough insight about how our company manages risk. In addition, our Board and our Enterprise Risk Committee receive regular risk reporting from management, including a report that addresses and provides updates on key and emerging risks. At each in-person Board meeting, our Board has a standalone session to discuss the risks that are considered prevailing or urgent, including those identified in our report on key risks.

Our Risk Framework, our Risk Appetite Statement, and our capital, strategic, and financial operating plans are developed by senior management under the oversight of our Board and Enterprise Risk Committee. Annually, as part of our risk governance process, our Enterprise Risk Committee and our Board approve our Risk Framework and Risk Appetite Statement. Throughout the year, management monitors and our Board oversees directly and through its committees our: financial performance; execution against capital, strategic, and financial operating plans; compliance with risk appetite parameters; and the adequacy of internal controls.

We believe our holistic and on-going Board and committee risk oversight process provides the foundation for consistent and effective management of risks facing our company. Details of our company s risk management policies and practices are described in Management s Discussion and Analysis of Financial Condition and Results of Operations in our 2015 annual report.

Our **Risk Framework** serves as the foundation for consistent and effective risk management. It describes components of our risk management approach, including our risk culture, risk appetite, and risk management processes, and employees responsibilities for managing risk. It also outlines our risk management governance structure, including the roles of our Board, management, lines of business, independent risk management, and corporate audit within the governance structure.

Our **Risk Appetite Statement** defines the aggregate levels and types of risk our Board and management believe appropriate to achieve our company s strategic objectives and business plans.

COMPENSATION GOVERNANCE AND RISK MANAGEMENT

Compensation Governance

Our Compensation and Benefits Committee follows procedures intended to promote strong governance of our pay-for-performance philosophy. The Committee regularly reviews: (i) company performance; (ii) our executive compensation strategy, approach, trends, and regulatory developments; and (iii) other related topics, as appropriate. Each year, the Committee reviews, and makes available to our Board, an executive compensation statement, or tally sheet, for each executive officer. The tally sheets include each executive officer s total compensation, including base salary, cash and equity-based incentive awards, accumulated realized and unrealized stock option gains, the value of prior restricted stock awards (including the status of achieving any performance goals), qualified and nonqualified retirement and deferred compensation benefit accruals, and the incremental cost to our company of the executive s perquisites. The Committee uses this information to evaluate all elements of executive officer compensation and benefits. Annually, the Committee reviews with our Board its compensation decisions (including cash and equity-based awards, if applicable) for executive officers and other senior executives who report directly to our CEO. Additionally, for our Chief Risk Officer and Corporate General Auditor, the Committee s pay recommendations are further reviewed and approved by our Board s Enterprise Risk Committee and Audit Committee, respectively.

Generally, our executive officers do not engage directly with the Committee in setting the amount or form of executive officer or director compensation. As part of the annual performance reviews for our named executive officers (other than our CEO), the Committee sets the compensation for our named executive officers after considering our CEO s perspective and recommendations for each individual s incentive awards. In addition, the Committee considers the performance of our various lines of business, business segments and functions, as well as performance feedback from our Global Human Resources Executive and our independent control functions (audit, compliance, finance, human resources, legal, and risk).

The Committee has the sole authority and responsibility under its charter to approve engaging any compensation consultant it uses and the fees for those services. The Committee retained Farient Advisors LLC (Farient) as its 2015 independent compensation consultant. Farient s business is limited to providing independent executive and director compensation consulting services. Farient does not provide any other services to our company. For 2015, Farient provided the Committee external market and performance comparisons, advised the Committee on senior executive, CEO, and director compensation, and assisted with other executive and director compensation-related matters. In performing these services, Farient met regularly with the Committee without management present and alone with the Committee chair.

The Committee may delegate to management certain duties and responsibilities regarding our benefit plans. Significant Committee delegations to management include authority to (i) the Management Compensation Committee to direct the compensation for all of our employees except for our CEO and his direct reports, and (ii) the Corporate Benefits Committee to oversee substantially all of our employee benefit plans.

The Committee also reviews the form and amount of compensation paid to our non-management directors and recommends any director compensation changes to our Board for approval.

Compensation Risk Management Policies and Practices

We believe that our company applies prudent risk management practices to its incentive compensation programs across the enterprise. Our Compensation and Benefits Committee is committed to a compensation governance structure that effectively contributes to our company s overall risk management policies.

The Committee has adopted and annually reviews our Compensation Governance Policy, which governs our incentive compensation decisions and defines the framework for oversight of company-wide incentive compensation program design. Consistent with global regulatory initiatives, our Compensation Governance Policy requires that our incentive compensation plans do not encourage excessive risk-taking, and specifically addresses the:

- Definition and process for identifying risk-taking employees
- Process and policies for incentive compensation plan design and governance to appropriately balance risks with compensation outcomes, including:
  - funding incentive compensation pools

  - determining individual incentive compensation awards
  - use of discretion as part of those processes

- Policies on incentive compensation plan effectiveness through testing and monitoring to confirm the plans appropriately balance risks with compensation outcomes, including developing processes to administer incentive compensation clawback features
- Policies that provide for the independence of our company s independent control functions and their appropriate input to the Committee

Our compensation governance structure allocates oversight, review, and responsibility to the appropriate management level, so that the most relevant management level or our Board, as applicable, makes compensation decisions, with documented input from the independent control functions. The following four levels of governance each have identified roles and responsibilities in our compensation decisions: (i) our Board; (ii) our Compensation and Benefits Committee; (iii) our Management Compensation Committee; and (iv) our lines of business, management, and independent control functions.

