

Board Leadership and Corporate Governance Practices

September 2015

We Are Holding This Vote in Response to Investor Feedback

- The Board believes the flexibility afforded by the current bylaws continues to assure independent oversight by the Board and is in the best interests of Bank of America and its shareholders
- Through engagement with shareholders, the Board heard a clear desire for shareholders to have a vote on the bylaw amendment, and the Board has called a Special Meeting for September 22 to promptly follow through on its commitment to shareholders
- The amended bylaws provide the same flexibility that 97 percent of the S&P 500 companies¹ already have in determining their leadership structure
- Bank of America's current structure includes a newly established Lead Independent Director role, with authority, duties and responsibilities that extend beyond industry practice and exceed industry norms. In addition, the Board continues to adopt corporate governance enhancements through engagement with shareholders and in direct response to feedback
- The Board recognizes and respects that investor views on the appropriate board leadership structure vary, which is why the Board committed to putting the matter to a vote and acting in accordance with the vote outcome

The Board recommends that shareholders vote FOR the bylaw amendment

Note: This presentation may also include quotations from or citations to third-parties; permission was neither sought nor obtained for use of such quotes or references.

¹Source: Spencer Stuart Board Index, November 2014.

Since 2010 We Have Undergone a Strategic Transformation

Where We Started (2010)

- Product-focused company
- Range of non-core activities
- Legacy mortgage issues
- High expense base
- Bloated balance sheet
- Capital challenges
- Challenging operating and economic environment

Our Progress

- Reorganized around eight client-focused lines of business
- Simplified corporate structure – eliminated >1,000 legal entities
- Divested / exited \$73B of non-core businesses and assets
- Achieved \$8B in annualized cost savings through New BAC
- Distributed ~\$10B of capital through common share repurchases and dividends

Where We Are Today

- **Customer-focused company**
- **Growing in our core businesses**
- **Addressed significant legacy issues**
- **Reduced expenses and enhancing culture of efficiency**
- **Strengthened balance sheet and financial foundation**
- **Returning capital**
- **Improving economic environment**
- **Of 31 sell-side analysts covering BAC, 25 rate the company a “Buy,” five rate it a “Hold” and one rates it a “Sell”¹**

On September 2, one of our largest investors, Warren Buffett, was quoted on his views regarding Bank of America’s progress and transformation, indicating that he is:

“100% in support of Mr. Moynihan and believes he is doing an outstanding job for Bank of America shareholders. When [Mr. Moynihan] took over as CEO, he was handed one of the toughest jobs in the history of American banking.”²