Pursuant to our Compensation Governance Policy, our annual incentive plan certification and review process provides a comprehensive review, analysis, and discussion of incentive design and operation. As part of the governance for these incentive plans, each of the CEO s direct reports, along with their management teams and independent control functions (including their respective risk officers), meet periodically to discuss how business strategy, performance, and risk align to compensation. The relevant participants certify that their respective incentive programs (i) are aligned with the applicable business line s and our company s business strategy and performance objectives, (ii) do not encourage excessive or imprudent risk-taking beyond our company s ability to effectively identify and manage risk, (iii) are compatible with effective controls and risk management, and (iv) do not incentivize impermissible proprietary trading. Farient and the Committee review these management certifications. Our Chief Risk Officer also certifies incentive plans across our company as part of the Management Compensation Committee s governance process.

Corporate Audit reviews all incentive plans at least every three to five years, using a risk-based approach that includes reviewing governance, payment, and processing against each incentive plan s design, and validating incentive plan design and operation against regulatory requirements. Since 2010, Corporate Audit has reviewed all incentive plans at least once, and reviewed incentive plans with higher risk-rankings more frequently.

For performance year 2015, in addition to reviewing the individual incentive compensation awards for executive officers and other senior executives who report directly to the CEO, the Committee also reviewed the individual incentive compensation awards for certain highly compensated employees. The Committee met with the heads of our independent control functions and business lines before making its 2015 incentive compensation decisions.

As a result of these processes and reviews, and in combination with the risk management and clawback features of our compensation programs, we believe that our compensation policies and practices appropriately balance risks and rewards in a way that does not encourage excessive or imprudent risk-taking or create risks that are reasonably likely to have a material adverse effect on our company.

BOARD MEETINGS, COMMITTEE MEMBERSHIP, AND ATTENDANCE

Directors are expected to attend our annual meetings of stockholders and our Board and committee meetings. Each of our incumbent directors attended at least 75% of the aggregate meetings of our Board and the committees on which they served during 2015. In addition, all of the directors serving on our Board at the time of our 2015 annual meeting attended the meeting, except for Mr. Holliday and Dr. Rose, who did not stand for election at that meeting.

Our non-management directors meet in executive session at each regularly scheduled Board meeting and held 13 such executive sessions in 2015. Separately, our independent directors meet in executive session at least once a year. Our Lead Independent Director leads these Board executive sessions.

Our Board has six committees. Charters describing the responsibilities of each of the Audit, Compensation and Benefits, Corporate Governance, Credit, and Enterprise Risk Committees can be found at *http://investor.bankofamerica.com*, and their membership is set forth under the heading Proposal 1: Electing Directors on page 1. Our Board s sixth committee, the Corporate Development Committee, was formed by our Board in 2013 as the result of a litigation settlement to oversee certain transactions.

Our committees regularly make recommendations and report on their activities to the entire Board. Each committee may obtain advice from internal or external financial, legal, accounting, or other advisors at their discretion. Our Board, considering the recommendations of our Corporate Governance Committee, reviews committee membership at least annually. The duties of each of the six committees are summarized on the next page.

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CORPORATE GOVERNANCE

Our **Audit Committee** oversees the qualifications, performance, and independence of our company s independent registered public accounting firm; the performance of our company s corporate audit function; the integrity of our company s consolidated financial statements; and our compliance with legal and regulatory requirements. It also makes inquiries of management or the Corporate General Auditor to determine whether there are scope or resource limitations that may impede the ability of the corporate audit function to execute its responsibilities. Our Board has determined that all Committee members are independent under the NYSE listing standards, our Categorical Standards, and the heightened independence requirements applicable to audit committee members under the rules of the U.S. Securities and Exchange Commission (SEC). Our Board has also determined that all Committee members are financially literate in accordance with the NYSE listing standards and qualify as audit committee financial experts under SEC rules. The Committee held 14 meetings in 2015.

Our **Compensation and Benefits Committee** oversees establishing, maintaining, and administering our compensation programs and employee benefit plans, including approving and recommending our CEO s compensation to our Board for further approval by all independent directors, and reviewing and approving all of our executive officers compensation. In addition, the Committee recommends director compensation for Board approval. All Committee members are independent under the NYSE listing standards, our Categorical Standards, independence requirements applicable to compensation committee members under NYSE rules, and the heightened Committee independence requirements we adopted in 2010, which are the same as the heightened independence requirements audit committee members are subject to under SEC rules. The Committee held seven meetings in 2015.

Our **Corporate Governance Committee** oversees our Board s governance processes; identifies and reviews the qualifications of potential Board members; recommends nominees for election to our Board; and recommends committee appointments for Board approval. The Committee also leads our Board and its committees in annual self-assessments; reviews and reports to our Board on our ESG activities; and reviews and assesses stockholder input and our stockholder engagement process. All Committee members are independent under the NYSE listing standards and our Categorical Standards. The Committee held nine meetings in 2015.

Our **Credit Committee** oversees senior management s identification and management of enterprise-wide credit exposures and our company s responses to trends affecting those exposures. The Committee also reviews and assesses the process for establishing our company s allowance for credit losses and oversees management s administration of our company s credit-related policies. All Committee members are non-management directors. The Committee held 10 meetings in 2015.

Our **Enterprise Risk Committee** oversees our company s overall risk framework, risk appetite, and management of key risks facing our company. The Committee approves the Risk Framework and Risk Appetite Statement and further recommends these documents to our Board for approval. The Committee oversees management s alignment of our company s risk profile to our strategic and financial plans. The Committee oversees management s progress in developing our company s Comprehensive Capital Analysis and Review submission to the Federal Reserve Board and reviews and recommends to our Board for approval our company s Capital Plan. The Committee also reviews and recommends to our Board for approval our company s Resolution and Recovery Plans. The Committee may consult with other Board committees on risk-related matters. All Committee members are non-management directors and satisfy the risk management requirements for directors of a risk committee under the Federal Reserve Board s Enhanced Prudential Standards. The Committee held 13 meetings in 2015.

Our **Corporate Development Committee** assists our Board in overseeing our company s consideration of potential mergers and acquisitions valued at greater than $2 billion. Mr. Bovender chairs the Committee and Mr. Nowell and Mr. Yost are members. All Committee members are independent under the NYSE listing standards and our Categorical Standards. The Committee did not meet in 2015.

ADDITIONAL INFORMATION

More information about our corporate governance can be found on our website at *http://investor.bankofamerica.com* under the heading Corporate Governance, including our: (i) Certificate of Incorporation; (ii) Bylaws; (iii) Corporate Governance Guidelines (including our related person transactions policy and our Director Independence Categorical Standards); (iv) Code of Conduct and related materials; and (v) composition and charters of each of our Audit, Compensation and Benefits, Corporate Governance, Credit, and Enterprise Risk Committees, and in other materials found on our website. This information is also available in print, free of charge, upon written request addressed to our Corporate Secretary at Bank of America Corporation, Hearst Tower, 214 North Tryon Street, NC1-027-18-05, Charlotte, North Carolina 28255.

RELATED PERSON AND CERTAIN OTHER TRANSACTIONS

Our related person transactions policy in our Corporate Governance Guidelines sets forth our policies and procedures for reviewing, and approving or ratifying any transaction with related persons (directors, director nominees, executive officers, stockholders holding 5% or more of our voting securities, or any of their immediate family members or affiliated entities). Our policy covers any transactions where the aggregate amount involved will or may be expected to exceed $120,000 in any fiscal year, our company is a participant, and a related person has or will have a direct or indirect material interest.

Under our related person transactions policy, our Corporate Governance Committee must approve or ratify any related person transactions, and when doing so, consider: the related person s interest in the transaction; whether the transaction involves arm s-length bids or market prices and terms; the transaction s materiality to each party; the availability of the product or services through other sources; the implications of our Code of Conduct or reputational risk; whether the transaction would impair a director or executive officer s judgment to act in our company s best interest; the transaction s acceptability to our regulators; and in the case of a non-management director, whether the transaction would impair his or her independence or status as an outside or non-employee director.

Our Board has determined that certain types of transactions do not create or involve a direct or indirect material interest on the part of the related person and therefore do not require review or approval under the policy. These include transactions involving financial services, including loans and brokerage, banking, insurance, investment advisory or asset management services, and other financial services we provide to any related person, if the services are provided in the ordinary course of business, on substantially the same terms as those prevailing at the time for comparable services provided to non-affiliates and comply with applicable law, including the Sarbanes-Oxley Act of 2002 and Federal Reserve Board Regulation O.

A number of our directors, director nominees, and executive officers, their family members, and certain business organizations associated with them are or have been customers of our banking subsidiaries. All extensions of credit to these persons have been made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time in comparable transactions with persons not related to our company and did not involve more than the normal risk of collectability.

Our company and Mr. Moynihan are parties to an aircraft time-sharing agreement, as disclosed in prior proxy statements and approved by our Corporate Governance Committee in December 2010.

Based on information contained in separate Schedule 13G filings with the SEC, each of BlackRock, Inc. (BlackRock), The Vanguard Group (Vanguard), and Berkshire Hathaway Inc. (Berkshire Hathaway), through certain subsidiaries, believed that it beneficially owned 5% or more of the outstanding shares of our common stock as of December 31, 2015 (see Stock Ownership of Directors, Executive Officers, and Certain Beneficial Owners on page 24).

In the ordinary course of our business during 2015, our subsidiaries provided and are expected to continue to provide financial advisory, sales and trading, treasury, and other financial or administrative services to BlackRock and its affiliates and clients, Vanguard and its affiliates, and Berkshire Hathaway and its affiliates. These transactions were entered into on an arm s-length basis and contain customary terms and conditions. We and our subsidiaries may also, in the ordinary course, invest in BlackRock or Vanguard funds or other products or buy or sell assets to or from BlackRock or Vanguard funds and separate accounts.

In addition, before BlackRock became a beneficial owner of 5% or more of our outstanding common stock, it entered into a global distribution agreement on September 29, 2006 with our former subsidiary, Merrill Lynch & Co., Inc. (which merged into Bank of America Corporation on October 1, 2013) in connection with its purchase of Merrill s investment management business. The agreement provides a framework under which our company distributes BlackRock s investment advisory products and includes certain pricing, sales incentive restrictions, and product availability provisions that offer economic terms to each party that are at least as favorable as those offered to its competitors. It was negotiated at arm s length and was amended and restated on July 16, 2008 and again on November 15, 2010. The agreement s initial term expired on January 1, 2014, was renewed pursuant to its terms for one additional three-year term and may be renewed thereafter as the parties may agree. In accordance with our related person transactions policy, the agreement, as amended and restated, was reviewed and ratified by our Corporate Governance Committee in March 2013.

During 2015, payment from BlackRock to our company relating to our distribution and servicing of products covered by the global distribution agreement was approximately $204.5 million and payment from our company to BlackRock for certain products pursuant to the agreement was approximately $1.2 million.