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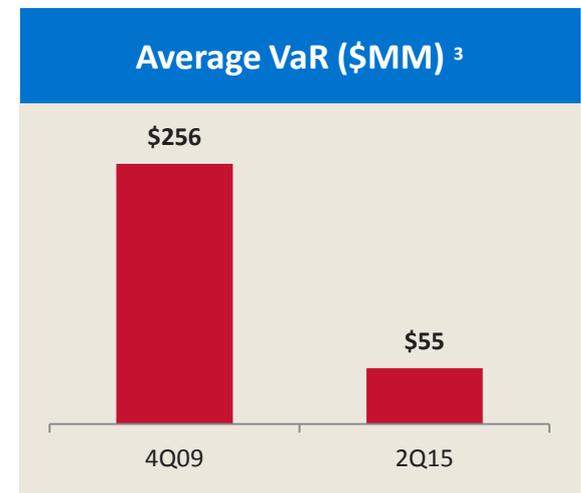
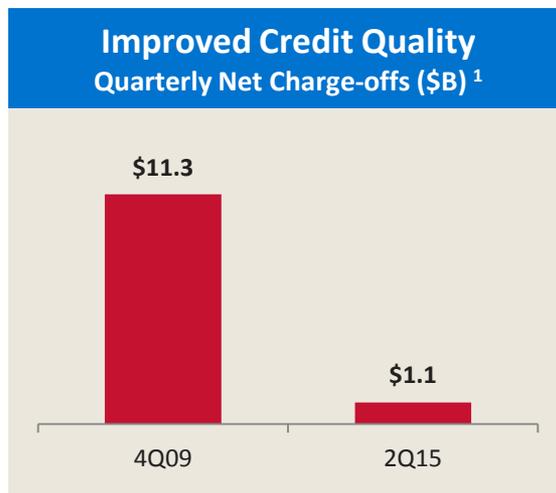
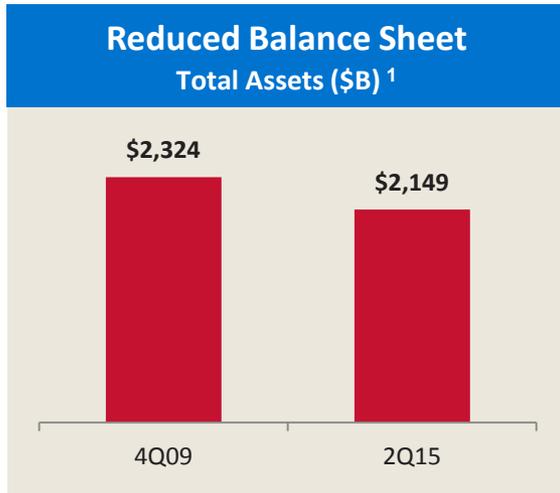
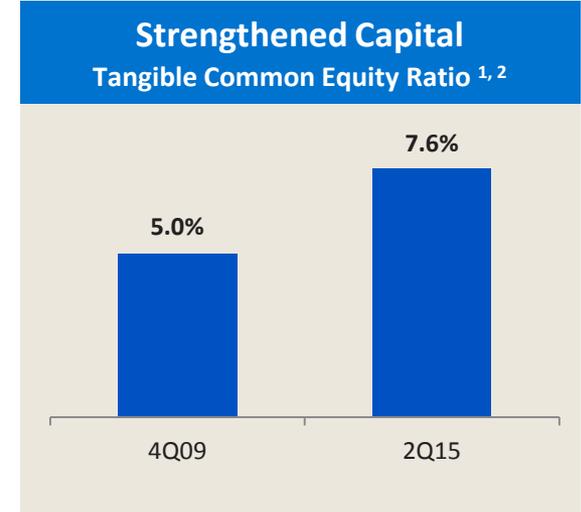
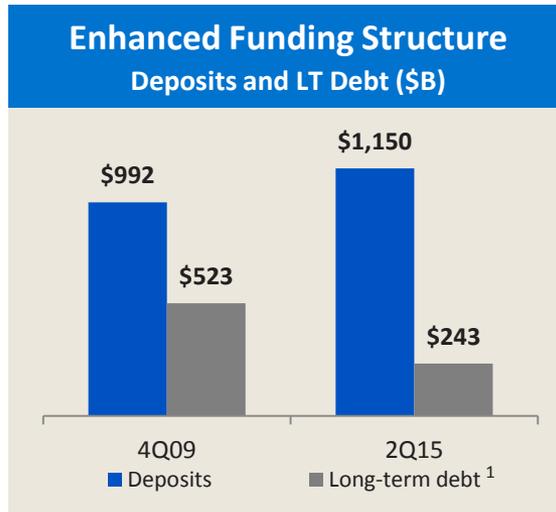
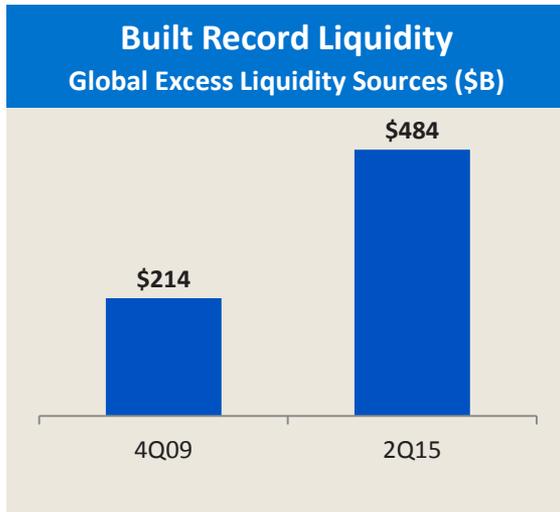
[Warren Buffett Speaks in Favor of Bylaw Amendment³](#)

¹ As of September 9, 2015.