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STOCK OWNERSHIP OF DIRECTORS, EXECUTIVE OFFICERS, AND CERTAIN BENEFICIAL OWNERS

STOCK OWNERSHIP OF DIRECTORS, EXECUTIVE OFFICERS, AND CERTAIN BENEFICIAL OWNERS

Our voting securities are our common stock, Series B Preferred Stock, and Series 1-5 Preferred Stock. The following table shows the number of shares of our common stock beneficially owned as of March 2, 2016 by (i) each director (and by our new director nominee, Mr. Woods), (ii) each named executive officer, (iii) all directors and executive officers as a group, and (iv) beneficial owners of more than 5% of any class of our voting securities (as determined under SEC rules). As of that date, none of our directors, nominee, and executive officers owned any shares of any class of our voting securities, other than as reported in the table below. Each director and nominee, each named executive officer, and all directors and executive officers as a group beneficially owned less than 1% of our outstanding common stock. Unless otherwise noted, all shares of our common stock are subject to the sole voting and investment power of the directors, nominee, and executive officers.

Name	Beneficial Ownership Shares and Restricted Shares	Options/ Warrants Exercisable within 60 days of 3/2/2016	Total Beneficial Ownership	Stock Units [1][2]	Total
Directors and Executive Officers					
Sharon L. Allen[3]	50,153		50,153		50,153
Susan S. Bies	138,741		138,741		138,741
Jack O. Bovender, Jr.	67,615		67,615		67,615
Frank P. Bramble, Sr.[4]	186,680		186,680	111,275	297,955
David C. Darnell	737,928	183,750	921,678	885,179	1,806,857
Pierre J.P. de Weck	28,242		28,242		28,242
Arnold W. Donald	38,930		38,930	6,002	44,932
Paul M. Donofrio	363,648	91,350	454,998	810,902	1,265,900
Charles K. Gifford[5]	232,907		232,907	120,966	353,873
Geoffrey S. Greener	452,348		452,348	701,810	1,154,158
Linda P. Hudson	19,507		19,507	23,017	42,524
Terrence P. Laughlin[6]	633,814		633,814	860,086	1,493,900
Monica C. Lozano	3,000		3,000	111,844	114,844
Thomas J. May[7]	2,142		2,142	226,929	229,071
Thomas K. Montag[8]	2,352,150	2,102,216	4,454,366	1,522,914	5,977,280
Brian T. Moynihan[9]	1,104,896	366,667	1,471,563	2,074,011	3,545,574
Lionel L. Nowell, III	3,930		3,930	41,572	45,502

Bruce R. Thompson	1,096,596	106,400	1,202,996	1,107,169	2,310,165	
Thomas D. Woods[10]	5,003		5,003		5,003	
R. David Yost	64,153		64,153	53,355	117,508	
All directors and executive officers as a group (22 persons)[11]	6,672,799	2,922,574	9,595,373	8,541,967	18,137,339	

Name	Beneficial Ownership			Stock Units [1][2]	Total	
	Shares and Restricted Shares	Options/ Warrants Exercisable within 60 days of 3/2/2016	Total Beneficial Ownership			
Certain Beneficial Owners						
Warren E. Buffett/Berkshire Hathaway Inc.[12]		700,000,000	700,000,000		700,000,000	6.3%
BlackRock, Inc.[13]	585,668,469		585,668,469		585,668,469	5.7%
The Vanguard Group[14]	585,080,310		585,080,310		585,080,310	5.7%

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SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

(1) For non-management directors, includes stock units credited to their accounts pursuant to deferrals made under the terms of the Director Deferral Plan. These stock units do not have voting rights and are not considered beneficially owned under SEC rules. Each unit has a value equal to the fair market value of a share of our common stock. These units, which are held in individual accounts in each director s name, will be paid in cash upon the director s retirement if vested at that time.

(2) Includes the following stock units, which are not treated as beneficially owned under SEC rules because the holder does not have the right to acquire the underlying stock within 60 days of March 2, 2016 and/or the stock units will be paid in cash and therefore do not represent the right to acquire stock:

Name	Time-Based RSUs (TRSUs)	Cash-Settled RSUs (CRSUs)	Performance RSUs (PRSUs)	Total Stock Units
Brian T. Moynihan	374,891	345,239	1,353,881	2,074,011
Paul M. Donofrio	581,140		229,762	810,902
Geoffrey S. Greener	369,402		332,408	701,810
Terrence P. Laughlin	343,204		516,882	860,086
Thomas K. Montag	592,873		930,041	1,522,914
Bruce R. Thompson	424,946		682,223	1,107,169
David C. Darnell	530,720		354,459	885,179
All executive officers as a group(11)	3,114,996	345,239	4,386,770	7,847,005

Each stock unit has a value equal to the fair market value of a share of our common stock, but does not confer voting rights. Time-based restricted stock units (TRSUs) include the right to receive dividend equivalents and will be paid in shares of our common stock or cash at vesting or, in certain circumstances, after termination of employment. Cash-settled restricted stock units (CRSUs) do not include the right to receive dividend equivalents and will be paid in cash. Performance restricted stock units (PRSUs) include the right to receive dividend equivalents and vest subject to attaining pre-established performance goals. To the extent earned, (i) PRSUs granted in February 2012 and February 2016 will be settled 100% in shares of our common stock, and (ii) PRSUs granted in February 2014 and February 2015 will be settled 100% in cash. The stock units shown include the number of PRSUs granted assuming 100% of the award will be earned; however, the actual number of stock units earned may vary depending upon achieving performance goals. Because they are economically comparable to owning shares of our common stock, certain of these stock units currently qualify for purposes of compliance with our stock ownership and retention requirements, except for PRSUs, which qualify only when earned. The reported stock units do not include any stock units held in the Bank of America Deferred Compensation Plan (formerly known as the Bank of America 401(k) Restoration Plan).

(3) Includes 1,000 shares of our common stock for which Ms. Allen shares voting and investment power with her spouse.

(4)

Includes 75,000 shares of our common stock for which Mr. Bramble shares voting and investment power with his spouse.