² Business Insider, Jonathan Marino, “Warren Buffett just gave the CEO of Bank of America a vote of confidence at a critical time,” September 2, 2015.

³ CNBC, September 8, 2015. <http://video.cnbc.com/gallery/?video=3000418189&play=1>

Today We Are a Leaner, Stronger and Simpler Company



¹ 4Q09 reflects 12/31/09 information adjusted to include the 1/1/10 adoption of FAS 166/167 as reported in our SEC filings, which represent non-GAAP financial measures. On a GAAP basis, long-term debt was \$439B, total assets were \$2,230B and quarterly net charge-offs were \$8.4B in 4Q09. See reconciliations to GAAP financial measures on pages 13-16.

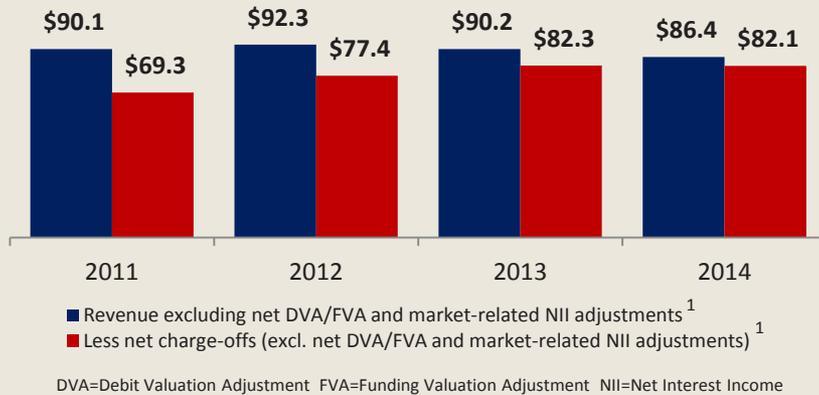
² Tangible common equity ratio represents a non-GAAP financial measure. On a GAAP basis, the common equity ratio was 8.7% and 10.7% at 4Q09 and 2Q15. See reconciliations to GAAP financial measures on pages 13-16.

³ Value at Risk (VaR) model uses historical simulation approach based on three years of historical data and an expected shortfall methodology equivalent to a 99% confidence level.

Focused on Improving Shareholder Returns

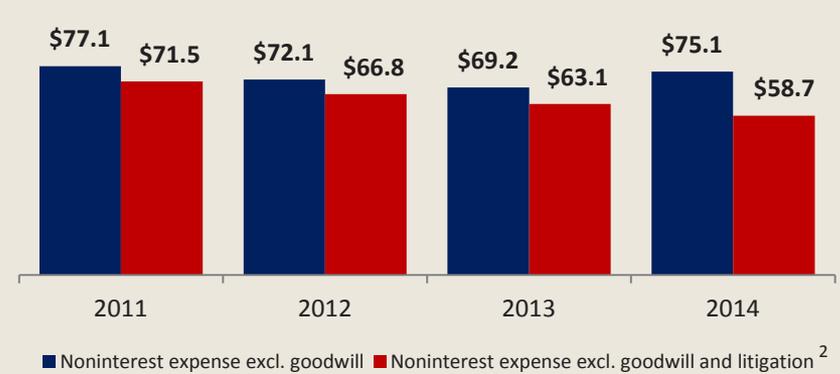
Shift to a More Sustainable Revenue Stream

Revenue (FTE, \$B)



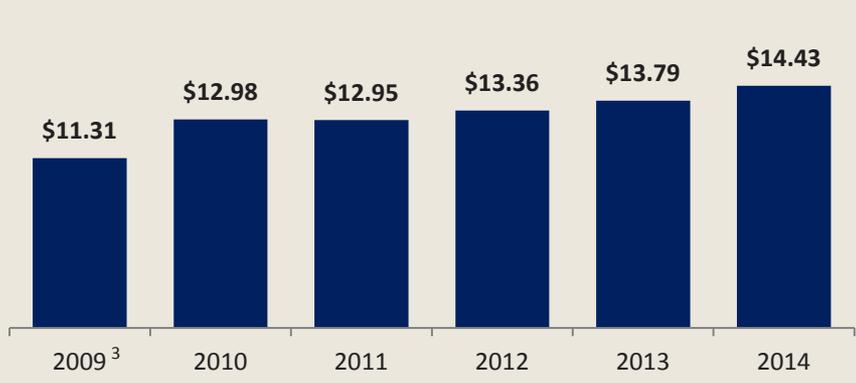
Lowered Expenses

Noninterest Expense, Excl. Goodwill (\$B)¹

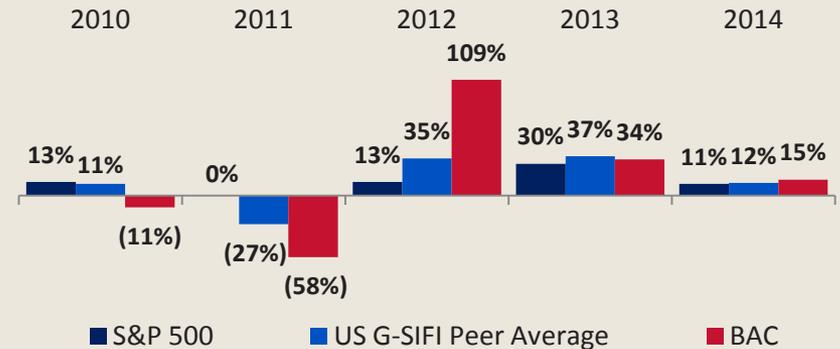


Grew TBV While Absorbing Significant Legacy Costs

Tangible Book Value per Share¹



Share Price Performance



¹ Represents a non-GAAP financial measure. On a GAAP basis, revenue was \$93.5B, \$83.3B, \$88.9B and \$84.2B for 2011, 2012, 2013 and 2014, respectively. On a GAAP basis, noninterest expense was \$80.3B, \$72.1B, \$69.2B and \$75.1B for 2011, 2012, 2013 and 2014, respectively. On a GAAP basis, book value per share was \$21.48, \$20.99, \$20.09, \$20.24, \$20.71 and \$21.32 for 2009, 2010, 2011, 2012, 2013 and 2014, respectively. See reconciliations to GAAP financial measures on pages 13-16.

² Includes \$1.1B of provision for the Independent Foreclosure Review (IFR) Acceleration Agreement in 4Q12 that we entered into with the Office of the Comptroller of the Currency (OCC) and the Federal Reserve to cease the IFR that had commenced pursuant to a consent order entered into by Bank of America with the Federal Reserve and by BANA with the OCC in 2011 and replace it with an accelerated remediation process.

³ Tangible Book Value per Share (TBVPS) reflects the 12/31/09 information adjusted to include the 1/1/10 adoption of FAS 166/167 as reported in our SEC filings, which represents a non-GAAP financial measure. See reconciliations to GAAP financial measures on pages 13-16.

Top Tier Ranked Businesses in Every Segment in Which We Compete

We Serve Three Groups of Customers Through Eight Lines of Business

People.				Companies.			Institutions.
Retail	Preferred & Small Business	Merrill Lynch	U.S. Trust	Business Banking	Commercial Banking	Global Corporate & Investment Banking	Global Markets

Industry Leading Positions Across Our Businesses

- #1 retail deposit market share in our footprint ¹
- #1 in mobile banking ² with 17.6MM mobile users
- #3 in U.S. credit card balances ³
- #1 Home Equity Lender ³
- #1 wealth management market position across client assets, deposits, loans, and net income before taxes ³
- Top tier middle market advisor with #2 ranking in US/Canada
- #2 in 2014 Global Investment Banking fees ⁴
- #1 leading global research firm for 4 consecutive years ⁵

¹ Source: SNL branch data. U.S. deposit market share (retail domestic deposits) based on June 2014 FDIC deposit data, adjusted to remove commercial balances.