(5) Includes 1,090 shares of our common stock held by Mr. Gifford as a custodian for two of his children, and 66,975 shares of our common stock, for which Mr. Gifford shares voting and investment power with our company, as trustee. The table does not include 580,734 shares of common stock Mr. Gifford transferred to a family trust for estate planning purposes in June 2013.

(6) Includes 36 shares of our common stock for which Mr. Laughlin shares voting and investment power with his spouse.

(7) Includes 22,824 stock units held by Mr. May under the FleetBoston Director Stock Unit Plan, 3,169 stock units held under the Bank Boston Director Retirement Benefits Exchange Program, and 5,567 stock units held under the Bank Boston Director Stock Award Plan.

(8) Includes 470,724 shares of our common stock held by Mr. Montag in a family trust for which Mr. Montag shares investment power with his wife, who is trustee.

(9) Includes 78,376 shares of our common stock for which Mr. Moynihan shares voting and investment power with his spouse.

(10) Includes 5,000 shares of our common stock held by Mr. Woods in an investment partnership for which Mr. Woods shares voting and investment power with the other members of the partnership.

(11) Such persons had sole voting and investment power over 8,522,053 shares of our common stock and shared voting or investment power or both over 1,073,320 shares of our common stock. Does not include beneficial ownership for Mr. Darnell, Mr. Thompson, or Mr. Woods because they were not executive officers or directors as of the date of this table.

(12) Consists of warrants exercisable within 60 days for 700,000,000 shares of our common stock, held indirectly by Warren E. Buffett, 3555 Farnam Street, Omaha, NE 68131 and Berkshire Hathaway Inc., 3555 Farnam Street, Omaha, NE 68131, including through the following entities, which are deemed to share beneficial ownership of greater than 5% of a class of our voting securities (as determined under SEC rules) as follows: OBH LLC, 3555 Farnam Street, Omaha, NE 68131 (666,960,000 of the warrants); and National Indemnity Company, 3024 Harney Street, Omaha, NE 68131 (621,040,000 of the warrants). According to a Schedule 13G filed with the SEC on September 12, 2011, Mr. Buffett and Berkshire Hathaway Inc. had shared voting and investment power with respect to all 700,000,000 shares. Information about other entities deemed to share beneficial ownership of the shares, including their voting and investment power, is disclosed in the Schedule 13G.

(13) Consists of common stock held by BlackRock, Inc., 55 East 52nd Street, New York, NY 10055. According to a Schedule 13G/A filed with the SEC on February 10, 2016, BlackRock, Inc. had sole voting power with respect to 497,243,830 shares, sole investment power with respect to 585,412,837 shares, and shared voting power and shared investment power with respect to 255,632 shares.

(14) Consists of common stock held by the Vanguard Group, 100 Vanguard Blvd., Malvern, PA 19355. According to a Schedule 13G/A filed with the SEC on February 10, 2016, the Vanguard Group had sole voting power with respect to 19,284,709 shares, sole investment power with respect to 564,611,981 shares, shared voting power with respect to 1,041,300 shares, and shared investment power with respect to 20,468,329 shares.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 (Exchange Act) requires our directors, executive officers, and anyone holding 10% or more of a registered class of our equity securities (reporting persons) to file reports with the SEC showing their holdings of, and transactions in, these securities. Based solely on a review of copies of such reports, and written representations from each reporting person that no other reports are required, we believe that for 2015 all reporting persons (including Mr. Holliday and Dr. Rose) filed the required reports on a timely basis under Section 16(a), except that a late Form 4 was filed on behalf of Mr. Greener to report a disposition of 1,734 shares in connection with a reallocation of his 401(k) plan portfolio.

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DIRECTOR COMPENSATION

DIRECTOR COMPENSATION

Our director compensation philosophy is implemented through a program designed to appropriately compensate our non-management directors for the time and effort required to serve as a director of a large, complex, and highly regulated global company and to align directors and long-term stockholders interests.

Annual payments are made after the non-management directors are elected by stockholders. Non-management directors who begin their Board or committee chair service other than at the annual meeting of stockholders receive a pro-rated amount of annual compensation. Mr. Moynihan receives no compensation for his services as our sole management director.

2015 Review and Changes

Our Compensation and Benefits Committee periodically reviews and recommends updates to our director compensation program, taking into account our director compensation philosophy and changes in market practices. During 2015, with assistance from Farient Advisors LLC (the Committee s independent compensation consultant), the Committee reviewed the annual director compensation and determined that our compensation level had fallen below a competitive level. Prior to this review, the annual cash award and restricted stock award amounts for non-management directors had not changed since 2006. This review took into account the pay practices at publicly traded companies including our primary competitor group of leading U.S. financial institutions. (See Compensation Discussion and Analysis Competitor Groups at page 42 for more information about our competitor groups.) The Committee also considered the expansion of director responsibilities, including active involvement in our enhanced stockholder engagement program.

Based on that review, in June 2015 our Board approved an increase to the annual non-management director cash award from $80,000 to $100,000 and an increase to the annual restricted stock award from $160,000 to $200,000 (as shown in Director Pay Components below). The increase was applied on a pro-rated basis for the 2015-2016 director compensation cycle. No change was made to the Lead Independent Director compensation or the cash awards for the committee chairs in 2015.

Director Pay Components

The primary elements of annual compensation and incremental awards for our non-management directors are provided in the table below. Incremental awards recognize additional responsibilities and the time commitment of these critical board leadership roles.