² Source: Keynote, 4Q14 Mobile Banking Scorecard, November 2014.

³ Competitor 1Q15 earnings releases.

⁴ Source: Dealogic as of March 31, 2015.

⁵ Source: Institutional Investor 2014.

Shareholder Engagement Has Informed This Special Meeting Vote

- In October 2014, the Board amended our bylaws to provide for Board leadership flexibility. On the same date, the Board named Brian Moynihan Chairman, established the Lead Independent Director position and the independent members elected Jack Bovender to the role
- Jack Bovender represented the Board in our shareholder engagement efforts regarding our Board leadership structure leading up to the 2015 annual meeting
- During that engagement, a number of investors voiced the opinion that shareholders should be given the opportunity to vote on the bylaw change. In May 2015, Jack Bovender and Brian Moynihan sent a letter to shareholders on the Board's behalf and committed to holding a shareholder vote to ratify the bylaw amendment no later than the 2016 annual meeting
- Jack Bovender and members of management subsequently re-engaged our significant shareholders to gather additional feedback on our Board leadership structure and potential timing of the ratification vote

The Board has committed to act in accordance with the shareholders' voting decision and to continue to engage with shareholders

Independent Oversight through Current Leadership Structure

Bank of America's Board has undergone a significant transformation in the past five years and has implemented practices that enhance independent oversight of management

Strong Board Independence

- ✓ Board composition features a substantial majority of independent directors
 - 11 of 13 members are independent
 - Seven of those 11 independent members joined the Board in the last three years
 - A substantial majority of independent members have had leadership roles at a financial institution or have experience in a highly regulated industry
- ✓ The Board is refreshed on a regular basis. Average Board tenure at 5 years is below the 8.4 year market average¹

Active Independent Oversight Practices

- ✓ Lead Independent Director role with responsibilities beyond industry norms
- ✓ Regular Board assessment of optimal leadership structure
- ✓ Independent and non-management directors meet in executive session at each regularly scheduled Board meeting
 - 14 executive sessions have occurred over the past 11 months
 - Lead Independent Director presides at each meeting
 - Lead Independent Director has authority to call an executive session of independent directors at any time

Enhanced Board Recruitment

- ✓ Since 2009, the Board has implemented considerable changes in its recruiting and selection process to enhance the Board's experiential diversity and independence to align with its transformation
- ✓ As part of the nomination process, director candidates are reviewed by Bank of America's primary bank regulators
- ✓ Of the 13 directors, seven have international experience, nine have CEO experience (including two who previously served as CEOs of financial institutions), nine have served on another U.S. public company board in the last five years, two are African-American and four are women, one of whom is Hispanic

¹Source: Spencer Stuart Board Index, November 2014.

Board Composition Provides Balance of Skill Sets, Including Financial Expertise and Other Experience Relevant to Our Business

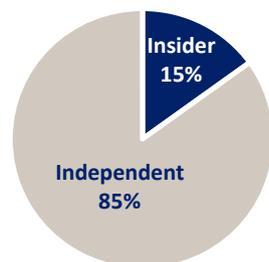
The Corporate Governance Committee regularly assesses the needs of the Board and the company to recruit directors who meet increasing regulatory requirements, and have the right skills and experiences to oversee our businesses and strategy

Directors Contribute Valuable Range of Expertise, Diversity and Perspectives to the Boardroom

- Audit/Financial Reporting
- Risk Management
- Strategic Planning
- Operational Risk
- Consumer Banking
- Regulated Business Expertise
- Corporate Governance
- Cybersecurity Risk
- Business Development
- **Financial Services Industry Experience**
- International Perspective
- Social Responsibility and Diversity

- Five of our Board members (including Mr. Moynihan), or 39%, have served as senior executives at financial institutions
- Four directors, or 31% have served as senior executives at banks
- Our three closest peer companies average 4.7 directors, or 36%, who have served as senior executives of financial institutions, and 2.0 directors, or 16%, who have served as senior executives of banks¹
- Directors with experience in regulated industries other than financial services have managed businesses subject to governmental oversight, bringing insight that complements our directors who have specific experience in banking or financial services, and enhance the diversity of the Board

Director Independence

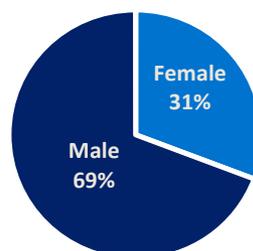


Fresh Perspectives

8

New independent directors elected since 2009

Gender Diversity



7

New independent directors elected in the last 3 years

¹Source: Based on review of public SEC filings.

Lead Independent Director with Responsibilities Beyond Industry Norms

Jack Bovender, Lead Independent Director



- Jack's breadth of knowledge in management, operations, and corporate governance led independent directors to appoint him to this Board leadership role
- Former long-time Chairman, CEO and COO of HCA Inc., which operates over 200 hospitals and surgery centers throughout the United States and England, with 169,000 employees; HCA is a complex organization in a highly regulated industry subject to substantial regulatory and government oversight

The authority, duties and responsibilities of our Lead Independent Director extend beyond industry practice and expectations and exceed ISS criteria for determining "comprehensive" lead director duties

In determining these responsibilities, the Board benchmarked against peers at leading S&P 500 financial services, consumer and industrial companies and the ISS criteria

Board Leadership

- ✓ Presides at all meetings when Chairman is not present
- ✓ Calls meetings of independent directors
- ✓ **Provides leadership if CEO / Chairman's role may be in conflict**

Board Focus

- ✓ **Helps ensure Board focuses on key issues facing Bank of America**
- ✓ **Assists in promoting corporate governance best practices**
- ✓ **Contributes to annual performance review of CEO and participates in CEO succession planning**

Board Performance & Development

- ✓ **Helps ensure efficient and effective Board performance and functioning**
- ✓ **Consults with Corporate Governance Committee on annual Board self assessment**
- ✓ **Provides guidance on ongoing director development**
- ✓ **Consults in identification and evaluation of director candidates, committee members and committee chairs**

Board Culture

- ✓ Serves as a liaison between CEO and independent directors
- ✓ **Establishes relationship with CEO, providing support, advice and feedback**
- ✓ **Acts as a "sounding board" and advisor to CEO**

Board Meetings

- ✓ Plans, reviews and approves Board meeting agendas and schedules in coordination with CEO
- ✓ Advises CEO of Board information needs, and approves information sent to Board
- ✓ **Develops discussion topics for Board executive sessions**

Stockholders & Other Stakeholders

- ✓ Available for consultation and direct communication, to the extent requested by major stockholders
- ✓ **Regularly communicates with primary bank regulators to discuss appropriateness of Board's oversight of management and company**

Note: LID duties **highlighted in blue** are additional duties beyond ISS criteria.

Governance Enhancements Informed by Shareholder Feedback

Efforts to enhance engagement with shareholders and responsiveness to shareholder feedback as reflected by the Board's adoption of corporate governance changes and enhanced disclosures

Adoption of Proxy Access

- ✓ Board adopted proxy access right at a 3%/3 year ownership threshold
 - At time of adoption, Bank of America was one of only 10 US companies to establish proxy access at a 3%/3 year threshold
 - Demonstrates commitment to constructive engagement with investors and the evolving landscape of shareholder rights

Reporting & Disclosures

- ✓ Enhanced executive compensation governance and transparency
- ✓ Enhanced business and sustainability reporting, including commitment to provide:
 - Business Standards Report
 - Political activities disclosure
 - Sustainability and greenhouse gas emission disclosure, including a new coal policy