		Incremental Awards for Board Leadership		
Annual Award Components	Non-	Lead	Audit &	Compensation and

	management Directors ($)	Independent Director ($)	Enterprise Risk Committee Chairs ($)	Benefits, Corporate Governance, & Credit Committee Chairs ($)
Cash Award	100,000	50,000	40,000	20,000
Restricted Stock Award	200,000	100,000	N/A	N/A

The annual restricted stock award is made pursuant to the Bank of America Corporation Directors Stock Plan. The number of restricted shares awarded is equal to the dollar value of the award divided by the closing price of our common stock on the NYSE on the grant date, rounded down to the next whole share, with cash paid for any fractional share. Dividends are paid on the award when they are paid on shares of our common stock. The annual restricted stock award is subject to a one-year vesting requirement. If a director retires before the one-year vesting date, a pro-rated amount of the award vests based on the number of days the director served during the vesting period before retirement. Any unvested amount of the award is forfeited.

Director Deferral Plan

Non-management directors may elect to defer all or a portion of their annual restricted stock or cash awards through the Bank of America Corporation Director Deferral Plan. When directors elect to defer their restricted stock award, their stock account is credited with a number of whole and fractional stock units that are equal in value to the restricted stock award and subject to the one-year vesting requirement applicable to restricted stock awards under the Directors Stock Plan. Each stock unit is equal in value to a share of our common stock but because it is not an actual share of our common stock it does not have any voting rights. When directors elect to defer their cash award or any committee chair cash awards, they may choose to defer into either a stock account or a cash account. Deferrals into a stock account are credited with dividend equivalents in the form of additional stock units and deferrals into the cash account are credited with interest at a long-term bond rate. Following retirement from our Board, a non-management director may receive the stock account balance (to the extent vested) and cash account balance in a single lump sum cash payment or in five or 10 annual cash installments, depending on the director s election.

Stock Retention Requirements and Hedging Prohibition for Non-management Directors

- Under our stock retention requirements, each non-management director is required to hold and cannot sell the restricted stock they receive as compensation (except as necessary to pay taxes upon vesting) until termination of their service. All non-management directors are in compliance with these requirements
- Our Code of Conduct prohibits our directors from hedging and speculative trading of company securities, including short sales and trading in options and derivatives

2015 DIRECTOR COMPENSATION

The following table shows the compensation our non-management directors earned for their services in 2015:

Director	Fees Earned or Paid in Cash ($)[1]	Stock Awards ($)[2]	All Other Compensation ($)[3]	Total ($)
Sharon L. Allen	138,082	196,164	0	334,246
Susan S. Bies	98,082	196,164	102,423	396,669
Jack O. Bovender, Jr.	150,000	300,000	0	450,000
Frank P. Bramble, Sr.	138,082	196,164	0	334,246
Pierre J.P. de Weck	98,082	196,164	22,658	316,904
Arnold W. Donald	98,082	196,164	0	294,246
Charles K. Gifford	118,082	196,164	293,464	607,710

Charles O. Holliday, Jr. (retired)	0	0	0	0
Linda P. Hudson	98,082	196,164	0	294,246
Monica C. Lozano	118,082	196,164	0	314,246
Thomas J. May	118,082	196,164	0	314,246
Lionel L. Nowell, III	98,082	196,164	0	294,246
Clayton S. Rose (retired)	0	0	0	0
R. David Yost	98,082	196,164	5,000	299,246

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DIRECTOR COMPENSATION

(1) The amounts in this column represent the annual cash award plus any committee chair cash retainers paid in 2015, including amounts deferred under the Director Deferral Plan. For 2015 cash awards deferred under the Director Deferral Plan, our directors were credited with the stock units shown in the table below based on the closing price of our common stock on the NYSE on the date of deferral:

Director	Stock Units (#)	Value of Deferred Stock Units ($)
Arnold W. Donald	5,951.98	98,082
Thomas J. May	7,179.73	118,082
Lionel L. Nowell, III	5,951.98	98,082
R. David Yost	5,951.98	98,082

(2) The amounts in this column represent the aggregate grant date fair value of restricted stock awards granted during 2015, whether or not those awards were deferred under the Director Deferral Plan. The grant date fair value is based on the closing price of our common stock on the NYSE on the grant date. As of December 31, 2015, our non-management directors held the number of unvested shares of restricted stock or, if deferred, unvested stock units shown in the table below:

Director	Unvested Shares of Restricted Stock or Stock Units (#)
Sharon L. Allen	11,902
Susan S. Bies	11,902
Jack O. Bovender, Jr.	18,416
Frank P. Bramble, Sr.	11,904
Pierre J.P. de Weck	11,902
Arnold W. Donald	11,902
Charles K. Gifford	11,904
Charles O. Holliday, Jr. (retired)	0

Linda P. Hudson	11,904
Monica C. Lozano	11,904
Thomas J. May	11,904
Lionel L. Nowell, III	11,904
Clayton S. Rose (retired)	0
R. David Yost	11,904

(3) Our directors are eligible to participate in our matching gifts program, under which our charitable foundation matches up to $5,000 in donations made by our employees and active directors to approved charitable organizations. This program is also available to all U.S.-based, benefits eligible employees. The values above reflect that $5,000 was donated to charities on behalf of each of Mr. de Weck, Mr. Gifford, and Mr. Yost under the matching gifts program.

In connection with our company s annual strategic planning meeting in November 2015, spouses and guests of directors were invited. Pursuant to SEC rules, which do not require disclosure of perquisites for any director that in the aggregate are less than $10,000, the value of the spouse business-related travel expenses, or other business-related travel expenses, including ground transportation, commercial or third-party vendor aircraft travel (if any), meals, and any other incidental meeting-related expenses, is not included in the table above, except in the case of Mr. de Weck and Mr. Gifford.

Ms. Bies serves as chair of the board of directors of Merrill Lynch International (MLI), a United Kingdom subsidiary of Bank of America Corporation. For her services as a non-management director of MLI in 2015, Ms. Bies receives an annual cash retainer totaling £100,000 which is paid monthly. She received £66,667 in 2015 and will receive the remaining £33,333 in 2016. The retainers paid in 2015 are reported in the table above based on a weighted average exchange rate of 0.65 pounds sterling to one dollar. The exchange rate used for each payment was based on the average exchange rate for the month prior to the month of payment.