Shareholder Rights & Director Accountability

- ✓ Board implemented special meeting right at 10% ownership threshold
- ✓ Majority vote standard for director elections
- ✓ Annual election of directors
- ✓ Annual Board and Committee self-evaluations
- ✓ No supermajority provisions
- ✓ Corporate Governance Committee considers director candidates recommended by shareholders
- ✓ Enhanced executive compensation governance: 94.8% shareholder support for "say on pay" at the 2015 annual meeting
- ✓ Clawback policy

Enhanced Shareholder Engagement

- ✓ Adopted an enhanced shareholder engagement program that includes the active involvement of our Lead Independent Director and other independent directors

APPENDIX

Reconciliation of Non-GAAP Financial Measures

Reconciliation of Non-GAAP Financial Measures

\$ in millions	4Q09	2Q15
Reconciliation of period-end long-term debt		
Long-term debt	\$ 438,521	\$ 243,414
Adjustment related to 1/1/10 adoption of FAS 166/167	84,356	-
Adjusted long-term debt	\$ 522,877	\$ 243,414
Reconciliation of period-end assets		
Assets	\$ 2,230,232	\$ 2,149,034
Adjustment related to 1/1/10 adoption of FAS 166/167	100,439	-
Adjusted assets	\$ 2,330,671	\$ 2,149,034
Reconciliation of net charge-offs		
Net charge-offs	\$ 8,421	\$ 1,068
Adjustment related to 1/1/10 adoption of FAS 166/167	2,926	-
Adjusted net charge-offs	\$ 11,347	\$ 1,068

Reconciliation of Non-GAAP Financial Measures (continued)

\$ in millions	4Q09	2Q15
Reconciliation of period-end common shareholders' equity to period-end tangible common shareholders' equity		
Common shareholders' equity	\$ 194,236	\$ 229,386
Common Equivalent Securities ¹	19,244	-
Goodwill	(86,314)	(69,775)
Intangible assets (excluding mortgage servicing rights)	(12,026)	(4,188)
Related deferred tax liabilities	3,498	1,813
Adjustment related to 1/1/10 adoption of FAS 166/167	(6,270)	-
Tangible common shareholders' equity	\$ 112,368	\$ 157,236
Reconciliation of period-end assets to period-end tangible assets		
Assets	\$ 2,230,232	\$ 2,149,034
Goodwill	(86,314)	(69,775)
Intangible assets (excluding mortgage servicing rights)	(12,026)	(4,188)
Related deferred tax liabilities	3,498	1,813
Adjustment related to 1/1/10 adoption of FAS 166/167	100,439	-
Tangible assets	\$ 2,235,829	\$ 2,076,884
Common equity ratio	8.7%	10.7%
Tangible common equity ratio	5.0%	7.6%

- Tangible common equity ratio measures and utilizes an adjusted common shareholders' equity amount which has been reduced by goodwill and intangible assets (excluding MSRs), net of related deferred tax liabilities. The company uses this measure to evaluate the amount and use of equity.

¹ In 2008, the U.S. Treasury created the TARP to invest in certain eligible financial institutions in the form of non-voting, senior preferred stock. We participated in TARP by issuing to the U.S. Treasury non-voting perpetual preferred stock (TARP Preferred Stock) and warrants. In 2009, we received approval to repay the investment. We then repurchased all shares of the TARP Preferred Stock by using excess liquidity and \$19.2 billion in proceeds from the sales of 1.3 billion units of Common Equivalent Securities (CES). In 2010, the CES ceased to exist.

Reconciliation of Non-GAAP Financial Measures (continued)

\$ in millions	2011	2012	2013	2014
Reconciliation of revenue				
Revenue	\$ 93,454	\$ 83,334	\$ 88,942	\$ 84,247
FTE adjustment	972	901	859	869
DVA/FVA adjustment	(4,320)	7,584	1,158	240
Market-related NII adjustments	-	510	(766)	1,081
Revenue excluding net DVA/FVA and market-related NII adjustments (FTE basis)	\$ 90,106	\$ 92,329	\$ 90,193	\$ 86,437
Net charge-offs	(20,833)	(14,908)	(7,897)	(4,383)
Revenue excluding net DVA/FVA, market-related NII adjustments and net charge-offs (FTE basis)	\$ 69,273	\$ 77,421	\$ 82,296	\$ 82,054
Reconciliation of noninterest expense				
Noninterest expense	\$ 80,274	\$ 72,093	\$ 69,214	\$ 75,117
Goodwill	(3,184)	-	-	-
Noninterest expense excluding goodwill	\$ 77,090	\$ 72,093	\$ 69,214	\$ 75,117
Litigation	(5,616)	(4,228)	(6,096)	(16,370)
Provision for IFR acceleration	-	(1,100)	-	-
Noninterest expense excluding goodwill and litigation	\$ 71,474	\$ 66,765	\$ 63,118	\$ 58,747

- The company believes managing the business with net interest income on an FTE basis provides a more accurate picture of the interest margin for comparative purposes. We also believe the exclusion of net DVA/FVA and market-related NII adjustments enhances period-to-period comparability. Revenue less net charge-offs (excluding net DVA/FVA and market-related NII adjustments) is a measure the company uses to evaluate the level of risk embedded within the revenue stream.
- The company believes the exclusion of goodwill impairment and litigation expense provides additional clarity in assessing the expenses of the company for comparative purposes.

Reconciliation of Non-GAAP Financial Measures (continued)

\$ in millions, except per share information; shares in thousands	2009	2010	2011	2012	2013	2014
Reconciliation of period-end common shareholders' equity to period-end tangible common shareholders' equity						
Common shareholders' equity	\$ 194,236	\$ 211,686	\$ 211,704	\$ 218,188	\$ 219,333	\$ 224,162
Common Equivalent Securities ¹	19,244	-	-	-	-	-
Goodwill	(86,314)	(73,861)	(69,967)	(69,976)	(69,844)	(69,777)
Intangible assets (excluding mortgage servicing rights)	(12,026)	(9,923)	(8,021)	(6,684)	(5,574)	(4,612)
Related deferred tax liabilities	3,498	3,036	2,702	2,428	2,166	1,960
Adjustment related to 1/1/10 adoption of FAS 166/167	(6,270)	-	-	-	-	-
Tangible common shareholders' equity	\$ 112,368	\$ 130,938	\$ 136,418	\$ 143,956	\$ 146,081	\$ 151,733
Reconciliation of period-end common shares outstanding to period-end tangible common shares outstanding						
Ending common shares outstanding	8,650,244	10,085,155	10,535,938	10,778,264	10,591,808	10,516,542
Assumed conversion of common equivalent shares ¹	1,286,000	-	-	-	-	-
Tangible common shares outstanding	9,936,244	10,085,155	10,535,938	10,778,264	10,591,808	10,516,542
Book value per share of common stock	\$ 21.48	\$ 20.99	\$ 20.09	\$ 20.24	\$ 20.71	\$ 21.32
Tangible book value per share of common stock	\$ 11.31	\$ 12.98	\$ 12.95	\$ 13.36	\$ 13.79	\$ 14.43

- Tangible Book Value per Share utilizes an adjusted common shareholders' equity amount which has been reduced by goodwill and intangible assets (excluding MSRs), net of related deferred tax liabilities. The company uses this measure to evaluate the amount and use of equity.

¹ In 2008, the U.S. Treasury created the TARP to invest in certain eligible financial institutions in the form of non-voting, senior preferred stock. We participated in TARP by issuing to the U.S. Treasury non-voting perpetual preferred stock (TARP Preferred Stock) and warrants. In 2009, we received approval to repay the investment. We then repurchased all shares of the TARP Preferred Stock by using excess liquidity and \$19.2 billion in proceeds from the sales of 1.3 billion units of Common Equivalent Securities (CES). In 2010, the CES ceased to exist.

Bank of America



Bank of America Merrill Lynch U.S. Bank of America
America Lynch Trust Merrill Lynch