Mr. Gifford receives office space and secretarial support, which for 2015 had an aggregate incremental cost to our company of $288,286.

PROPOSAL 2: APPROVING OUR EXECUTIVE COMPENSATION (AN ADVISORY, NON-BINDING SAY ON PAY RESOLUTION)

We are seeking an advisory vote to approve our executive compensation for 2015. At our 2011 annual meeting of stockholders, a majority of stockholders voted to have a Say on Pay vote each year. As a result, we will conduct an advisory vote on executive compensation annually at least until the next stockholder advisory vote on the frequency of such votes.

Although the Say on Pay vote is advisory and is not binding on our Board, our Compensation and Benefits Committee will take into consideration the outcome of the vote when making future executive compensation decisions. At the 2015 annual meeting of stockholders, almost 95% of the votes cast favored our Say on Pay proposal. The Committee considered this result, and, in light of the strong support, maintained a consistent overall approach for 2015.

Our Board believes that our current executive compensation program appropriately links compensation realized by our executive officers to our performance and properly aligns the interests of our executive officers with those of our stockholders. The details of this compensation for 2015, and the reasons we awarded it, are described in Compensation Discussion and Analysis, starting below.

Our Board recommends that our stockholders vote in favor of the following resolution:

Resolved, that our stockholders approve, on an advisory basis, the compensation of our company s named executive officers, as disclosed pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the compensation tables, and any related material disclosed in this proxy statement.

Our Board recommends a vote FOR approving our executive compensation

(an advisory, non-binding Say on Pay resolution) (Proposal 2).

COMPENSATION DISCUSSION AND ANALYSIS

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COMPENSATION DISCUSSION AND ANALYSIS

1. EXECUTIVE SUMMARY

a. Executive Compensation Philosophy

Our compensation philosophy ties our executive officers pay to company, line of business, and individual performance over the short and long term. In addition, our executive compensation program provides a mix of salary, incentives, and benefits paid over time that we believe aligns executive officer and stockholder interests. Our Compensation and Benefits Committee has the primary responsibility for approving our compensation strategy and philosophy and the compensation programs applicable to our named executive officers listed below. With respect to Mr. Moynihan s compensation, our Compensation and Benefits Committee makes a recommendation that is further reviewed and approved by the independent members of the Board.

Named Executive Officers	
Brian T. Moynihan	Chairman and Chief Executive Officer
Paul M. Donofrio	Chief Financial Officer
Geoffrey S. Greener	Chief Risk Officer
Terrence P. Laughlin	Vice Chairman and Head of Global Wealth & Investment Management
Thomas K. Montag	Chief Operating Officer
Bruce R. Thompson	Former Chief Financial Officer
David C. Darnell	Former Vice Chairman and Head of Global Wealth & Investment Management

b. 2015 Executive Compensation Highlights

- 2015 design is consistent with 2014, which received almost 95% stockholder support at our 2015 annual meeting
  - Mix of fixed and variable pay
  - Deferral of majority of variable pay through equity-based incentives
  - Clawback and cancellation features in all equity-based incentives
- Strong risk management practices that encourage sustainable performance over time
- Comprehensive Committee review of performance against financial and non-financial goals
- Total compensation awarded to Mr. Moynihan of $16 million for 2015, compared to $13 million for 2014

[1] 100% of Mr. Moynihan s variable pay awarded as equity-based awards; 50% as performance restricted stock units

c. Stockholder Outreach & Say on Pay Results

We conduct stockholder outreach throughout the year and provide stockholders with an annual opportunity to cast an advisory Say on Pay vote. We heard strong support for our 2014 compensation program and maintained a consistent overall approach for 2015. **Almost 95% of the votes cast at our 2015 annual meeting of stockholders favored our Say on Pay proposal**, which we believe affirms our stockholders support of our company s 2015 executive compensation program. Stockholder input and the outcome of Say on Pay vote results will continue to influence future compensation decisions.

2. 2015 COMPANY & LINE OF BUSINESS PERFORMANCE

In 2015 we earned net income of $15.9 billion, compared to $4.9 billion in 2014. We are doing more business with our customers and clients and continue to add clients consistent with our risk framework. We have simplified our company, we are managing risk, and we have rebuilt our financial foundation. We are making meaningful progress on a variety of measures and continue to connect all of our capabilities across our businesses by focusing on our five operating principles, which serve as guideposts for achieving our goals (for a discussion on our operating principles, see page 36). In a challenging environment, we delivered on promises to strengthen the balance sheet, lower expenses, maintain strong asset quality, and return more capital to stockholders.

Following are financial highlights and key measures of company and line of business performance that our Compensation and Benefits Committee considered in evaluating the performance of our named executive officers.

a. Company Performance

Earned net income of $15.9 billion in 2015, versus $4.9 billion in 2014

Achieved record capital and liquidity levels

Tangible Common Equity of $162 billion, increased by $10.4 billion[1]

Global Excess Liquidity Sources at $504 billion

Tangible book value per share increased 8% to $15.62[1]

Continued focus on expenses while investing in growth

Excluding litigation, noninterest expense down 5%[(1)]

Improved/increased client and customer activity in all areas, including:

business referrals (increased 19% to 5 million); total loans (grew nearly $22 billion); and deposits (increased $78 billion)

Strong asset quality discipline drove continued low levels of net charge-offs and declines in delinquencies and nonperforming loans

$4.5 billion returned to common stockholders through repurchases and dividends

b. Line of Business Performance

Business ($ in Millions)	Total Revenue		Provision for Credit Losses		Noninterest Expense		Net Income (Loss)	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Consumer Banking	**30,618**	30,809	**2,524**	2,680	**17,485**	17,865	**6,739**	6,436
Global Wealth & Investment Management	**18,001**	18,404	**51**	14	**13,843**	13,654	**2,609**	2,969
Global Banking	**16,919**	17,607	**685**	322	**7,888**	8,170	**5,273**	5,769
Global Markets	**15,067**	16,188	**99**	110	**11,310**	11,862	**2,496**	2,705
Legacy Assets Servicing	**3,430**	2,676	**144**	127	**4,451**	20,633	**(740)**	(13,110)
Total Corporation[(2)]	**83,416**[(3)]	85,116[(3)]	**3,161**	2,275	**57,192**	75,117	**15,888**	4,833

(1) Not a financial measure under generally accepted accounting principles (GAAP). On a GAAP basis, common shareholders equity was $233.9 billion and increased by $9.8 billion; book value per share increased 6% to $22.54; and noninterest expense was down 24%.
(2) Includes All Other, which consists of Assets Liability Management activities, equity investments, the international consumer card business, liquidating businesses, residual expense allocations, and other items not shown in the table above.
(3) Revenue reported on fully taxable-equivalent (FTE) basis, which is a non-GAAP financial measure for the total corporation. Total revenue for the corporation on a GAAP basis was $82.507 billion for 2015 and $84.247 billion for 2014.

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COMPENSATION DISCUSSION AND ANALYSIS

Consumer Banking

Consumer Banking offers a diversified range of credit, banking, and investment products and services to consumers and small businesses includes Retail Banking and Preferred and Small Business Banking.

- Average deposits increased 6%; 88% of checking accounts now considered primary
- Average loans and leases increased 4%
- 18.7 million mobile banking customers, up 13%, and deposits made with mobile devices now account for 15% of all deposit transactions
- Total mortgage originations in Consumer Banking increased 24% to $53 billion
- U.S. credit and debit card purchase volumes increased by 4% and 2%, respectively
- Approximately 5 million new credit cards were issued in 2015

Global Wealth & Investment Management

Global Wealth & Investment Management provides investment and wealth management solutions to our affluent and ultra-high net worth clients includes Merrill Lynch Wealth Management and U.S. Trust.

- Average deposits increased 2%
- Average loans and leases increased 10%; 23rd consecutive quarter of loan balance growth
- Client balances remained relatively steady at $2.5 trillion driven by market declines and partially offset by client balance flows

- Positive long-term assets under management flows for 26 consecutive quarters; $34 billion in 2015

Global Banking

Global Banking provides a wide range of lending-related products and services, integrated working capital management and treasury solutions to clients, and underwriting and advisory services includes Global Corporate Banking, Global Commercial Banking, Business Banking, and Global Investment Banking.

- Average deposits increased 2%
- Average loans and leases increased 7%
- Total Corporation investment banking fees, including self-led deals, of $5.8 billion
- Relationships with 81% of Global Fortune 500 and 96% of U.S. Fortune 1000

Global Markets

Global Markets offers sales and trading services, including research, to institutional clients across fixed-income, credit, currency, commodity, and equity businesses.

- Net income increased nearly 5% to $3.0 billion in 2015, excluding net debit valuation adjustments (DVA), primarily driven by lower noninterest expense
- Fixed-income, currency and commodities sales and trading revenue, excluding net DVA, decreased by 4% in a challenging trading environment
- Equities sales and trading revenue, excluding net DVA, increased by almost 6% driven by strong performance in derivatives and increased client activity in the Asia-Pacific region
- Average trading related assets decreased 4% as we continued to reduce risk and optimize our balance sheet

Legacy Assets Servicing

Legacy Assets Servicing (LAS) is responsible for our mortgage servicing activities related to residential first mortgage and home equity loans serviced for others and loans held by our company, including loans that have been designated for the LAS portfolio.

- Excluding litigation, noninterest expense decreased 28% due to lower default-related staffing and other default-related servicing expenses l The number of 60+ day delinquent first mortgage loans declined 46% to 103,000 loans

The Committee believes the company and line of business performance highlights discussed above, as well as other company and business results, reflect management s progress in delivering responsible growth and continuing to streamline and simplify our company.

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3. EXECUTIVE COMPENSATION PROGRAM FEATURES

a. Executive Pay Components & Variable Pay Mix

For each performance year, our Compensation and Benefits Committee determines the pay for our named executive officers. A portion of the compensation is delivered as base salary and the remainder as annual cash incentive (except for the CEO) and restricted stock units. The restricted stock units are divided into two components: time-based and performance-based. Our time-based awards vest ratably over three years (except for the CEO s cash-settled restricted stock units that vest over one year). Our performance-based awards are re-earned only by the achievement of performance metrics that require future core performance by our company over the defined three-year performance period. Consequently, the future performance of our company will impact the amount of pay our named executive officers will earn from the performance-based awards. This pay structure, with an emphasis on variable pay, serves a role in motivating our executives to deliver sustained stockholder value and achieve long-term goals.

The following chart provides an overview of the 2015 pay components for our named executive officers:

Performance Year 2015 Pay Components

Base Salary	
l Determined based on job scope, experience, and market comparable positions; provides fixed income to attract and retain executives and balance risk-taking	l Semi-monthly cash payment through 2015
Annual Cash Incentive except CEO	
l Provides short-term variable pay for the performance year for non-CEO executives	l Single cash payment in February 2016
Cash-Settled Restricted Stock Units (CRSUs) CEO only	
l Track stock price performance over 1-year vesting period	
l Vest in 12 equal installments from March 2016 February 2017	